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RETROSPECT AND PROSPECT

BY FRED. W. FIELD

EIGHT hundred and eighty-four days of war have established a new pivot for the world's business. Fifteen belligerent nations, mostly guided by the master hand of Great Britain, have changed their economic systems to a war basis. International trade, credit and all things which go to make international relations have been transformed. Two and a half years ago, international currents were running one way. To-day their course is completely changed. Imagine a man walking north at high speed, followed by his neighbors, his sudden right-about-face, the confusion, the disputes and finally a procession in the opposite direction. That is about what happened in trade and finance and business when war commenced. That it could happen, and the procession continue for two years and business survive, was deemed impossible. Now the habit of war is thoroughly acquired.

The present struggle has created a war prosperity, the greater share of which is monopolized by North America. It has brought business to factories on this continent in such large volume that the ultimate effects are hard to calculate. It has changed, for the time being anyway, the geography of money markets. It has made borrowing records which a few years ago would have appalled the most optimistic banker. Belligerents are waging a war which has cost over $50,000,000,000 to date. By next August the cost will be $79,500,000,000. They have obtained $1,542,000,000 in the United States. Great Britain has voted $15,660,000,000 of war credits. Up to mid-October it had borrowed approximately $12,657,000,000 for itself, its dominions and allies. Germany has pyramided loans aggregating $11,747,000,000. France, whose credit in New York had never been used extensively, has now got United States investors to loan her $520,000,000.

What the war will ultimately accomplish for Canada in a commercial way will be subject to many conditions. Financially, the struggle has placed Canada in the arena, has changed the boy to man. This country had become a profligate borrower. Billions of dollars of British money had been imported. With it were built towns and railroads and factory plants. This capital from overseas had been coming heavily for more than a decade when the British investor figured it was time we were producing a little more from the national plant which his money had installed. To give the thought practical application, British capital just prior to the war almost ceased its travels here. As the country was beginning to get into the stride of production, the war came. It caused the Canadian borrower either to shoulder a rifle, engage in production or supply war funds.

So the nation has acquired a place in the realms of international finance. The niche may be small but nevertheless it is filled. First we have at Ottawa a gold depository of the Bank of England, involving gold shipments direct from South Africa, from Great Britain, from foreign countries, through the Canadian capital to New York. We have been able to advance to Great Britain $200,000,000 as credits here for British purchases in Canada. Great Britain has advanced us war credits of $127,000,000 or more and we can draw on another $150,000,000 as deemed necessary. The privilege is being used but little. To fund its temporary indebtedness, the Dominion government has issued Dominion bonds to the Imperial treasury. The first transaction involved $100,000,000. The bonds will not be sold but are furnishing the basis of Imperial banking credits in the United States and Canada, from which payments will be made on this side of the Atlantic. Canadian securities have been used by the British government as part of the collateral for the $250,000,000 and $300,000,000 loans placed in the United States in August and October last. When the Canadian government asked with some trepidation for $150,000,000 in two war loans, it obtained over $300,000,000. The subscriptions could have been doubled again had there been the necessity. An increasing share of Canadian securities is being taken by Canadian investors. In 1915, for example, they took over half of

the $66,000,000 municipal securities sold in that year. That was greater than the amount purchased by Great Britain in the years 1911, 1912 and 1914. Since the outbreak of war many Canadian securities held in Britain have been repurchased here. In these and other ways, the country is developing financial strength and international relations of far-reaching effect. Add to this the facts that we are well able to bear our share of the war burden, that we have great undeveloped natural resources, scope for a much larger population and a lengthy period of expansion before us, plus the strength of the British Empire, and one begins to see the reasons for the high standing of Canadian credit.

Our Credit in the United States.

That credit is chiefly of service at present in the United States money market. A few years ago we sold only from 2 to 12 per cent. of our securities there. In 1915, we sold 42 per cent. and last year about 75 per cent. This year the percentage share, based on average annual sales of $290,000,000, will probably be as large. The United States is financing our ordinary requirements. Great Britain is financing our war requirements, aside from the growing share which Canada is taking in both cases. New York is chief banker to-day and financial relations of a permanent nature between the Dominion and the Republic have been established. Whether this will continue, time will tell, but the United States will certainly take a greater share of Canadian securities in the future than it did prior to 1914.

For Canada, the conditions governing the nearest money market are therefore of vital interest. The United States since the war commenced has taken obligations of foreign nations, states, cities or have advanced commercial credits abroad to the amount of approximately $2,235,000,000. Many private credit arrangements have also been made of which there is no record and the total outstanding indebtedness of foreign countries to the United States is therefore more than the figure noted. During the war period, Canada has obtained there approximately $306,000,000 and the position across the border favors Canadian investments in every way.

In considering the improved financial position of that country, account must be taken of the great amount of American securities that have been repurchased from foreign holders since the war started. This is estimated at approximately $2,000,000,000. It therefore seems safe to assume that the international credit position of the United States has been improved to the extent of $3,500,000,000. Capitalized at 5%, this means that about $175,000,000 more is being paid annually to investors of the United States in interest and dividends than before the war.

America Will Lend.

The value of United States foreign trade during the fiscal year ended June last was $6,532,000,000. The year's export balance reached the new high record of $2,136,000,000, being practically double that of 1914 and more than four times that of 1915. On July 31st, United States exports gave that country the right to draw on other countries to the extent of $4,500,000,000. The rest of the world had a right to draw on them for $2,250,000,000 of merchandise sent to the United States and about $500,000,000 for ocean charges and interest and dividends on American securities held abroad. Of the balance of $1,750,000,000, about $450,000,000 was paid in gold and $1,300,000,000 in securities. Can the Allies borrow $1,000,000,000 more in the United States during the coming months?

Before the war, in addition to domestic securities, British citizens owned foreign securities as follows: United States, $3,000,000,000; South America, $3,000,000,000; Canada, $2,500,000,000; Africa, $2,000,000,000; Australasia, $2,000,000,000; India, $1,750,000,000, and miscellaneous, $3,750,000,000. In addition to over $18,000,000,000 of foreign securities owned by Great Britain, moreover, about $8,000,000,000 are owned in France, and by heavily taxing the income from these securities, the French and British governments can force their citizens to give up any or all desired as collateral for loans from New York bankers. Obviously the Allies have control over enough securities to enable them to borrow all the money they will need to pay for war supplies from this continent if American bankers will lend money on the collateral they have to offer.

Output of Gold Mines.

That it is certain United States bankers will agree to accept the collateral as long as they have a loanable surplus is the opinion of high authorities of the Alexander Hamilton Institute, New York. They thought it doubtful, however, in the early fall, whether the supply of loanable funds in New York and other large cities is now sufficient to cover the amount which the Allies will desire to borrow in the United States during the next twelve months. The banking laws there restrict the loans of the large city banks to about five times the amount of cash on hand, and on this basis their banks are in a position to lend less than $1,000,000,000 to the Allies, making due allowance for the needs of domestic borrowers. Therefore, if Allied borrowing to pay for war supplies during the next twelve months is to continue on the same scale as during the past year, the contention is made that it will be necessary to add further to the gold supply.

The output of the gold mines of the world during the next twelve months will probably amount to a little over $500,000,000. If we assume that half of this finds its way into jewelry, dentistry, and private hoards, and that European banks may absorb a portion of it, it is easily conceivable that banks in the United States might add $200,000,000 or more to their reserves, which would enable them to increase their loans by a billion dollars. If the government and bankers of Great Britain handle the gold situation as successfully as during the past year, it seems certain that American banks will be provided with reserves sufficient to make whatever loans the Allies need. The conclusion of United States financial students is that a combination of plentiful securities, sufficient gold, and masterful financial skill can make it possible for the Allies to buy all the supplies they may require from American manufacturers on reasonably moderate terms of credit for at least another year or two.

Dangers of Too Much.

While Canada will finance its war expenditures by domestic loans and temporary advances from Britain the facts and figures cited above are of especial interest, as our ordinary requirements will have to be financed chiefly in the United States. Gold is flowing to the United States freely. Apprehension is shown by financial authorities as to the possible dangers of inflation, speculation and panic as a result of general prosperity and the influx of vast quantities of gold. The shipments of gold to the United States since the beginning of the war in conjunction with domestic production brought the gold total in that country up to $2,636,000,000 in October, a gain in 26 months of $748,000,000. Between January and

October last, the increase in the country's stock of gold was over $850,000,000. The British government loan offering of $300,000,000 in October had not been in contemplation for that moment, but the prevailing ease of money and the difficulty which the banks are having in profitably employing their funds led Morgans to indicate to the British government that it was a favorable time for it to establish additional credits in America, even though such credits might not be immediately required. Accordingly, the British treasury accepted the views of the American bankers and authorized them to proceed.

This significant statement was made by the bankers responsible for the issue: "The British treasury has of late renewed its shipments of gold to this country upon a large scale. This continued influx of the metal has caused some concern in the banking community, and it is believed that the issuance of the proposed loan will tend to cause at least a temporary cessation in gold imports."

As gold piled up in the United States, leading bankers declared such heavy importations of gold undesirable because they are not required for the purposes of carrying on the normal business of the country, and if used as the basis of credit are likely to bring about debt expansion of dangerous proportions. The advisability of making further foreign loans was strongly urged. American bankers declared that the United States is doing business under conditions which are calculated to encourage people to go into debt. With money easy, interest rates low, and profits from business unusually large, there is naturally great temptation to borrow money to buy stocks of companies that are making phenomenal earnings and to enlarge industries which are prospering. High prices for farm products encourage farmers to buy more land. In short, gold biliousness has its dangers. Should there be a serious financial disturbance in the United States market, the sales of Canadian securities there would naturally be affected. Great Britain has mobilized and resold to the States at fairly good prices many hundreds of millions of American securities. The suggestion has been heard that in the event of a Wall Street panic many of these securities might return to London at reduced prices.

Trade and Loans.

British capital in Canada is approximately $2,914,000,000. United States investments being about $637,000,000. Generally speaking, no great effort seems to have been made by British manufacturers and bankers to further Canadian trade specifically through the medium of British investments in Canada, although there have been exceptions. The matters of trade and loans apparently have been allowed to take their natural courses without an attempt being made to obtain new business as a result of new loans. The British investor hitherto has been largely content to invest in Canadian securities which bring him a fair income, give him little risk, but do not secure for him control of the enterprise in which his funds have been placed. The case of United States is different.

The bankers and manufacturers of that country have in many instances combined their efforts so that when the banker has arranged a loan to a Canadian borrower and the funds are to be used, say, for the installation of plant or machinery, there is an excellent prospect, or even a definite arrangement, that the plant or machinery in question shall be purchased in the United States and probably from a certain manufacturing firm. This practice has been in evidence even when the share of Canadian securities purchased by United States banking houses has been small compared with the share purchased by British houses. Our neighbors are likely to make the most, commercially, of the largely increased share of Canadian bonds which they are purchasing.

Finance and the Empire's Units.

While tariffs and commercial arrangements among the Allies are matters to be determined, financial transactions have already closely interwoven the interests of Great Britain, the overseas dominions and the allied countries. The results will probably be more substantial than we can foresee now. Of Britain's total indebtedness on March 31st of £2,440,000,000, the nation is entitled to deduct £800,000,000 loaned to the Dominions and the Allies. Britain is receiving the interest on that amount and the loans will besides prove an important commercial factor after the war. In Canada, with its strong British sentiment and important financial relations with the Imperial government, there is likely to be a strengthening of the commercial ties as there has been of other ties.

The issue of Dominion bonds to the Imperial treasury, mentioned previously, is an indication of financial co-operation among the units of the British Empire. The natural furtherance of this idea is into trade and commerce. Another similar indication was the pooling of the gold reserves of the Allies last fall. Britain, which has assumed a rôle of banker to the Allies, and which has performed a pivotal part throughout the war in many other directions, arranged with France, Russia and Italy to pool gold holdings in order to render their collective financial position still more solid. France, for example, placed gold at the disposal of the British treasury as a loan and the British treasury opened in London credits in pounds sterling in favor of France. The gold loaned by France will return to the Bank of France after the war.

With such transactions it is not unreasonable to expect joint action when the war loans of the overseas Dominions come to be liquidated. The British method may be to issue one great Imperial loan covering all the loans that Great Britain and Canada, Australia and the other dominions have floated. This could be raised perhaps at about 4 per cent. Necessarily it would have to be a long-term loan, say, for 50 or even for 100 years, but in that way the problem might be settled to the satisfaction of all parties. It would have the effect of relieving the immediate pressure when some of these loans would have to be met in the usual way. A loan issued by the British Empire would be considered the world's best investment. Behind it would be the natural resources, the sound financial methods, the wealth, the credit, and the citizens of an Empire which has proved itself to have the material and moral assets which give safety to the securities issued by a people.

Canada's National Financing.

Canadian national financing has been carried on satisfactorily. During the first half (to September 30th) of the current fiscal year which will end March 31st next, the national revenues increased approximately $30,000,000 as compared with the corresponding period of the previous year. The largest proportion of the increase was due to customs revenue. The net debt between September, 1915 and 1916 increased $200,000,000. Our share of the war cost $60,000,000 more than it did for the first six months of the previous fiscal year. The national revenue at the end of the current fiscal year will be well over $200,000,000 and that will allow the application of $50,000,000 against the principal outlay on war account after all interest

charges have been settled. Through the profits of a much larger production and export trade, of national and individual economy and the guidance of a capable finance minister and the Canadian bankers, the nation's finances in these strenuous days have been handled in such a way as to enhance considerably our already high credit abroad.

From April 1st, 1916, to March 31st, 1917, the Dominion government will raise by way of loans, from $200,000,000 to $225,000,000. The loan negotiated in New York in March accounted for $75,000,000. Taking the maximum possible requirements of $225,000,000, there was still to be raised during the present fiscal year $150,000,000. Assurances were given by the federal government in connection with the $75,000,000 New York loan that no further offering would be made in the United States during the calendar year 1916.

While Sir Thomas White has made an arrangement by which he can draw upon an authorized credit of $150,000,000 established by the Imperial government, the Dominion government will endeavor to utilize this credit as little as possible. The issue of the September war loan of $100,000,000 left a sum of $50,000,000 still to be raised in order to make up the total loan requirements for the current fiscal year. This loan will probably be raised in New York early this year.

War-Time Policy.

The Dominion government has declared its financial policy in war time. With a country such as ours, rich in potential resources, certain of future development, and great expansion of production and population but without at present large accumulations of wealth, the government assumes that the nation is justified in placing upon posterity the greater portion of the financial burden of this war, waged as it is in the interests of human freedom, and for their benefit in equal if not in greater degree than for our own. "Canada in future years of peace," the finance minister has said, "with the prosperity which will be her heritage from the development of unbounded resources, will be well able to meet the interest and sinking fund charges upon such debt as we shall be obliged to incur in defence of our country and its liberties."

Should our indebtedness on account of this war reach even $1,000,000,000, with annual interest charges of $50,000,000, these charges, with a substantial amount added yearly for a sinking fund, could be met provided strict economy be practised by governments, from the future revenues of the Dominion. In national finance, if debts can be funded, the practical question is that of payment of annual interest. But while this is so, the fact must not be overlooked that debt is debt, a financial obligation and burden upon the body politic, whether owed to investors at home or abroad. The magnitude of the liabilities which we are assuming or the gravity of the financial considerations involved in our participation in this great struggle, are not under-rated. The people of Canada desire the government to put forward the maximum of effort in the cause, and they will, both for the present and the future, be prepared to bear cheerfully whatever burdens may be entailed upon them in consequence.

In connection with taxation, there is a feature which the government is also bearing in mind, namely, that Canada is a country inviting immigration and is not likely to become a country of heavy individual taxation. The Dominion's settled policy is that in providing its war expenditure, resort will not be had to taxation upon the farms, personal effects or incomes of those engaged in our great basic industry of agriculture.

Trade and Commerce.

The surprising change in the trade balance which commenced shortly after the war, has continued. The excess of merchandise imports over exports in 1913 was $275,000,000. Imports commenced to decline then as a result of the general slackening of activities. Early in 1914 the unfavorable balance was reduced to $180,000,000. After a month of war it was down to $63,000,000. Imports continuing comparatively small and exports increasing, both on account of war orders and of heavy agricultural shipments, the trade balance had changed by the end of September, 1915, to a favorable one of $100,000,000. By September last, this had increased to $367,000,000. Thus in about four years, an adverse trade balance of $300,000,000 has been converted into a favorable balance of $367,000,000, a change involving $667,000,000. The position of the trade balance at the end of September is clearly shown in the following figures:—

Twelve months ended September 30th. (In millions of dollars).

Merchandise.	1913.	1914.	1915.	1916.
Imports	683	531	417	685
Exports	408	468	517	1,052
Unfavorable balance ...	275	63	...	...
Favorable balance	...	...	100	367

The nation's annual interest charges payable in Great Britain and the United States are approximately $195,000,000. Deducting this sum from the $367,000,000 balance, there is still a favorable item of $172,000,000.

During the year ended September, 1914, our imports were $532,000,000 and these were increased last year to $685,000,000, due partly to insufficient economy and to imports in connection with war orders. In the same period, our exports increased from $468,000,000 to $1,053,000,000. Imports thus increased by 28 per cent. and exports by 103 per cent. This position has had a healthy effect on Canadian business.

The figures relating to imports and exports of coin and bullion for the 12 months of 1914 totalled $61,000,000. For the two years ended September, 1915-1916, the aggregate was $635,000,000. The striking change in these figures is due to the operation of the Bank of England's gold depository at Ottawa. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada.

Our Best Customers.

For many years, the United States has about 60 per cent. of our import trade, but Great Britain has been our best market. We have been borrowing money in the United Kingdom and selling most of our merchandise there, but we have been buying the greater part of our purchases in the United States. In 1914, the United States sold us nearly 64 per cent. of our purchases and bought about 20 per cent. of our bonds. In the same year, only about 22 per cent. of our imports came from Great Britain which purchased over 68 per cent. of our bonds. Of our exports, 40 per cent. were sold in the United States and 45 per cent. in the United Kingdom. The advent of war has changed the position. The United States is now not only Canada's biggest merchandise seller, but is also the biggest buyer of our securities. British exports to Canada have decreased because in many lines Britain is not now in an export position. United States exports to Canada have de-

creased largely because there is little need at present for the construction materials which were imported in recent years in heavy volume. In short, the United States is as usual selling us most, and is now lending us most money, but Great Britain is still our best market. Previously, Great Britain bought most from us, loaned us most money, leaving United States to sell most to us.

The imports from the two countries for the past three years were as follows:—

Fiscal year.	Great Britain.	United States.
1913-14	$132,070,000	$395,565,000
1914-15	90,158,000	296,632,000
1915-16	77,370,000	370,497,000

Canadian purchases in the United Kingdom were restricted by the disturbance of producing conditions there and by the disarrangement of transport facilities, particularly in the first months of the war. Last year 73 per cent. of our imports came from the United States. While there was an increase of Canadian merchandise sent to the United States, the result partly of a more liberal tariff policy on the part of our neighbors, the great increase was with Great Britain. The figures for the past three years are:—

Fiscal year.	Great Britain.	United States.
1913-14	$215,253,000	$163,372,000
1914-15	186,668,000	173,320,000
1915-16	451,852,000	201,106,000

Great Britain took over 60 per cent. of our large volume of exports of the past fiscal year, and the United States 27 per cent. The circumstances that so increased the demand for Canadian products in Great Britain operated also in the case of France, Italy and Russia, to all of which the exports reached unusually high figures, France taking $33,703,000 worth, Italy $6,572,000 worth, and Russia $4,874,000 worth. During the current year these figures will probably be exceeded.

Great Britain is likely to try to sell more in this market from now onward. The sentiment is in favor of stronger trade relations. For the volume of trade to be increased, it is necessary not only for greater attention by British firms to this market but it is necessary also that a number of obstacles to British trade in Canada, such as rules regarding the valuation of packages, valuation for duties, bonding and warehousing, dumping, etc., should be modified. This can be done with strict regard to the interests of Canadian manufacturers and with advantage to British trade here as against that of foreign countries.

Export Trade and War Orders.

The basis of our increased export trade is the placing of war orders here. To date, their value has been conservatively estimated by the writer at $1,095,000,000, $600,000,000 of which represent shell and similar orders. The effects of such a large volume of new business and in new channels are important. In two years our export trade has more than doubled. New markets have been opened to Canadian producers. From the profits on these orders, many industrial corporations have been able to pay off bank overdrafts, to finance without bank loans, to pay accumulated dividend arrears, to initiate dividends and to build up substantial reserves. Employment has been available at high wages to all those who sought it. A class of skilled mechanics, able to work to a fine fraction of an inch on war orders, has been created and will prove of value in manufacturing new lines for a peace market. These are some of the results of war order business which has meant, for example, export to the United Kingdom for several months past of Canadian products to the value of $2,000,000 a day.

Of our merchandise exports for the 12 months ended September of $1,053,000,000, agricultural products accounted for $396,000,000; manufactures for $361,000,000, and animal products for $111,000,000. During the 25 months of war to September, Canadian exports of mineral products increased 35 per cent.; of the fisheries, 20 per cent., and of the forests, 28 per cent. In the same period, exports of animal produce increased 79 per cent.; agricultural products, 65 per cent.; manufactures, 473 per cent. Miscellaneous exports which were less than $250,000 at the war's commencement had increased by September to $8,000,000, a gain of 3,514 per cent. Our war orders per capita have been about $150. Add to this, the large crop of 1915, the high prices for all products, and the foundation of the present prosperity is evident.

Export Trade After the War.

What will our trade returns look like a year after peace? What will take the place of war orders? How far have our manufacturers and banks used the medium of war orders for the extension of trade when war ceases? Those of our manufacturers who are inclined to believe that new markets will be opened and old ones extended for them by the magic of legislative action, will be disappointed. Legislatures may be able to help pave the road to greater trade but the manufacturer must push himself along the commercial highway. The work, in the aggregate, of individual manufacturers throughout the Empire, and not legislation, will prove the most serious obstacle to the progress of enemy trade after the war. Canadian manufacturers should be cultivating the domestic market and planning a greater export trade. This perhaps is being done in individual cases but a combined movement of any weight has yet to be seen. We have much to learn about export trade. Everything should be done to encourage Canadian purchasing power. Home demand may be stimulated by good quality and proper prices.

Certain factories not employed on war orders are working at only part capacity. These will benefit in due course by economy in operation, the obtention of new markets, and from a policy of well selected immigration which will place men on the land, creating a greater demand for factory goods. There should, however, be a national movement directed to the maintenance of as much as possible of our present substantial export trade. The marketing of our surplus requires some careful planning and hard work.

Banking and Exports.

The report from London that powerful banking and financial interests were taking up the formation of a large industrial bank, said to be capitalized at $50,000,000, under the auspices of the British government, is proof of the determined efforts on the part of European countries, especially the Allied nations, to cope with world competition in commence following the war. This proposed British industrial bank is along the lines of the American International Corporation organized in the United States in 1915. While the chartered banks of Canada have many agencies abroad, no such organization as that announced in Great Britain has been discussed here. Canadian banks, however, already have important financial connections in Great Britain, the United States, the West Indies and elsewhere. Our bankers have discussed the possibility of extending and multiplying these

connections with a view to encouraging greater export trade from the Dominion. A Canadian bank has taken a facilitate Canadian-Italian business. Similar steps in other directions are probable.

The growth of German trade and industry has been ascribed largely to its enterprising banking system. Most of the large German banking institutions have on their staffs or at their disposal highly trained commercial and technical advisers, who are able to report on any well-founded proposal for the development or extension of a commercial undertaking. If in the opinion of these experts the enterprise is a favorable one and shows probabilities of success, the German banks have invariably shown their willingness to lend financial assistance; their co-operation often resulted in the flotation of a company, in which the bank concerned retains a controlling interest.

Industrial Plant at Full Speed.

Students of the Canadian industrial situation are practically unanimous in the conclusion that the operation of the nation's industrial plant, has been somewhat haphazard. Capacity has been considerably ahead of annual production. Export trade has been sought when domestic business has been poor. Export trade has been neglected when home demand was substantial. During the past year, a larger proportion of the industrial plant was actively employed than ever before, utilizing an increasing quantity of domestic raw materials. The value of the national output in 1916, with the greatest production on record at high prices, will be the biggest to date. The value of Canadian manufactures in 1910 was $1,164,000,000. With the conditions prevailing last year, the value of the product will be at least $2,000,000,000. That is a conservative sum, especially when we take the Canadian manufacturers' estimate of $1,400,000,000 as representing three years ago their factories' output. That means an output on the average of $116,000,000 monthly. Assuming that the value of war orders is $1,095,000,000, such orders would keep our entire industrial plant busy for about nine and a half months. Here again enters the factor of working to capacity and marketing the surplus after satisfying the home demand. Most of the nation's industrial plant is operating under the pressure of accumulating orders and this will continue well into 1917. Munition orders are placed into next summer. But Canadian manufacturers know that they cannot depend upon war orders for permanent prosperity.

The increased tariff, in effect early in 1915 as a war revenue measure, is still a subject of divided opinion, but it has brought into Canada further branch industries from the United States. About 50 companies in the neighboring republic have, since the tariff announcement, arranged to establish branch plants in this country, apparently finding it difficult to compete in Canada under the new tariff. This movement means the employment of additional capital and labor here.

Tonnage Losses and Shipbuilding.

The number of merchant ships destroyed during the 25 months of the war to the end of October is estimated at 1,823 with a total gross tonnage of approximately 3,328,584. The Allies bear 75 per cent. of those losses. Great Britain is making strenuous efforts to maintain and increase her fleet of merchant ships. At the end of October there were under construction in British yards 469 vessels with an aggregate tonnage of 1,789,054.

While a number of vessels have been released from war service they are a small unit compared with the demand for tonnage. Much of the new shipbuilding both in belligerent and neutral countries, is being applied to war vessels. In due course there will have to be heavy construction of new tonnage for mercantile purposes. Some shipbuilding is being done in Canada, chiefly in Nova Scotia, Ontario and British Columbia. The last-named province is filling orders for about $5,000,000 of ships. The basis for the encouragement of a national shipbuilding industry is being considered by the Dominion government. The destructive effects of the war on the world's shipping will require at least ten years to repair.

Value of the Crops.

The effect of the best crops in Canada's history, harvested in 1915, were felt during the past year. Last year's production of wheat, oats, barley and rye was considerably less than in the previous year, and less than the average of the five years 1910-1914. This is shown at a glance in the following table, given in bushels:—

	1916.	1915.	Average, 1910-1914.
Wheat	159,123,000	336,000,000	196,000,000
Oats	338,469,000	481,000,000	343,000,000
Barley	32,299,000	50,000,000	41,000,000
Rye	2,058,000	2,300,000	2,080,000

The current prices of our chief cereal products, however, are high and the value of these crops will be from 30 to 40 per cent. above the average of the past five years. Considering the price factor, we garnered last year a crop of good average value. The crops make a substantial contribution to the total sum of primary production of wealth. Last year, their value was $845,000,000 compared with $797,000,000 in 1915. In 1913, the value received from our field crops, forests, mines and fisheries, was $907,311,000; in 1914, $975,380,006; in 1915, $1,138,908,671, and last year $1,241,029,350.

Immigration, Past and Future.

During the immigration season of 1915, April to October, there was a decline in the immigration volume of 74 per cent., compared with the previous season. Last year, there was an increase of 42 per cent. We received a new population of 46,156 in those seven months of 1916, a gratifying factor. Of that total, 35,750 came from the United States, 6,610 from the British Isles and 3,796 from other countries.

Allowing for the British immigrants cash of $100 and settlers' effects, $50; for United States immigrants, $500 cash and settlers' effects, $350; for continental immigrants, 10 cash and $5 settlers' effects, per capita,—conceded by the immigration authorities to be a very fair average estimate, these 46,146 settlers have brought into the country a sum of over $31,435,940. But the value of the immigrant is not in the money he brings to this country. It is his value as an active citizen, an additional producer of wealth and a unit of purchasing power. Consisting as it does largely of agriculturists, the movement of settlers from the United States to the Dominion is encouraged by the Canadian government. With the outbreak of war and the consequent disorganization of the Atlantic steamship service, immigration to Canada from the mother country and continental Europe is not of such large volume.

Opinion is still divided as to how soon after the war an immigration movement will commence and as to how large that movement is likely to be. There should be a movement of some consequence, partly pushed forward

by the desire to escape European devastation and taxation, by the fact that present rovers in European lands may want to rove still more and taste American life, and by the wish to take up free agricultural lands. The movement may be retarded by the demand in Europe for labor to rebuild where war has destroyed and to cultivate lands which armies are stamping.

Lord Shaughnessy estimates that the available transportation facilities will not be able to bring back 200,000 Canadian soldiers from Europe under 10 months. That would prevent dealing with any considerable volume of British or European immigration unless special measures were taken to handle it. Many authorities anticipate a substantial volume of immigration from the United States for the next 10 years. The opinion is widely held that the manhood of the belligerent nations will be required at home.

The number of new settlers is not as important as their adaptability and the arrangements provided here for them. The settler should be placed on the land and given assistance to enable him to carry on his work successfully for the first two years. The day of pioneer clearing of heavy bush land has passed. The ready-made farm with the right type of settler constitutes one of the best assets of the State. Lord Shaughnessy has very properly pointed out that a mistake to be avoided is the sending of newcomers to far-off rural districts.

After the War.

In considering probable conditions after the war, we may recall again the prediction of Mr. Lloyd George in November, 1914, that during the war and the period of reconstruction which would follow it, there would be no competition in the neutral markets of the world, except from America, and that therefore England would command those markets. He looked forward to a period of four or five years when the manufacturers of Great Britain would have an artificial stimulus because of the abnormal conditions. When that period was over, the country would be faced by the most serious industrial situation it had ever had to face, as capital would be exhausted, and customers crippled and their purchasing power depressed. He hoped that there would be a great reduction in the cost of armaments after the war, but predicted that even for the first few years the country must expect heavy increased charges for interest on the sinking fund, separation allowances and pensions.

Conditions after the war naturally depend largely upon its duration and the exhaustion of the belligerents. The first few months after the cessation of hostilities may be quiet business months everywhere, but most authorities think that great trade activity will follow that short period.

What We May Expect.

That the following developments may be expected by business men of this continent after the war is the opinion of the National Foreign Trade Council of the United States:—

(*a*) Cessation of war demand and prices for munitions, reduction of prevailing high prices for exported foodstuffs and raw materials by reason of restored European competition, normal transportation and international movement of raw materials.

(*b*) Resumption of normal European competition in home and neutral markets by reason of return of soldiers to industry and the lifting of military embargoes from exportation.

(*c*) Renewed activity of European export and import combinations with increased governmental support and possibly preferential tariff and navigation arrangements under economic alliances.

(*d*) Renewal, as rapidly as business conditions and national, or even international, fiscal policy will permit, of European investment in neutral markets, the most effective method of creating a foreign preference for merchandise of leading nations. European war finance has been moulded to protect trade-winning foreign investments; their nourishment will not be neglected with peace.

Against these factors are set the demands of renewed peace activities, return of confidence, demand for materials for immediate reconstruction of devastated districts and revival of development enterprises.

Europe's accustomed instrument for these activities will be co-operative effort beginning with cartels and trade associations of producers, manufacturers, exporters and bankers reinforced by the backing of the State, and, unless the discussions with which industrial Europe now vibrates shall fail, supplemented by economic alliances succeeding the war alliances now in force.

In Canada, there may be a certain amount of depression, following the cessation of war orders. This period may continue until ordinary business orders have been given in some volume and a general readjustment of industrial conditions has taken place. Then probably will come a period of activity.

Entering the New Year.

In the meantime, the new year has commenced with industrial plant working at capacity, with export trade increasing, with a substantial volume of orders placed for delivery well into 1917, with a fairly good crop at high prices and with all before us in the development of a country of vast natural resources and of an united Empire. The outlook here is for continued prosperity. There are dangers in this position. The country has not yet done full penance for the economic sins of past years. In our present prosperity may be future depression. There should be confidence in the national situation, but not over-confidence. Sane faith there should be, but not unbridled optimism. Many of our troubles in past years were caused by the loss of commonsense and of business perspective. Those attributes must be in full evidence now. If not, the hard bumps we deserved, and but for the war would have got, will come even yet. This is the psychological moment to formulate and put into practice national plans for the period to follow the war. Lack of foresight in these days will pay the full penalty when peace comes. Only by looking ahead, planning and working now will the difficulties of economic readjustment after the war be mitigated. There are problems of labor, immigration, production, marketing, and so on. Our federal government has a great responsibility in seeing to it that in this critical time, it has the active, practical assistance of the nation's business men to help solve those problems and to plan for the future.

The change from peace to war gave the world's business a bad jolt. The change from war to peace should be easier. Peace should prove a good foundation. Militarism will be under heel. Trade and credit and finance and men and industry have achieved extraordinary feats of adaptability to new conditions, feats of which prophets would not have dared to dream. With that experience, nations whose manhood and economic systems have survived this severest test of all, will not be appalled at the so-called difficulties of peace.

Canadian Government and Municipal Bonds

Since the commencement of the European war, municipalities throughout Canada have effected a material curtailment in their expenditures, and during the coming year an even more stringent policy of retrenchment may be expected.

SAFETY OF PRINCIPAL

is the first requisite of a satisfactory investment. During a disturbed period, such as the last two years and as now obtains, it is even more important to invest in securities of undoubted safety.

Leading issues can now be purchased to yield a very favorable interest return. Investors can place their money in absolute safety and still obtain as high an income as could be secured from less safe investments.

Write now for a copy of our latest Bond List, which contains particulars of offerings such as the following, obtainable at prices to yield from

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Dominion of Canada Stock	5%	1919	5%
Province of Nova Scotia	5%	1926	5%
Province of Quebec	5%	1926	5%
Province of Saskatchewan	5%	1925	5¼%
Province of British Columbia	4½%	1925	5.30%
City of Toronto (Harbor Commissioners)	4½%	1953	5%
City of Montreal	5%	1956	5.05%
City of Montreal Protestant School Commissioners	5%	1946	5.10%
County of Lanark	5%	1922-1926	5.10%
County of Lincoln	5½%	1936	5.10%
County of Simcoe, Guaranteed (Orillia)	5½%	1917-1946	5¼%
City of Niagara Falls	5%	1917-1926	5.30%
Town of Renfrew	6%	1917-1946	5⅜%
Greater Winnipeg Water District	5%	1921	5.20%
City of St. Boniface	5%	1930	5¾%
City of Lethbridge	4½%	1941	6%
City of Swift Current	6%	1943	6%
City of New Westminster	5%	1945	6%
Municipality of Burnaby	6%	1931-1935	6%
Municipality of Point Grey	5%	1953	6%

The above issues have been purchased only after thorough investigation, and are suitable for the most conservative investor. Legal opinion will be furnished with every sale.

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MONTREAL SASKATOON NEW YORK

Canada's Premiers Write of the Outlook

Heads of the Canadian Provinces Tell of Past Development, of Future Plans, and of Linked Arms with Other Units of Empire

PRINCE EDWARD ISLAND

Prince Edward Island

By Honorable J. A. MATHIESON Premier.

THE people of Prince Edward Island have abundant cause for thankfulness that the year 1916 has been to them one of general health and prosperity.

Mixed farming, which is our staple industry, has been rewarded by abundant field crops and a good average yield of live stock, poultry and dairy products, which, with but few exceptions, have commanded record prices. Never before was the total value of our agricultural exports so large as last year.

Our fisheries, which have large possibilities of future expansion, last year gave about the usual annual value of production.

In our fur farming the production of valuable young silver black foxes was greater in number than ever before. This industry has now settled down to a basis of fur production from which the fever of speculation which has prevailed in the past years has been eliminated, and it bids fair to be permanently profitable when the return of peace shall restore normal conditions of trade and industry.

Our manufacturing industries, while limited in number and not sharing to any considerable extent in war contracts, have made some progress during the year, to be noted in the increasing output of woolen fabrics at Tyron and the production of brick and drain tiles which has been undertaken at Richmond.

The operations of the steam plant established by the provincial government at Midgell for dredging and distributing mussel mud has been conducted on an extended scale during the season, some 1,300 carloads against 750 carloads in 1915 of this valuable fertilizer having been excavated and distributed over the eastern and central sections of the province. The demand still continues to exceed the supply and there is every indication that this novel enterprise is proving to be of great and growing benefit to the farming community.

The early opening of the car ferry between this province and the mainland is awaited with great interest. The terminal harbors at Cape Traverse, P.E.I., and Cape Tormentine, N.B., which have been under construction during the past two years by the Dominion government, are now far advanced toward completion, and the ferry steamer which is of great power and proved ice-breaking capacity is ready to undertake the work. At this writing there is some hope that the new route may be partially operated during the present winter. The terminals on the island and mainland are but seven nautical miles apart. The prospect of continuous daily service for mails, passenger and freight by this new and much shorter route across the straits has aroused the most lively interest amongst our people and gives renewed hope to every line of industry and trade within the province.

Our people, who have suffered great sorrows and bereavement by the casualties of the war, are still unanimous in their voice for the continuance of the struggle which they firmly believe must result in the triumph of our country, her brave allies and the cause of liberty and humanity, for which so great sacrifices of blood and treasure have been made.

J. A. Mathieson

BRITISH COLUMBIA

British Columbia

By Honorable H. C. BREWSTER, Premier.

THE period of incumbency of the Liberal government has been so brief that I shall be excused from making definite statements as to early developments, however reassuring the prospect and promise of the future remains.

Grave problems confront both government and people. These chiefly have resulted from two causes. The first is that the whole range of activities—whether commercial or industrial—is in a transition stage. The period of exploitative development has ended and stable citizenship represented in every class, has awakened to the necessity of basic development of the natural resources of British Columbia as the foundation of permanent prosperity. Important railways have been projected and partially completed, thus furnishing means of transportation which prepare the way for expanding settlement and increased trade incident thereto. The entire citizenship

(See page 49 for article on New Brunswick by Hon. G. J. Clarke, Premier.)

of the province has turned toward this with a determination that augurs well for the future.

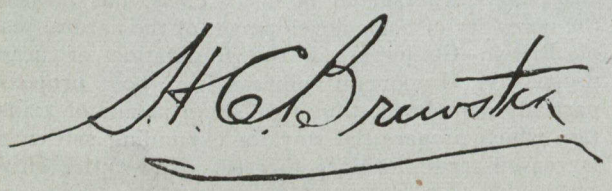
The prolonged European struggle, coming when it did, added to the complication of problems of reorganization, while the paucity of tonnage temporarily has demoralized those industries dependent upon water shipping for their activity. The heavy draft made upon productivity by the necessities of the war, and the willing, prompt and numerically large enlistments of men have necessitated a readjustment of industrial and other conditions such as was not anticipated. The feature of the situation which justifies optimism is the fact that these conditions now are understood thoroughly and are being attacked resolutely with careful study and unwavering conviction that the new order to be established by a readjustment of the business prospects of the people will rehabilitate prosperity on firm foundations.

The government has applied itself to the task of ascertaining, with some approach to definiteness, the tangible assets of the province, a public statement of which is necessary in the general interest. The government also will undertake to investigate and apply practical, modern methods to assist in transforming its natural resources into such products as will increase the fixed wealth of the province, secure its more equitable distribution, and afford employment for an anticipated influx of immigration after the war. This must be brought about by agricultural settlement and industrial initiative, both of which the government will encourage.

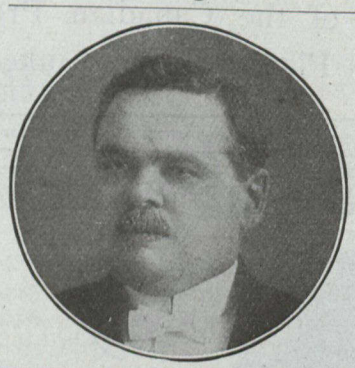
The sympathies and practical assistance of both government and people will be exercised to enable returned soldiers to find a place compensating their sacrifices. Complex as this problem is and requiring co-ordinating and interprovincial action, British Columbia people will support the government in carrying out any scheme which will enable returned soldiers to take a proud place in our citizenship in every adaptable activity.

The social and provincial life of the provincial community will be affected by the restoration of a larger degree of democracy than has prevailed. The government is pledged to give to municipalities a greater measure of autonomy in the election of various municipal commissions while the coming into effect of the Women's Franchise Act will grant all privileges of citizenship to women on equal terms with men and will bring to the solution of important economic problems the assistance of the sex hitherto debarred from responsibility in these matters.

No feature of the situation is surprising. They all inevitably result from the geographical location of the province, from the character of the immigration which had come in to constitute its population, from the view both government and people have taken of the various methods of bringing about prosperity, and from sane conclusions arrived at after years of experimentation. While the future must witness a re-creation, this will come about chiefly because every fibre of the mentality of the people has become saturated with conviction that natural wealth and its transformation are the only basis of real prosperity and with an equally essential determination to build from these foundations.



QUEBEC



Quebec

By
SIR
LOMER GOUIN,
Premier.

THERE is, happily, no check to be recorded to the progress of the province of Quebec in material prosperity, which continues to be marked by healthy regularity, constant improvement and steady growth.

Our ameliorations are many; and among them, I refer in the first place to the improvement of our country roads, which has attained considerable importance during the last four years, and for which we have already spent a sum of several millions of dollars. We have now the splendid main arteries connecting Quebec with Montreal, and Montreal, Quebec and Sherbrooke with different centres of the American republic. A very large number of our counties enjoy the advantage of first-class municipal routes, and the good roads movement is more popular to-day than ever.

In the second place, I may mention the great water storage projects which we have undertaken at the head of two of our principal rivers, for the purpose of regulating the supply of water, of adding to the force of our hydraulic powers, and of encouraging the industries dependent upon them.

I may also refer to the reforms which we have adopted for the protection of our forest wealth and to the excellent results which we have obtained. But as my space is necessarily limited, I prefer to show you in a rapid sketch, something of Quebec's development from the triple standpoint of population, of industry and of agriculture.

According to the statistics of June 30th, 1915, our population then numbered 2,321,137 or an excess of 320,000 over the federal census of 1911, indicating that from 1910 to 1915 the increase was almost as large as it was during the decade of 1901 to 1911. If this growth of our population continues in the same proportion until the next decennial census, Quebec will count not less than 2,600,000 souls in 1921.

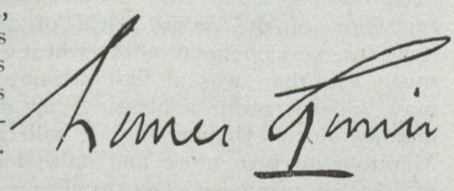
Our mining industry is a progressive one. The increase in the output of products properly called those of the mine,—copper, lead, zinc, chrome, magnesite, etc., has been 32 per cent. over the production of 1915. As to asbestos, I may recall the fact that the province of Quebec produces 90 per cent. of the world's supply, and that in 1915 we exported 115,000 tons of this mineral.

The existing crisis in paper has brought many anxious enquiries to Quebec, whose inexhaustible forest wealth is now in evidence everywhere. It is worthy of remark that nearly half the pulp mills in Canada are situated in the province of Quebec, and that according to the statistics of 1915, our forests have furnished as

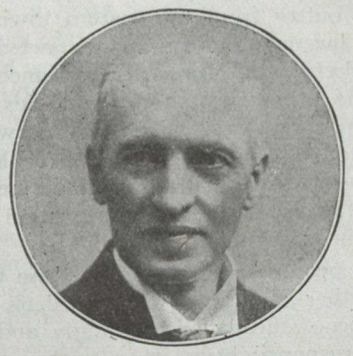
many cords of pulpwood as those of all the other provinces of the Dominion combined. As a great manufacturer recently remarked, the hour is not, perhaps, far distant when Quebec will become the greatest paper manufacturing centre of the universe, to which consumers of every land will have to come for their supplies. At all events the paper industry in the Province of Quebec has before it, beyond any question of doubt, a very brilliant future.

From the agricultural standpoint our progress is equally apparent. Both the perfecting of the methods of culture and the improvements made in the manufacture of our dairy products have given, and daily continue to give, the best results. Our farmers live in ease and comfort, and their prosperity ought to contribute largely to the success of the "return to the land" movement, in which all our provinces, and in fact all the countries of the world, are so much interested to-day. Towards the solution of this problem we have given special encouragement to agriculture and colonization, and it is with a very legitimate satisfaction that we note the importance already assumed by the newest of our colonization centres,—that of Abitibi.

To sum up, I am glad to be able to assure you that the old province of Quebec is in a very satisfactory economical position, and that there is no doubt that this condition of affairs will continue during the year 1917.



ALBERTA



Alberta

By Honorable A. L. SIFTON, Premier

DESPITE two years of war and the general financial disturbance and stringency created at its beginning, a survey of our conditions to-day satisfies me that there has been a very distinct gain to the general credit of our province during the past year which is further safeguarded in no small degree by the results in operation of a new law which strikingly marks the history of the past year in Alberta, banishing forever the liquor traffic within our province.

A bountiful harvest last year with good prices for the products of the farm accompanied by favorable conditions in every line of industry gave us a prosperous year.

While the awful war still continues abroad and has drawn into its vortex thirty thousand odd of our best blood and brawn, last year we reaped another harvest second only in quantity and quality to our phenomenal yield of 1915. Although the weather has not been so propitious for its garnering as in 1915, the grade consequently being lower and the yield a little less, the prices have so advanced that our farmers will in all probability receive a greater reward for their labor than ever before in the history of the province.

Alberta is an agricultural country and though its future history will witness a wonderful development in those industries dependent upon extensive mineral resources, the calling of the farmer embracing grain culture and live-stock breeding will never fail in a land that possesses the soil and climate of the foot-hill province of the West.

The importance of Alberta to Canada lies in the fact that it has limitless quantities of land for the settlers from every part of the Empire and the United States. Recent railway development in Alberta has opened for settlement more agricultural land than is possible in any part of America. The trek of the American farmer after the golden sheaf has begun and will continue until all the homestead and cheap land is taken up. Agriculture to-day is witnessing a great revival—the new farmer has come with his crop breeding, soil chemistry, applied physics and economics. Nowhere will the new agriculture be attended with more fruitful results than in the new province of Alberta.

For the sake of convenience we have divided our province into three broad geographical divisions: Southern Alberta, embracing the area within which lies the famous Bow River Valley where there has recently been constructed the greatest irrigation enterprise in America, and the second largest in the world; Central Alberta, which includes the higher Saskatchewan Valley; and Northern Alberta, stretching to the north from Athabasca. All vary considerably in physical and other characteristics, as might be expected in a country extending 750 miles from north to south.

In the south is a treeless region comprising about one-third of the whole area of the province, where the country is open. The land is easily cleared and prepared for cultivation. It is rich in humus as well as deeper and blacker than the soil of the treeless prairie to the south, and will stand years of cropping before it shows any signs of diminishing fertility.

North of Edmonton, which city is considered to be a northern one as Alberta is known to-day, but which is still some distance from the geographical centre of the province, lies a vast stretch of country not yet surveyed but comprising more than 50 per cent. of the whole area of the province, where sufficient cultivation has already taken place to establish the fact that the soil is similar to that of Central and Southern Alberta.

This region is one of great rivers, lakes and forests, containing the immense valleys of the Athabasca and Peace Rivers, with enormous tracts of open prairie that make it rank one of the finest stretches of territory in the province. There are open terraces of the Peace River Valley which are destined in the future to provide homes for huge aggregations of settlers, which are already pouring in now that railway facilities have been provided for that wonderful district.

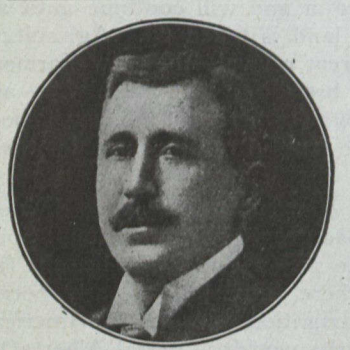
No further proof of the splendid home-making possibilities to be found in Northern Alberta can be needed when it is remembered that the prize wheat exhibited as long ago as 1876 at the Centennial Exhibition held in Philadelphia, Pa., was grown at Fort Chipewyan on Lake Athabasca in latitude 59 degrees, 750 miles north of the international boundary separating Alberta from Montana.

The increase in wheat production in Alberta during the last few years is but an index of the great development

that is bound to follow in the next decade. Those who come now may get cheap or free lands, according to their means and choice of location, and will soon be in a position to take advantage of the era of prosperity that seems assured for the next few years.

Arthur L. Sifton

ONTARIO



Ontario

By Honorable W. H. HEARST, Premier.

ONTARIO has complete confidence in her outlook and this applies not only to 1917 but to succeeding years. With one-third of the population of Canada, this province now yields 45 per cent. of the annual production of the Dominion. We are accustomed to speak of the farm as the basis of Ontario's prosperity, and so it is; yet, while the farm yields $350,000,000 in an average year, our manufactured products represent $700,000,000. Besides this, the mines of Ontario produce $60,000,000 and the forests $50,000,000. Altogether, therefore, the usual production of Ontario reaches $1,152,000,000 as compared with $2,493,500,000 for all Canada. Resting on this solid foundation, Ontario's prosperity and credit are not materially affected by passing conditions. Hence the agricultural yield this year, which, owing to an abnormal season, has been considerably below the average, has not impaired the prosperity of the province, nor in the aggregate the financial returns of the farmers. Short crops have been compensated for by better prices, which unfortunately for the time enhances the already high cost of living. The increase of activity in our forests and mines has been limited only by the amount of labor available. In fact, every branch of industry has felt the effect of the shortage of labor consequent on the war, but this must not and does not turn us from our great responsibility in that respect. We realize fully that at whatever cost we must win the war for civilization, and we know that after that has been done we can enjoy in peace and prosperity the great blessings and opportunities with which Providence has endowed this wonderful province of Ontario.

W. H. Hearst

MANITOBA

Manitoba

By Honorable T. C. NORRIS, Premier.

ADVERSE weather conditions at a crucial time in the maturing of the wheat crop caused Manitoba to suffer considerably last year in her basic industry of agriculture. The disappointment was all the more keen because early crop conditions gave promise of a repetition of the record yield of 1915. The damage, however, was confined to the wheat crop and has proved much less than was at first estimated. The experience may, indeed, prove a blessing in disguise, as there is already much evidence that it will cause the farmers of Manitoba to turn more and more to mixed farming for which this province is so peculiarly adapted. The past five or six years have been notable for the steady and substantial increase in mixed farming in all sections of the province.

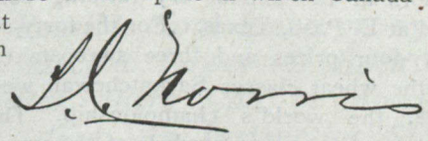
Five years ago Manitoba imported more than 50 carloads of creamery butter from the eastern townships alone. Last year a larger quantity was exported and found an eager market from Montreal to Vancouver. Potatoes, cabbage and other roots and vegetables have been exported in large quantities. From this it will be seen that a partial failure of the grain crop no longer means to Manitoba farmers what it would have meant a decade ago, and the fact is reflected in the general prosperity and buoyancy in trade of all kinds.

The spirit of the people of Manitoba in these trying times of war is altogether admirable. The burdens it has brought are being borne sturdily and willingly and with a keen sense of the responsibilities of citizens of the Empire. The men of Manitoba have continued to respond willingly to the call from the battlefields; the women have done and are doing their part with steadfast and unselfish devotion. The glamor, the excitement and the novelty of new tasks incident to the earlier days of the conflict, have to a great extent gone from our war work at home, replaced by a quiet, steady, day-to-day, shoulder-to-shoulder endeavor that has never yet failed to measure up to every demand.

A year ago, it may be recalled, it was remarked that unity and patriotism are the dominant factors in the life of the country in this time of testing. The year has taken heavy toll of Canadian manhood in Flanders, and has brought proud sadness to thousands of Canadian homes, but its end finds the same factors only the more impressively dominant. There has been and there will be no turning back. The sacrifices but add to the determination that they shall not be in vain.

The glories won by Canadians on the battlefield, no less than the losses, have stirred the nation to its depths

and have wrought a new consciousness of nationhood and of the individual responsibilities of citizenship. In this there is new promise of the spirit in which Canada will approach the great problems which peace will bring.



NOVA SCOTIA

Nova Scotia

By
Honorable
G. H. MURRAY,
Premier.

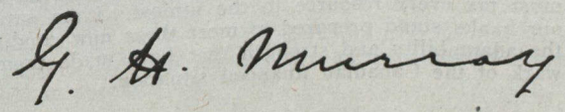
FUNDAMENTAL industrial conditions are satisfactory throughout Nova Scotia. The farmers enjoyed a more than ordinarily profitable season, with phenomenal crops of hay and bountiful yields of potatoes, roots and grain. The dairying industry continues to progress and high prices are being obtained for these and all other farm products. The heavy enlistment from the province has caused a scarcity of farm labor, and many a farm in Nova Scotia is being worked by one man, while his sons are serving overseas.

In mineral production, the coal output has been larger than in the previous year, reaching about 6,500,000 tons. Shipments up the St. Lawrence decreased by about 50 per cent. as compared with the previous year, owing to the scarcity of shipping and enlistment among the miners. On the other hand, the consumption of coal in the manufacturing plants of the province and for bunkering purposes was unusually large. A larger amount of iron ore was consumed during the year.

The fishermen had on the whole a successful season. The total catch will probably fall short of that for 1915, but prices have ruled higher.

Owing to the dearth of shipping the lumber industry declined during the summer, after a brisk export during the spring months. Freights still rule extraordinarily high, but nevertheless there has been a certain revival of trade during the fall. It is expected that the lumber production in 1916 will show an increase over that of the previous year, while the export will be about the same.

In manufacturing, the past year has been marked by steady progress. In the field of munition making and in kindred lines excellent work has been done. All in all, it may be said that while Nova Scotia is contributing her share of men and money to the great cause we all have at heart, she is at the same time steadily strengthening her sinews for any trial of commercial strength that may follow the close of hostilities.



SASKATCHEWAN

Saskatchewan

By
Honorable
W. M. MARTIN,
Premier.

IN writing this, my first contribution as premier of Saskatchewan, I cannot refrain from alluding at the outset to the retirement of my predecessor, Hon. Walter Scott. His breakdown of health which has compelled him in yet early and mature life to seek relief from the engrossing work and responsibilities of office is a great misfortune. By his retirement, Mr. Scott has left a vacancy which it will be absolutely impossible to fill with the same unique and transcendent qualities of intellect, leadership, and industry which he possessed. For his long reign of devoted and effective service to Saskatchewan he will ever be gratefully remembered by the people. With Mr. Scott at the helm of affairs, Saskatchewan's advancement and prosperity has been almost unprecedented and his splendid achievements will earn for him an honored place among the statesmen of Canada. I have only to add that Mr. Scott's retirement has served to throw into relief the admiration and attachment evinced towards him by the great majority of the people, and I hope that he will soon be restored to complete health and strength, once again to dedicate his rare and splendid gifts to the public weal, and to finally realize his best hopes and aspirations.

I am happy to be able to record that the year 1916 has witnessed many evidences of healthy growth in our already robust, young province. The only cloud in an otherwise clear, blue sky is that cast by the war. Saskatchewan has given freely of her manhood and resources and will give more without stinting to help prosecute the war to a triumphant close and to secure an honorable and a lasting peace. We realize that as the need is great so our opportunity is also great and our people have shown by their contributions and sacrifices that they have resolved with an inflexible determination to do their part, cheerfully and in full measure, in the great world struggle.

Despite drawbacks and difficulties which have inevitably arisen out of the war, Saskatchewan has maintained its prosperity and stability in an astonishing degree. No further proof, I think, will be desired by readers of *The Monetary Times* than the excellent financial condition of our rural and urban municipalities. The minister for municipal affairs informs me that never before in the existence of our rural municipalities have they been in better financial condition than at the present time. Out of a total of nearly 700 municipalities less than 5 find themselves in any way awkwardly placed in meeting their financial obligations, and these exceptions are confined to towns which will undoubtedly ultimately

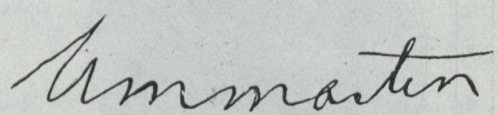
pull through. This gratifying condition of our municipal institutions impresses a realization of the financial stability of Saskatchewan despite the prevailing acute financial stringency.

In its rich and manifold resources Saskatchewan offers boundless opportunity to the agriculturalist as well as to the investor of capital. There are still vast regions of rich virgin lands awaiting settlement and many millions of acres have been rendered available for profitable farming by the adequate provision of transportation facilities. Despite the fact that Saskatchewan has risen to third place among the provinces of Canada in point of population there is still room and opportunity for a still greater influx of settlers in the future.

Whilst the crop returns for the past season unfortunately indicate impairment in the quantity and quality of the crop, our farmers have been liberally compensated by the increased prices at present ruling. It must be remembered, too, that in 1915 Saskatchewan made more progress than at any other period in its history, so that a comparison between 1916 and 1915 is not altogether fair.

It is gratifying to me to be able to record that Saskatchewan's grain has again carried off the chief honors at the annual dry farming congress, this year held at El Paso, Texas. For the forty-six exhibits shown forty-four prizes and three sweepstakes were awarded. In the wheat classes Saskatchewan won, for the fourth time, the world's championship. This is additional evidence, if it were needed, of the unsurpassable quality of Saskatchewan's grain.

An interesting political event of the year has been the registration of women voters in our province on exact equality with men. Saskatchewan has been the first province in Canada to do this, and the women of Saskatchewan will also enjoy the distinction of being the first women to exercise a provincial franchise.



Canada Must Prepare for Peace Conditions

Preparations Should be in Hand to Meet Post-Bellum Problems—Federal Board Should Study Immigration, Encouragement of Thrift, Capital and Labor Changes, Marketing of Surplus Products and Inter-relation of these Matters

By SIR FREDERICK WILLIAMS-TAYLOR, LL.D.

THE present prosperity in Canada should be constantly analysed. We may then be reminded that it is based upon the conduct and continuance of the war. When peace comes, obviously there will come also sharp changes in this country's trade, commerce, financial conditions, and business generally.

The present buoyant industrial conditions in this country are the direct outcome of a steadily increasing demand by the Allies for food, clothing and other munitions of war at rapidly rising prices, yielding large profits to the producers.

As I pointed out last month, payment for these war exports and for our surplus crops, coupled with loans of $275,000,000 effected in New York since the outbreak of hostilities, have brought money into the country at a rate not only unpredecented, even in the days of our heavy borrowing in London, but so undreamed of that we can advantageously ponder on what might have been our condition had there been no war.

To Meet Adverse Factors.

The United States are adding to their wealth at an amazing rate, but unlike the Dominion, that country is not penalized by increasing national debt and loss of human life. The post bellum problems of the Dominion, therefore, must necessarily be more serious than those of the United States. We must exercise the greatest foresight and take action in these days of war in order to mitigate the adverse factors which will come during the re-adjustment after the war.

Two outstanding matters in this connection are thrift and immigration. The two are closely allied, for only by practising national and personal economy or thrift can we reduce our high cost of living—that most effective barrier to immigration. Upon immigration we mainly depend for the fuller development of our unsurpassed natural resources.

The proper attraction and direction of immigration, the encouragement of thrift, preparation for capital and labor changes, the marketing of our surplus products, industrial research, and many other problems, require the serious attention of our governments and citizens. Several government commissions have been appointed, and are undoubtedly gathering useful information. It might, however, prove of much value were the federal government to appoint a business board to study post-bellum conditions likely to arise in Canada. There would be available the information being collected by the various government departments and commissions, but the proposed board would deal with these matters as related one to another. In short, they would endeavor to have ready, when peace comes, the necessary machinery required to deal with coming conditions.

With the advent of peace will come relief to our Empire, but to financial and trade conditions peace will bring a necessity for sudden readjustment that in Canada, as elsewhere, must tax every resource to the utmost. Our future actions in national development should be considered now. The importance of the problems of the situation must be impressed upon those who are living in what may be termed the paradise of the unwise. Business men and governments should prepare now for the peace conditions to follow.

Sane optimism and self-confidence are admirable national qualities and should be the order of the day. There is a point where optimism loses its value and the danger of overconfidence begins. That is the point for nations to avoid.

To sum up, we are going to win the just war we are waging, we are bound to win the war, but let us emerge from it unexhausted, in order that the victory over our enemies may be perpetuated and recurrence of such insensate destruction rendered impracticable.

With the advent of peace will come relief to our Empire, but to financial and trade conditions peace will bring a necessity for sudden readjustment, that in Canada, as elsewhere, must tax every resource to the utmost. I am satisfied that our banks stand prepared to meet these new conditions with the adaptability and strength that have made them the bulwark of the Canadian financial situation.

Exportation of Electricity—An International Problem

Relation of a Possible Coal Embargo by United States to a Curtailment or Stoppage of Canada's Electric Power—If Each Country Receives the Share to Which it is Entitled, there Can be no Ground for Contention or Dissatisfaction—An Instructive Statement of an Important Matter

By ARTHUR V. WHITE.

THE people of Canada, and especially of Ontario, should understand and fully realize the extent to which they are dependent upon others for their coal supply, and understand also their increasingly great dependence upon hydro-electric power as well as its relationship to coal.

Both the United States and Canada, as well as many of the European countries, are now experiencing a shortage of coal supply with consequent increases in price. The present, therefore, is an opportune time to review the Niagara power situation. In the course of this survey we shall consider a number of statements† made by various authorities.

In November, 1916, the District Attorney in charge of the investigation held at Buffalo respecting the coal situation, asked one of the witnesses:—

> "If the Canadians put an embargo on power when there is a power shortage, should we not put an embargo on their getting coal when there is a shortage here?"

Ontario Has no Coal.

In 1891, Mr. E. B. Borron, in making his report to the Ontario government on the lakes and rivers, water and water powers of the Province of Ontario, drew special attention to the fact that Ontario has no true coal. Mr. Borron stated:—

> "Thus it will be seen that in respect of fuel and consequently of steam power, Ontario occupies on this continent a very unfavorable, one might say, unenviable, position, as compared with the maritime provinces and British Columbia, and with many, if not most, parts of the United States, and still worse as compared with England, Belgium and other great manufacturing countries in Europe. As was well said in *The Monetary Times* a few days ago, 'Ontario has to import her motive power, and the Dominion commits the folly of taxing it.' To which might have been added, 'with the possibility of being denied even that poor privilege, should at any time commercial intercourse with our neighbors to the south be suspended or interrupted.' "

That the time may come when the United States may deem it expedient to reserve her supply of coal for her own use, is not impossible. Dr. George Otis Smith, Director of the United States Geological Survey, commenting upon the world's supply of coal, and with particular reference to the reserves in his own country, states:—

> "This glance at the world's reserves of coal shows plainly not only that the United States leads all other countries in production, our annual output being nearly 40 per cent. of the total, but also that it possesses the greatest reserves. Yet in respect to no mineral is there greater need to emphasize the folly of exporting the raw material. Let us keep our coal at home, and with it manufacture whatever the world needs."

Dr. Smith advises: "Let us keep our coal at home and with it manufacture whatever the world needs." Is it without significance that such a policy should even be suggested?

Examples are not wanting to show that when countries have recognized the fact that certain of their natural resources were essential to their national welfare, policies have been adopted designed to stop or curtail the exportation of such natural commodities.

†For purposes of emphasis portions of the statements are here printed in special type.

Consider, for example, the phosphate rocks so valuable as agricultural fertilizer. A few years ago when the United States government perceived that they would require the products of their own phosphate beds, the phosphate lands of the west were formally withdrawn from private entry, thus retaining these deposits of fundamental importance to the future of the nation, as its property. Commenting upon the phosphate situation, President Van Hise, of the University of Wisconsin, stated:—

> "Indeed, by the statesmen of foreign civilized nations, exportation of phosphates would be regarded as unthinkable folly."

and, to use his own words, he urged for the United States:

> "that there should be a law which prohibits absolutely the exportation of a single pound of phosphate rock."

However, it is not necessary to go outside of Canada to find advocates of this doctrine. It has been stated time and again that the growing industrial and other needs of Canada require that there no longer be exportation of Canada's electrical energy to the United States, without acceptable *quid pro quo*. This policy of Canada's retaining her electrical energy for her own use, is that which stimulates one like the District Attorney to ask the very pertinent question above quoted:—

> "If the Canadians put an embargo on power when there is a power shortage, *should we not put an embargo on their getting coal* when there is a shortage here?"

As we have just seen from a foregoing quotation, Dr. Smith goes even further and definitely counsels, "*let us keep our coal at home and with it manufacture whatever the world needs.*"

May Require Every Unit.

Ontario and Canada may yet require *every unit of electrical energy* just as much as the United States may yet require *every pound of phosphate rock*, or may find it expedient to retain *every pound of coal.*

In an article dealing with the *Exportation of Electricity*,* the writer in 1910, made the following statement, which is equally true to-day: "Certainly the people of Ontario and Canada are in better circumstances to maintain a supply of heat and power if their water powers, including their full share of international water powers, are reserved to themselves and not permitted to be exported, except upon terms and conditions which will conserve absolutely the present and future interests of the citizens of Canada. Not only would the water powers of Canada provide, to a certain extent, a substitute for the coal supply of the United States as a means of furnishing light and heat and power, but control of these water powers would secure a basis upon which negotiations for coal could be conducted in a possible day of need. Canada would be in a position to exchange, if need be, part of her electric energy for part of the coal supply of the United States. It is obvious, however, that if the United States interests should control both the coal and the water powers, the situation of Canada would become exceedingly grave."

In the present condition of world affairs no demonstration is needed of the truth of the statement that the keen competition of large commercial interests too frequently constitutes a most serious menace to the peace of nations. There have been times when, on account of commercial rivalry, international relationships have become so strained that exer-

**The Exportation of Electricity.* By Arthur V. White, in *The University Magazine*, of October, 1910.

cise of a nation's force of arms has been enlisted on behalf of the demands of large private or corporate interests.

Some years ago when the relations of the United States with Canada were under discussion before the "Select Committee on Relations with Canada, of the United States Senate," Mr. Joseph Nimmo, Jr., addressed the committee with respect to the possibility of Canada dealing with her transportation facilities in such a manner as would adversely affect interests in the United States using Canadian transportation, and stated that:—

> "In the entire range of our Canadian relationship, from Halifax to Vancouver, the United States holds an overpowering advantage over Canada, and at every point. The suspension of the transit trade would be of comparatively small disadvantage to the United States, whereas it would be utterly disastrous to Canada. . . . It is high time for the people of this country to appreciate the fact that their national government holds a preponderance of commercial power on this continent as absolute as the preponderance of its military power, and to demand that those who are charged with the affairs of government shall adopt such measures as shall prevent any interference by a foreign power with the course of the development of our domestic or foreign commerce."

Must not Destroy Rights.

In its official **Opinion** rendered comparatively recently, the Public Service Commission of the State of New York referred to the possibility of Canada taking back electrical energy which had been utilized in building up United States industries, as follows:—

> "We have nothing before us but the suggestion that the Dominion of Canada may, at some future time, forbid this exportation. This commission must assume that international relations affecting so important a subject as the means of continuing great industries which have grown up in reliance upon the use of this imported power, and, as well, the interests of the Canadian producing companies themselves, have become fixed and subject only to such changes as will fully protect the great commercial and industrial interests and rights now served by this power brought from Canada. The time has long since passed when governments proceed ruthlessly from pure national rashness or anger to destroy the settled accepted commercial relations and formally vested rights of persons and corporations."

In connection with the exportation of electricity, Canada certainly does not desire to assist in creating any circumstances which would even tend to invite a possible carrying out of any such policy as is suggested by the language in the **Opinion** delivered by the Public Service Commission of the State of New York, or in the Address, just quoted, as delivered at Washington before the Select Committee of the Senate on Relations with Canada. Such policies are foreign to the aims and aspirations of the peoples both of the United States and of Canada.

From the foregoing statements, it will be perceived that there is an increased demand in the United States for electrical energy. Let us note more specifically how keenly United States interests desire to possess larger quantities of electrical energy for use in the upbuilding of industries and communities.

Location of Industries.

The following testimony will demonstrate the views thus entertained. Lieutenant-Colonel J. C. Sanford, reporting on January 6th, 1913, upon the subject of Niagara power, to the chief of engineers, United States army, states:—

> "There is no question but that Niagara power will soon be utilized to the fullest extent allowed by governmental restrictions. *If advantage of the power generated in Canada cannot be had on the American side, manufacturers will be attracted to Canada* by this cheap power, and the industries of this country will suffer accordingly. The effect of present restrictions on the importation of power is becoming noticeable. . . . Manufacturers at present contracting for additional Niagara power, must locate, and are locating in Canada. It, therefore, seems advisable to permit immediately the importation of Niagara power to the fullest extent permissible under the law, and, other things being equal, to grant permission for its importation to the company or companies which will make the earliest use of such power."

The former secretary of war, Hon. Henry L. Stimson, before the Committee on Foreign Affairs, recently stated that:—

> "The investigation which has been made by the engineers indicates that Canada, if we do not take it, will use the entire amount that the treaty permits in a very brief time, so that whatever effect any restrictions on importations would have, would not protect the Falls for more than a very brief period, and *it would result in giving to Canada, very possibly, a large number of industries which otherwise would be established on this side of the Falls.*"

Raw Material Should be Free.

When Representative Chas. B. Smith was speaking on behalf of his bill, he submitted, before the Committee on Foreign Affairs, a letter from a leading citizen of Buffalo, in which it is stated:—

> "Every restriction on the importation of Canadian power should be at once removed. Electrical power is a *raw material and should be free.*"

The Sub-committee on Niagara Falls Power, appointed by the Committee on Foreign Affairs, in its report on one of the Cline bills, states that it had been urged for its attention:—

> "That the Canadian companies were rapidly increasing their sales and would very soon take the full amount of water they were entitled to and the United States ought to get what power it was able to **now.**"

and they add:—

> "If the advancement in the development of power on the Canadian side increases for another year or so—and it is not apparent to the committee that it will not—then the *committee concluded that it was proper to take as large an amount as it could get for consumption in the villages, cities, factories and homes along* **our** *border.*"

Get as Much as Possible.

Representative Chas. B. Smith, of the state of New York, in conversation, stated to me that he favored no restriction on the importation of electricity, because if it was good for the United States to have this commodity he thought it was advisable to get as much as possible, and permit it to come into the country without any restriction. This view of Mr. Smith was amply reflected in certain bills of his which provide for no restriction.

In the state of New York there is a ready market for additional electric energy. The **Opinion,** delivered on February 12th, 1914, by the Public Service Commission of the State of New York, records that:—

> "There is a large shortage of electric power in western New York, with a strong demand for greater supply which is not being met by existing companies. . . . We are using all the power made on the New York side, and all that has been brought from Canada, and *the demand for more power in western New York is insistent and being urged with great force.*"

It is also stated that Niagara Falls power produced in the United States is so far from supplying the needs of portions of the state of New York, that if the importation of power were prohibited it "would plainly amount to a great public calamity."

When the demands in the United States for more electrical energy are such as those set forth by the foregoing quotations, it is not strange that public organizations and other interests have been prompted to urge action on the part of the Federal government of the United States to relieve this situation.

Various organizations, such as the Water Power Investigating Committee of the New York State Legislature, the Hydro-Electric Association of Buffalo and other places, the special committee of the Committee on Foreign Affairs of the United States House of Representatives, the United States War Department and others, have been studying the problem with a view to at least alleviating the present circumstances.

In the United States, the problem at Niagara is recognized as a national one, and of late special emphasis has been given to the fact that no federal policy of "war-preparedness" can successfully be carried out without increasing the producing capacities of plants at Niagara, which plants are either manufacturing munitions of war, or materials and commodities which are essential to the production of war munitions.

In Canada, efforts put forth, by the Hydro-Electric Power Commission of Ontario*, by the Commission of Conservation, Ottawa,* by the Unions of various Municipalities, by Boards of Trade, and other organizations, have resulted in the conservation for Canada of a large amount of electrical energy which doubtless would not otherwise have been utilized. The activities of the Hydro-Electric Power Commission have very materially increased the consumption of Canadian electricity.

It is not possible within the confines of the present article to do more than briefly indicate some of the chief factors which enter into this problem of the exportation of electricity. Before concluding, however, it will be profitable very briefly to explain a few matters respecting which the public at large, including a large portion of the public press, is in comparative ignorance.

With the factors which we are about to mention held in mind—and not otherwise—one will be able, intelligently, to interpret the course of future discussion or legislation respecting power development at Niagara.

Would Have Drained Niagara Dry.

For many years the supply of Niagara waters for power purposes was regarded by the public as practically inexhaustible. Companies in the United States, however, had obtained power concessions which, if put into operation, would have drained Niagara dry. The United States federal government recognized the danger of this situation.

The International Waterways Commission, consisting of members appointed by the United States and by Canada, had originated in 1902, following a recommendation in "The Rivers and Harbours Act" of the United States. In 1905 this commission was requested to report upon the general conditions obtaining at Niagara Falls, with the request that there be co-operation between both countries to the end that proper and adequate steps be taken to prevent further depletion of the Niagara waters.

This commission conducted its investigation, co-operatively with the United States War Department and subsequently made its report. Certain recommendations with respect to the preservation of Niagara and the amount of water to be diverted on the United States side, were enacted into law by *The Burton Act*. This commission having completed its work, disbanded about a year ago.

History of Legislation.

The Burton Act of June 29, 1906, was "For the Control and Regulation of the Waters of the Niagara River, for the Preservation of Niagara Falls, and for Other Purposes." It was regarded chiefly as a temporary measure. It limited the diversion of water on the United States side to a rate not exceeding 15,600 cubic feet per second; and under special permits the *importation* of electrical energy from Canada into the United States, could be had to an aggregate amount of 160,000 horse-power The Burton Act continued in force until 1913, when it lapsed by limitation.

Closely following the passage of the *Burton Act*, the government of Canada, on April 27, 1907, passed **an Act to Regulate the Exportation of Electric Power and Certain Liquids and Gases.** "The Fluid Exportation Act," as it is called, among other features, provides for the taking out each year, of a license permitting the *exportation* of electricity to the United States; and for a possible export tax not exceeding $10 per horse-power per year.

Thus the *Burton Act*—a United States measure—regulated the *importation* into the United States, while the Canadian measure, *the Fluid Exportation Act*, regulated the *exportation* from Canada.

The passage of the Burton Act was furthered through the influence of such organizations as the American Civic Association, the American Scenic and Historical Society, the Colonial Dames of America and others, assisted, also, by efforts of Canadians.

The Burton Act recommended the opening of negotiations between the President of the United States and the Government of Great Britain, for the purpose of regulating and controlling the waters of the Niagara River and its tributaries. Negotiations were opened, and in due course, the **Boundary Waters Treaty** was signed at Washington on the 11th of January, 1909, and ratified on May 5th, 1910. The Burton Act and the Treaty, for a time, were coexistent and the Act was effective until its expiration.

This *Boundary Waters Treaty* specifies nothing with respect to the importation or exportation of electricity, but it provides for a diversion of "not exceeding in the aggregate a daily diversion at the rate of 20,000 cubic feet of water per second for the United States" and of 36,000 cubic feet per second for Canada.

Until quite recently the United States War Department, which exercises federal jurisdiction over Niagara power matters, had not issued permits for more than 15,600 cubic feet of water per second, although it has had the right to issue permits up to the treaty quantity of 20,000. A statement was made in December, 1916, that, on account of the great power shortage, the Secretary of War had decided to release, by permit, the unappropriated water up to the 20,000 cubic feet per second.

Statistics of Capacity.

The province of Ontario has allotted about 30,000 cubic feet of water per second to provide for the full installations of the existing power companies at Niagara. The balance of about 6,000 cubic feet per second, is to be utilized by the proposed Chippawa development, which, it has been stated, is to be made by the municipalities of Ontario through the agency of the Hydro-Electric Power Commission.

At the present time there is installed on the Canadian side a nominal plant capacity of about 425,000 horse-power, and on the United States side about 260,000 horse-power.

In the United States, federal jurisdiction over Niagara, by virtue of its being regarded a navigable stream, is exercised by the War Department. The Secretary of War issues the permits to the different companies utilizing the water, and the Corps of United States Engineers are entrusted with the enforcing of the various regulations.

In Canada, the control of the waters of Niagara for power purposes is under the jurisdiction of the province of Ontario. The exportation of electricity is under the control of the federal government. The Department of the Interior, Ottawa, issues the annual licenses and, through the agency of its Gas and Electricity Inspection Branch, provides certain supervision of the operations of the power companies.

Matter of Licenses.

The licenses issued a year ago by the Department, provided for the following export quantities: Electrical Development Company, 35,000 kw.; Ontario Power Company, 45,000 kw.; Canadian Niagara Power Company, 55,000 kw.; a total of 135,000 kilowatts, or approximately 181,000 horse-power. It is probable that these quantities will be materially reduced in the next licenses issued.

International Joint Commission.

The carrying out of the terms of the Boundary Waters Treaty, as well as adjudication upon certain matters of dispute between the two countries arising out of the use of boundary waters, is now vested in the **International Joint Commission,** which tribunal, in many respects, corresponds to the former International Waterways Commission. Its functions and powers, however, as set forth by the Treaty and more fully defined by Rules of Procedure, are broader. Thus, the means of adjusting differences between the two countries are available through the instrumentality of this Joint Commission, and the Boundary Waters Treaty. The Treaty is based upon the **Doctrine of Equal Benefits.** Each country is entitled to receive its full share of the benefits derivable from the use of one-half of the waters which would naturally flow in the Niagara River. If each country receives the share to which it is entitled there can be no just ground for contention or dissatisfaction.

Having, now, knowledge of the various factors already discussed, including the International Waterways Commission, the Burton Act, the Fluid Exportation Act, the Boundary Waters Treaty, the International Joint Commission and of the functions exercised by the Secretary of War, Washington, by the Department of Inland Revenue, Ottawa, and by the Province of Ontario, with its Hydro-Electric Power Commission, and other organizations, one is in a position to give intelligent understanding to events which may arise in connection with this very important subject—the Exportation of Electricity.

*Consult the *Annual Reports* of these Commissions.

Three Years' War Will Cost $75,950,000,000

If the War Ends This Year the Annual Interest on Debt will be $3,800,000,000—Shares of the Various Nations—National Income and War—Per Capita Debts—Some Remarkable Statistics

CANADA'S indebtedness on account of the war may reach $1,000,000,000 if the struggle continues any considerable length of time. In February last, Sir Thomas White, finance minister, assumed that our war indebtedness would reach $500,000,000. At 5 per cent. the annual interest would amount to $25,000,000, and on a billion-dollar war debt $50,000,000. He thought that $25,000,000, with a substantial amount added yearly for a sinking fund, could be met provided strict economy be practised by the governments, from the future revenues of the Dominion. That would apply also to the larger sum.

The total net debt of the country is well over $700,000,000. The debt is increasing rapidly every month on account of the war. The first year of war cost Canada $90,000,000, but this figure is constantly rising. Based on the conservative estimate that each man on active service will cost Canada on the average of $1,000 per year, Canada's total war expenditure for the current fiscal year which will end March 31st, 1917, when an army of 250,000 will have been raised, will be approximately $250,000,000. Premier Asquith in the British commons estimated the average cost of the war per man under arms at from $1,250 to $1,500 each per year. Sir Thomas White's estimate, therefore, of $1,000 per man may be exceeded, especially in view of the fact that the cost of ammunition, ordnance, explosives, etc., may be higher.

Expenditures at Home.

Canada's war expenditures at home are about $700,000 a day. In Canada and in Great Britain, they total approximately $1,000,000 daily. The war expenditure of the Dominion government now exceeds $20,000,000 a month. The largest item in this expenditure is for pay and allowances, subsistence and assigned pay and separation allowances of the troops. This item is running at the rate of about $12,000,000 a month. This is much more than is paid to the troops at present in Canada who number less than half the total Canadian forces recruited for the war, over 200,000 having gone overseas.

Pay of Overseas Forces.

The pay of the overseas forces assigned to their families and dependents here, and their separation allowances, also paid here, constitute a large portion of the monthly war expenditure. The sterling exchange situation has had much to do with bringing about the payment in Canada of so large a portion of the pay of the overseas forces. As nearly as can be estimated, Canada's present war expenditure in Canada and in Britain, including the maintenance of troops actually at the front, is at the rate of about $30,000,000 a month, or $350,000,000 a year.

This averages about $1,000,000 a day and is equivalent to about $1,000 per annum per head, as the total enlistment is about 350,000 men.

Position of National Finance.

Out of the revenues of the government for the current fiscal year it now seems probable that a large amount of the principal of the war expenditure will be paid, as the budgets of 1915 and 1916 are both working satisfactorily. The balance of Canada's war expenditure during this fiscal year will be defrayed partly from the funds of the domestic war loan issued in November, 1915, and from those of the war loan of September last

In national finance, if debts can be funded, the practical question is that of payment of annual interest but, as the finance minister has said, while this is so, the fact must not be overlooked that debt is debt, a financial obligation and burden upon the body politic, whether owed to investors at home or abroad. During the current fiscal year Canada has been able to pay out of its revenue the interest on money borrowed for the war, and also a part of the cost of war. This has been accomplished by an increase of national revenue and a reduction of the expenditure on ordinary account. By the end of the fiscal year, it will probably have been found possible to pay about $50,000,000 against war principal outlay.

The monetary cost of the war to all the belligerents if it continues until August, 1917, will have been $75,950,000,000, or $163.30 per capita, according to an estimate of the Mechanics and Metals Bank of New York in November last. In the middle of 1914 the indebtedness of these nations was $27,000,000,000.

The war is now costing $105,000,000 every twenty-four hours. Last April, when this bank undertook previously to make a financial analysis of the war, its calculation of daily was cost was $90,000,000. That Europe will have expended $75,000,000,000 directly for military operations, and that its combined direct and indirect cost will have been above $100,000,000,000 if hostilities extend to the middle of next year, is the conclusion reached by the bank. In making its estimate of direct military expenditure, the bank compares it with the cost of other great wars of history, as follows:—

	Approximate cost.
Napoleonic Wars, 1793-1815	$6,250,000,000
American Civil War, 1861-1864	8,000,000,000
Franco-Prussian War, 1870-1871	3,000,000,000
South African War, 1900-1902	1,250,000,000
Russo-Japanese War, 1904-1905	2,500,000,000
European War, 1914-1917	75,000,000,000

Nearly Four Billions Interest.

Interest on debt will require the payment of $3,800,000,000 yearly after 1917, if the war ends this year. In 1914 interest on debt was $1,070,000,000. Presenting these figures, the bank indicates that total government expenditure in Europe for bond interest and support of the various branches of government will require 19 per cent. of the people's income.

A summary of the approximate direct daily war costs of the countries on both sides is as follows:—

Great Britain	$25,000,000
France	18,000,000
Russia	16,000,000
Italy	7,000,000
Rumania	2,000,000
Belgium and Servia	2,000,000
Entente Allies	$70,000,000
Germany	$21,000,000
Austria-Hungary	11,000,000
Turkey and Bulgaria	3,000,000
Central Allies	$35,000,000
All belligerents	$105,000,000

Three Years War Costs.

The appended figures make allowance for a possible modification from present costs before the war is over. Estimates attempt to measure the total war costs—direct military expenditures and advances—of the three principal belligerent powers, for a three-year period from August 1st, 1914, to August 1st, 1917. The figures are based on war credits already voted and the expected costs in the period intervening before August 1st next:—

Gross war cost to—	Three years ended August 1st, 1917.
Great Britain	$20,000,000,000
Germany	18,000,000,000
France	15,000,0000,00

The following table represents an approximation of the direct cost of the war to the nations involved—without regard to the advances made or advances received—for three years ending August 1st, 1917:—

(Continued on page 30.)

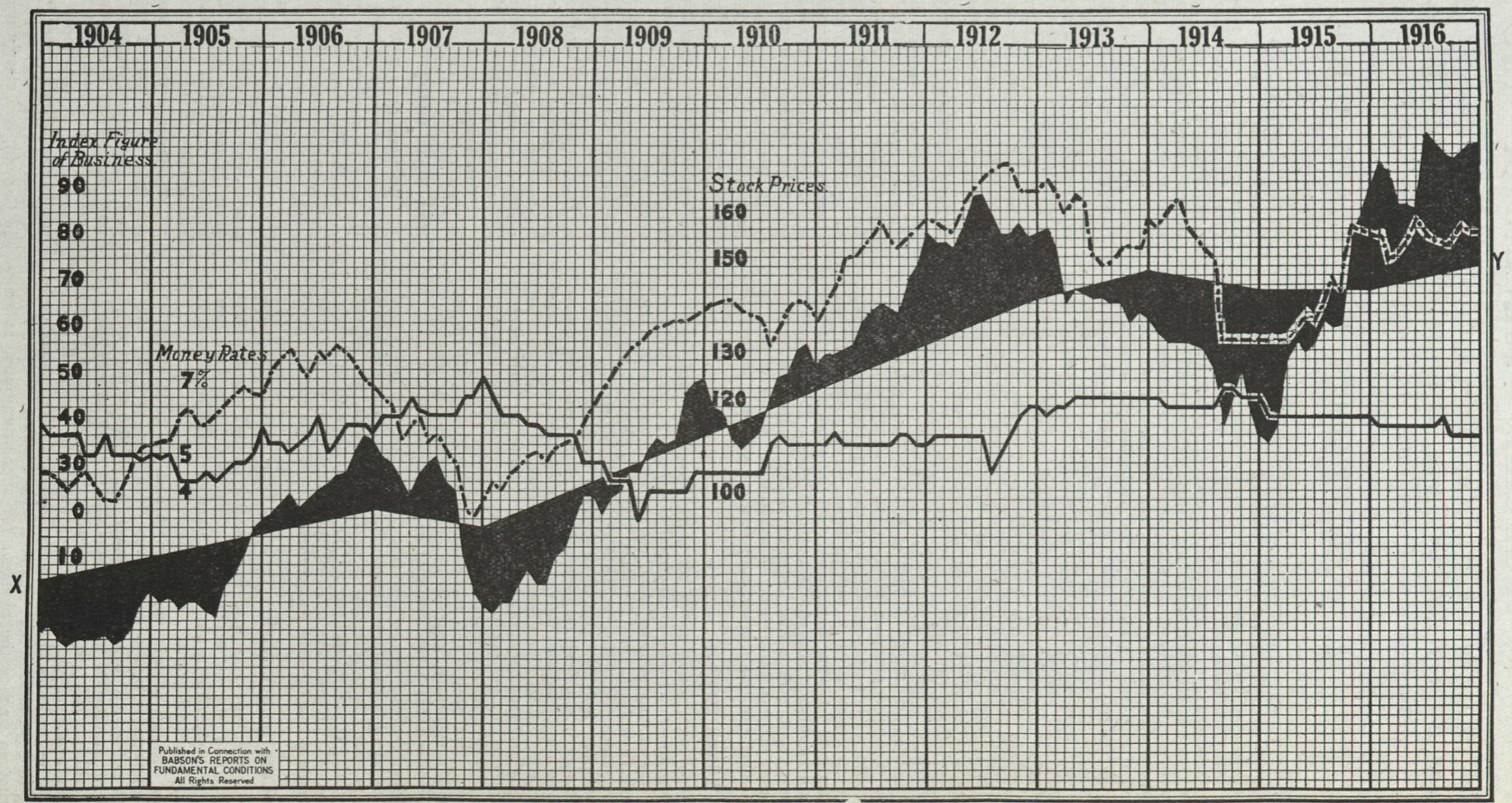
Composite Plot of Canadian Conditions, 1904-1916

(Compiled for *The Monetary Times* by Babson's Statistical Organization.)

THE full black line represents call money rates in Montreal. The broken line shows the course of stock prices. The Compositplot is formed by plotting a number of representative business subjects reduced to a common denominator. The X-Y line indicates as nearly as possible the normal line of growth of Canada. The great volume of business due to the war has resulted in a resumption of the upward trend.

Looking back over the plots of the last few years of *The Monetary Times* it is noticeable that a pretty good record in forecasting Canadian business conditions has been made. Back in 1913, a period of bad business was forecasted. which was further precipitated by the outbreak of war. In 1914, that improvement in fundamental conditions would result in better business was prophesied. In 1915, it was felt that there would be a marked improvement in business.

As for the coming year, business will depend practically entirely on whether the war ends within a few months or is a long drawn out affair. In the former case there should be a decided slump in most lines of business, now largely a result of war orders. In case the war continues for several years longer, business should continue to be active.



Financial Aspects of the War

If Our Share of the War Cost Does not too Largely Represent Money Borrowed Abroad, the Burden can be Borne, Because it Will Consist Mainly of Transference of Money From Canadians as Taxpayers to Canadians as Bondholders

By SIR EDMUND WALKER, C.V.O., LL.D., D.C.L.

THE title is vague enough to permit me to say almost anything about the war, past, present and future, provided I can somehow say it in terms of money, but the habit of expressing what we do in terms of dollars is so apt to obscure the real meaning of things, that while I shall be obliged to explain much by reference to dollars, I shall try also to explain by reference to the real facts of life. At the end of Canada's fiscal year, March 31st, 1913, the climax of a period of great expansion, we found that we had imported goods to the value of 300 million dollars more than we had exported, and owed more than 125 millions besides for interest on securities held abroad. We were thus 425 millions on the wrong side internationally, and we had to sell, mostly in Great Britain, 400 millions of new securities to help to square the account. The natural contraction which followed improved the figures, so that by March, 1914, the excess of imports was only 180 millions, but as our interest bill of course increased, this left us still about 320 millions on the wrong side.

A few months later we had to face the outbreak of war, and the financial prospect for Canada was particularly bad. How could we hope to correct such an unfavorable situation, and as our deficit must be met by a sale of securities abroad, how were we to keep Canada's credit in good shape, since England could not and would not now buy a dollar's worth for any new purpose. The last loan placed in London by the Dominion Government—one of 25 million dollars—was in March, 1915, but this was not supposed to be for war purposes.

Made Without Strain.

Steps were taken, as we all know, to prevent the hoarding of gold, and to avoid financial disturbance, but most of these precautions seemed later not to have been necessary, although, doubtless, they produced the desired result by their very existence. Building operations, or the fixing of capital in any other form of national or private betterments, practically stopped, a widespread feeling of the necessity for economy prevailed, and by March, 1915, we had reduced the excess of imports to 36 millions. Even then, with interest by this time probably amounting to 150 millions, we were about 185 millions on the wrong side. As the European market for our securities disappeared, a market was rapidly created in the United States and the passage from the period of an excess of imports to that of an excess of exports was thus made without the strain we had expected.

When the war began it seemed clear that Canada would be obliged to borrow her share of the cost of the war, and, great as was the burden borne by Great Britain, she agreed to lend us, I believe, although I do not speak with authority, $5,000,000 a month. As most of our expenditure at that time was made at home, this was a material help to our finances.

First Loan in New York.

In July, 1915, mainly because of capital expenditures which could not be arrested, Canada made her first loan in New York, borrowing 25 millions for one year and 20 millions for two years.

By the end of 1915 we began to feel the good effects of the stoppage of public and private building, and the exercise of public and private economy, and of the export of all kinds of munitions, such as foodstuffs, clothing, saddlery, shells, rifles, etc. It became evident that we could and should pay our own war charges without aid from Great Britain, and as the business of making shells and kindred munitions began to expand and take shape it also became evident that we must so finance the payment for such munitions, as to enable Great Britain to pay to some extent in treasury bills instead of in cash.

In November, 1915, the finance minister offered to the Canadian public an issue of 50 millions. This was the first issue ever offered in Canada, as the 45 millions was the first ever offered in New York. It was also the largest loan ever offered by Canada in its history. New York is a great money centre; Canada is not a money centre in any important sense. Would the public take it? Could they take it? The response, as you know, came in subscriptions of over 100 millions, the most amazing thing in the history of Canadian finance. The government concluded to accept the 100 millions and to set aside 50 millions as a credit in connection with the munitions being made in Canada for Great Britain.

In March, 1916, the finance minister brought out his second loan in New York, this time one of 75 millions, repayable in 5, 10 and 15 years. Of this, 25 millions practically replaced a similar amount borrowed in 1915 for one year.

Exports Exceeded Imports.

When the Dominion fiscal year closed, 31st March, 1916, we were delighted to find that, leaving out gold and bullion, our exports exceeded our imports by 249 millions, so that, from the international point of view, we were well able to pay our foreign interest and a large part of our war charges. For the six months of the present fiscal year for which returns are available, the excess of exports without gold and bullion is over 140 millions.

Following the action of the government in setting aside 50 millions for a credit in connection with munitions for the imperial government, the banks were called on to consider to what extent they could aid by buying imperial treasury obligations. This they have done to the amount of 100 millions and they have undertaken to purchase 50 millions more early in 1917.

In September the minister of finance brought out his second war loan in Canada and this time he confidently asked for 100 millions. The loan was underwritten by the banks to the extent of 50 millions, but as we know, the subscriptions amounted to over 200 millions, and not only did the banks obtain nothing on their underwriting, but the subscribers received only from about 35 to 50 per cent. of their subscriptions, except in the case of small amounts.

This brings up to date the wonderful story of our national finance since the collapse of trade expansion in 1913.

How Much More?

We have done better than we could have imagined in our wildest dreams, but how much more can we do, and when the war is over can we pay the debts which have been incurred? This is where we should abandon the use of the dollar mark and try to get at the real facts of life. Our problem at the moment is to supply, not only men for fighting purposes, but also men and women to work our fields, mines, forests, factories, etc., so that we may clothe and feed our soldiers, do the same for all at home, build enough to keep the national plant efficient, and produce munitions of war of every conceivable kind, covering many thousands of different articles from wheat to shells.

We have done this successfully for an army of over 300,000 men and we need not doubt our ability to go on to the end. Continued success in our share of the war does not now depend so much upon national finance, as upon the supply of men and upon the economy of the individual. We must supply many more men and we must not lessen our production of all classes of munitions. We cannot do this without harder work and longer hours for those who remain in Canada, and clearly not without the employment of women in the place of men to a very much greater extent than we have thought of thus far. Only thus can more men be freed

to go to the front, whether they go willingly or by conscription, and only through economy such as we have not begun to exercise can the task be successfully accomplished. If a wage-earner restrains his desire, or even his apparent need, to spend, and thereby saves $100, and if he invests it in our war loans, he has put just $100 more of fighting power into the British army, which will absolutely not be available if he does not save the amount. Even if he only deposits his savings in a bank he will aid the cause almost as effectively. This saving of $100 by a workman may seem a trifling matter, but let me say that in the aggregate it becomes one of the most important aspects of the war, and if the thrift campaign about to be inaugurated meets the measure of success that it deserves, much of our anxiety about the future financing of the war will disappear.

To Help Win the War.

Our problem then is to keep enough men in the firing line, to take care of them, to make all the munitions for the Allies that we can, and to pay the interest on our foreign indebtedness, so that Canada shall bear her part in the war as nearly as possible out of her own resources. If we can do more than this every dollar we can invest in the British treasury obligations issued in payment for the munitions we have supplied, is in effect so much of an offset to our own war indebtedness. So if any man, rich or poor, withstands his desire to spend his money on something he can do without, whether he puts his savings into a war bond or into a bank, he has by that act helped to win the war. Carried out to its full extent this would, of course, reduce us to the condition of those living in the war zone, but each man must decide just what economy means in his case, and what he may safely do, having regard to those dependent on him, should not be very hard to determine.

When the soldiers come home and the orders for munitions stop, what then? Frankly, I do not know, nor do I believe there are any who do. We can estimate the force of some of the factors in the situation but we cannot even guess at the number of factors, good and bad, to be considered. In 1865 most people thought that the United States was facing bankruptcy. How could a total national and private debt of about 6 billions be paid? How could employment be found for a million and a half of soldiers coming back from the front? In less than three years, however, these problems had been solved and by 1868 business had become good. The expansion of business which followed the period of sharp readjustment after the war was so vast that by 1873, the country had to face the greatest panic the world had ever known. We shall probably have a bad time for a while, but the experience of the United States and the futility of all attempts to gauge the future since the war began should warn us not to prophesy but to be prepared for almost any emergency.

How long the war will last we do not know. How much our national debt will be we do not know. What we do know is that, if we do not falter, we can win the war.

When we have won the war, if our share of the cost has been mainly borne by Canada itself or does not too largely represent money borrowed elsewhere, the burden can be borne, because it will mainly consist of the transference of money from Canadians as taxpayers to Canadians as bondholders, and however hard that may be on the taxpayer, the country cannot be ruined by the mere readjustment of a debt which it owes to its citizens. In any event, let us remember that taxation, so long as it is not really oppressive, may be met by increased energy and increased economy and in a wasteful country, such as Canada has always been, there is a large margin on which to draw.

Produce to Last Possibility.

When the war is over and the painful task of reorganizing our industries is accomplished, we shall find that many things have adjusted themselves. The places in the community, once filled by our gallant and ever memorable dead, will be filled by women and girls, by boys called on for the time to work as if they were a few years older than they are, and by men working a few years longer than their energies would ordinarily warrant.

Our obligations will demand that we produce to the last possibility, from farm, forest, sea and mine, and from our factories. We shall possess for our industries, plant, capital, skill in our workmen, enterprise in their employers, such as we could not have possessed but for the war. Any surplus of labour not required in the factories, will, if we have great depression, turn to the land, but we hope that the desire for an open air life on the part of many a soldier, the high prices obtainable for all farm products, and the many advantages of a country life, will lead thousands to take up farming, not as a last resort, but as the fundamental source of our prosperity.

Immigration will Come.

That there will be much immigration into Canada I do not doubt. The tide from Europe may be slow during the time of rebuilding in the destroyed areas, but slow or fast, how can we doubt that Canada, with the last great area of unploughed land in a democracy, with a sufficient water supply, with the climate which bred the men of St. Julien, of Festubert, of Givenchy, of Courcelette, will ever fail to be a magnet for the youth of all countries. Our difficulty will not be so much the want of immigrants, as to decide whether they are to be allowed to settle here, seeing that we shall want to know what kind of comrades they will prove if we have ever again to fight for our liberties.

There is so much more to be said, so many considerations to depress, so many to give us hope, which I have not dealt with, that my remarks merely touch the fringe of this great subject, but if what I have said helps any man to do his daily task more patiently in this long time of waiting, I shall feel amply repaid.

In Appreciation

It is doubtful if the "Monetary Times of Canada" has, during the past forty-eight years, ever published a number that will cover so interesting a period as the Annual Review and Outlook Number for 1917.

From a comparison value point of view, due to the fact that the data presented cover a full war year, this number will, we feel sure, be more than ever welcomed by the business and financial interests of this and other countries, and assist greatly in the world-wide dissemination of useful and reliable facts as to the financial and commercial situation in Canada.

To those of our many good friends who have co-operated with us in the production of this number, we desire to express our earnest appreciation, as a result of which co-operation we are encouraged and hope to provide still better things in the Annual Review and Outlook Number for 1918.

The Monetary Times of Canada

Jas. J. Salmond

Managing Director.

Will Seeming Prosperity Turn Out to be Inflation?

Dangers in the Prosperity of the United States, Our Chief Money Market to-day—Position of that Country in the Commercial Fight to Come—Instructive Analysis of the Position

By A. BARTON HEPBURN, LL.D.

WHAT is the effect produced by this war upon the affairs of the United States.

The inordinate demand for raw material and manufactured products, the various means of paying for the same, and the logical effect of such demand and payment tell the whole story, so far as the United States is concerned, since we have not been drawn into actual war. Mules and horses and saddlery were among the first importunate demands which have continued without abatement, also the motor car, which supplements or succeeds the horse; the various food products for man and beast, clothing, both woolen and cotton, woven and knit, and raw material from which clothing is made, but chiefly guns and munitions and the material from which they are made.

The fiscal year of the United States government ends with June 30th each year. The increased volume of our international trade can best be told in figures. Prior to the war the largest balance of trade in favor of the United States in any one year was of approximately $700,000,000. In the year ended June 30th, 1914, the excess value of exports over imports was normal, that is to say it was $470,653,491. In 1915, it was increased to $1,094,419,600, and in 1916 it was $2,135,775,355. Several months of the present fiscal year have passed, and if the remainder of the year shall continue the pace which these months have set, the year 1917 will show an international trade balance in our favor of over $4,000,000,000.

Five Billion Debt to Europe.

Lloyd George stated, when chancellor of the exchequer, that the United States, at the inception of the war, was indebted to England in the sum of five billion dollars, and to the continent of Europe another billion. The British income tax enables a treasury official to estimate very closely the indebtedness of any nation to England, but it suited Lloyd George's purpose to make this indebtedness as large as possible. The best study I could make on this side of the water seems to justify the opinion that $5,000,000,000 would cover our indebtedness to all Europe on August 1st, 1914. By the time this article appears the trade balance of $3,230,000,000 for the first two years will have grown to over $5,000,000,000.

How have these enormous purchases been paid for? Well, over $1,500,000,000 of American securities held abroad have been returned and absorbed by American investors prior to November, 1916. The amount of such returned securities can be approximately ascertained, but they keep coming and hence the amount is continually changing. The loans made abroad already amount to $1,325,000,000, and another loan to England of $300,000,000 has recently been underwritten and offered to the public; also a loan of $100,000,000 to a syndicate of French merchants and manufacturers; $250,000,000 has been loaned to Canada and Canadian interests, and $105,000,000 to South America. Both the latter loans were largely to put the borrowers in funds to pay their indebtedness to Europe. The current indebtedness of European bankers to New York bankers is very considerable, and is in addition to the above-mentioned foreign loans. By January 1st loans abroad will amount to $2,000,000,000.

As to the Gold Movement.

Just prior to the war Europe resorted to every expedient to obtain gold, and the exports from New York were very large. Tie situation soon reversed itself—the stoppage of purchases in Europe, the very large European purchases here soon paid America's current indebtedness to Europe, piled up New York balances abroad and then induced gold to come this way. The net importation of gold, from the time the tide turned late in 1914 up to December 1st, 1916, was nearly $1,000,000,000, which paid *pro tanto* for purchases here. A few months more of the war and our merchandise balance will enable us to become a creditor nation; that is, the amount of American securities held abroad, which will be returned and taken by our investors, plus the amount of loans we make to the different nations and different foreign interests, will equal the total foreign indebtedness which we owed when the war broke out, and instead of a borrower we become a banker nation.

Is America Benefitting?

This sounds very good and a superficial view would indicate that America was profiting and profiting largely from the war. But is she? According to the New York Department of Labor, wages have increased in the United States 45 per cent. since the war began. Economists generally agree that labor represents 80 per cent. of the cost of manufactured goods; hence the cost of manufactured goods for sale at home as well as abroad has increased 36 per cent. The demand for horses has enabled horse raisers to obtain a very large price, but our own people have been compelled to pay large prices as well. Speaking generally, what our people make beyond the usual is largely absorbed by what they are compelled to pay beyond the usual for their necessary purchases. Undoubtedly some, who possessed things urgently demanded by the war, profited largely by the resulting high prices obtained. The stock and securities of the International Mercantile Marine Company rose from very low quotations to command a premium, because of the demand for ships and shipping. Other properties, for exceptional reasons, enjoyed great appreciation in value.

If a laboring man's wage is raised from $2 to $4 per day and the things which he has to buy are also doubled in price, he profits nothing from his wage increase. The value of labor and commodities is relative. The value of property is determined by the income it produces, or the amount of money for which it can be exchanged and, carried farther, by the quantity of things desired, which such income or sale money will buy. The coincident marking up of prices, the same ratio being maintained, is simply inflation and of no general advantage.

Inflation is World Wide.

Inflation is going on all over the world, but is most in evidence in the nations at war. Will not the seeming prosperity of the United States turn out to be largely inflation, a marking-up process simply? Inflation is always dangerous. May it not put prices of manufactured goods on so high a level in the United States, that we cannot compete in the markets of the world? In the past the world has bought from us what it could not buy elsewhere, and we have been content to sell the world raw material and manufactured goods not easily made in other countries. Will not that be our condition after the war? Will not the enormous volume of exports shrink to the ante-bellum measure. The cost of our manufactures is likely to be prohibitive in the open markets of the world. We have comparatively no merchant marine and never can have as long as our laws as to registry and shipping remain as they are at present.

At the War's Close.

At the close of the war the carrying trade will more than ever be in English control, with Germany, France and Italy close competitors, and America can only reach the world's markets through the bottoms of her competitors. America will be barred or greatly embarrassed by the high cost to produce and the lack of control over transportation.

England, called by Germany decadent, was certainly lethargic, the lethargy that comes from long years of prosperity and resulting wealth. The spur of necessity was wanting, and partial business atrophy was in consonance

with human nature. England will come out of the war with her entire people throbbing with the tensest energy, with her productive capacity in highest state of efficiency and with a bull-dog determination to maintain her commercial supremacy. Germany will have lost none of her *kultur*, and the latin race, represented by France and Italy, are coming to the front among the great commercial nations.

At the opening of the war France controlled 45 per cent. of the African continent and held extensive possessions in Asia. She was managing her colonies in a most enlightened manner, with full consideration for the colonists. The best evidence of this is the response in soldiers of her colonies in this, her time of sore trial.

These nations, impoverished by war, will not sit down to a period of economy and save to pay their debts, they will press their advantage in world's commerce and trade and make money with which to carry and pay the enormous indebtedness under which they must struggle.

The United States, unfamiliar with foreign languages, unfamiliar with foreign tastes and customs, handicapped with crude and unusual shipping laws, unable to develop a merchant marine, and forced to ship her goods in vessels of rival nations, with the cost of labor at a dizzy height, and bearing in mind that the labor of women in factories will supply the loss of men in Europe, and may be a percentage lower in price—facing all these conditions the outlook for commercial and financial supremacy on the part of the United States ought not to be especially embarrassing to other nations. I do not believe it possible that lasting good, or prosperity, or profit even, can come to any nation as a result of a war that violates the fundamental principles of civilization and is a reproach to humanity.

Britain Is Still The World's Banker

Her Position After the War will be of Great Strength—The Financial Status of the United Kingdom, Canada, the United States and Germany—Canada has Won a Splendid Reputation in the Money Markets—The Teutons' Millstone

By JOHN STUART THOMSON.

THE net importation of gold into the United States since the opening gun of the world-war is $630,000,000. European stocks, especially those of the Allies, have been depleted, therefore, to that amount in favor of American resources.

Add to this the one billion of loans made by America, and at a glance one can behold the gain of America over the Allies. While it is true that much of the fruits of these loans has burst into shot and smoke, it is also true that every shell of the Allies has won dollars of trade and acres of colonies.

The total stock of gold in the United States is approaching three billions. Add to this, America's trade production of nearly four billions of exports yearly, and one can perceive at a glance that America could safely lend the Allies, for rehabilitation, at any time, at least five billion dollars, or more. Germany plans to ask for seven billions on peace day, but what banker is there who will not scoff at the security offered?

This essential and effective financial facility on America's part, is much more important than America's military participation in the war. This condition was true in August, 1914; it was true when the "Lusitania" was sunk; it is true to-day. It will be equally true at the close of hostilities.

Spoils to the Victor.

America will lend only to the victor; at least only through the victor. This is the modern interpretation of the phrase, "to the victor belongs the spoils," the "spoils" being credit.

What will give America the necessary financial and political confidence to lend? These factors: (1) Britain's naval victory. (2) Britain's conquest of new fields in Africa, the Far East, etc. (3) Britain's retention of her colonies. (4) Britain's retention of her investments and trade in South America, Russia, India, Persia, Egypt, etc. (5) Britain's virtual monopoly of the maritime routes of the world. (6) Britain's extension in manufacturing production. (7) Britain's retention of her clearing house and financial supremacy. She has been, is and will be the world's banker. Her strength is so virile; her position so assured, that with the increase of her responsibilities, her opportunities also increase.

How will Britain recoup herself, both for her own domestic loans, and for her loans in the American market? How will she maintain her financial supremacy? How will she maintain her foreign credits?

(1) By increasing her charges on her maritime monopoly, coal, money, etc. This alone is a sufficient guarantee to America that Britain will pay and is able to pay. (2) By the profits of her increased trade in both new and old colonies. This amounts to billions yearly. (3) By the steady profits on her uninjured investments in new and old colonies. This amounts to billions yearly.

What is true of British finance is true of Canadian; like father, like son. It is true that Johnny Canuck has borrowed from Uncle Sam, especially during the last two years, but the sum is a trifle; not yet nearly a billion. Against his borrowings, what can Johnny show Uncle Sam in enhanced commercial position? (1) Increased wheat fields. As yet only 10 per cent. of Canada is in cultivation. (2) Increased trade, mining and profits. (3) Increased manufacturing. (4) Increased population. (5) By far, the strongest and ablest military power on the American continent. (6) Equal protector with the United States of the Monroe Doctrine. (7) Increased mercantile marine. (8) A new found character, nationally and individually, which is important financially in respect of prestige. The late Mr. J. Pierpont Morgan, famous banker, coiner of phrases and money, once said that he would lend one kind of a man, a million dollars without any security. Canada, by her war record, has made that kind of a reputation.

Canada has more wealth per capita than any country in the world. Her wealth is better distributed. On her trade profits of $200,000,000 a year, she could well borrow five billion dollars in the United States for rehabilitation, if that were necessary, and still be solvent. She exports nearly a billion dollars' worth a year. The United States owes Canada the highest respect, for Canada in normal times buys four times from the United States what she sells to her, and she remains the second best customer of the United States, Britain, her mother, being best customer. It has grown to be the affected custom in the United States to fawn over Latin-America. Based on the exhibit of these figures, why not devote some of this appreciation to Canada? It has grown to be the custom for some Americans to cow to Germany. Based on the fact that Canada in normal times buys much more from the United States than Germany does, why not hereafter give Canada her proper credit. Based on the rule of proportions and justice, why not indulge in some enthusiasm for Canada? "New wine for old," is a poor trade doctrine.

Cream off the Milk.

No matter how pessimistically facile arithmeticians roll up the cost of smoke and shell, the fact remains indisputable that the Allies will take the cream off the world's bottle of milk, no matter how much the Teutons shake the bottle. Seapower brings this about. It is indisputable that Russia will be richer than ever in stirred-up, newly-discovered and expanded resources. It is certain that Japan can now pay her financial debt to Britain, the world's banker. Britain is richer than ever, for she holds the bonds and notes of the Allies, whose trade, by naval, financial and maritime power, she also holds in rein. She spends six billions a year net, but

this is only half of her resources, and she could well afford to finance the world, so that the obstreperous Teuton might be hit twice as hard as at present. Japan is the most economical police power (I do not call her a military power in a trade article) that Britain could employ to assure order in China, the East Indies, and if necessary in India, Africa and Egypt. This means that Britain's patrol-costs will be the lowest, in all quarters of the globe.

France's position will be enhanced, because of her maintained position in her old colonies, and her new opportunities in Morocco, Syria, Italy, etc.

And the Teutons?

But what of the Teutons? "Woe and alas," wails the economist's pen and voice. What the Allies gain in trade, maritime and financial power, the Teutons must lose, when the world makes up its balance sheet. In international finance, you have to borrow from Peter to pay Paul, the Allies being Paul. Germany loses in all kinds of manufacturing; in man power by millions of men laid low; in investments; in colonies; in maritime and naval power; in blown away savings; in prestige; in worn out machines and organization; in the worn out political patience of her oppressed people. Germany's public debt in 1913 was 250,000,000 marks. In 1916 the debt showed over 46 milliard marks (eleven and one-half billion dollars) added to this sum, with less men, colonies and trade to pay for it. The Teuton's interest rate has already climbed two-thirds higher than the Allies. Germany has about exhausted her private savings. Her state railways are practically mortgaged to her astute bankers, who thus know how to crush kings. Teutonia's income of six billion dollars per year from commerce, foreign investments, maritime carrying, etc., has been lost for over two years, and promises, even after the silver peace clarion rings out from the purple hill tops, to be only half what it formerly was, as the Allies will assert all the power of their naval and financial victory. Hence the Paris trade conferences of the Allies. The amount of German paper currency has been increased from $505,000,000 to two billions (285 per cent.), while the increase in gold is only $275,000,000. Does this not sound like pre-Bastile history?

The prerogative and proof of government is the power to tax. The mistakes of tyrants are borne by the populace. Germans will continue to pay higher and higher taxes, and thus they will slave, not for the wealth of their nation, but to finance the follies of a king, which is commercial, moral and political bankruptcy. A Teuton of to-day will thus mortgage his grandson, and he will tag his great-grandson with an odious debt. "Make the taxes and not loans pay for war expenditures," said Gladstone. The Teuton will drown himself in the lake of his folly, dragging two millstones from his neck, both tax and loan. Teutonia will finally adopt the policy of repudiation of her internal loans, in exactly the way the Confederate States were compelled to do. I have recently toured the Southern United States three times, and I have seen the blighted results of this policy quite evident 51 years after the war.

Must Work for the World.

The Teuton, disappointed in his dream to make the world work for him, must now work for the world, at the low price the victorious world of Allies shall set for his labor. His labor, therefore, will be as fruitless as inglorious. His slavery will last through the generations until he pays civilization, in flux and in rehabilitation, all the cost of this war, whether he begins with an indemnity or not. It will be all the same in the end.

Britain is only expending net on the war, half of her yearly income of 13 billions; so she can afford to go on forever, as long as her sea trade is kept open. The Teuton loses six billions of sea-borne foreign earnings each year that he keeps fighting. When will he awaken, and crack the heads of Hohenzollern tyrants with their own bludgeons? When will he call Helfferich, not an economist but a liar? A treasurer who lies to a people is equal tyrant with a war lord, who engulfs them in strife.

Moreover, when will the policy of attrition be cast away, and Japan be brought in as one of the world-policemen, whose duty it is to crack the head of the German disturber, and restore the world to its accustomed ways of peace: a Pax Anglo-Entente, under the guarantees and patrol of the nations which will have brought it about, and to whom should be added the United States, because of her essential and large charitable and financial assistance?

THREE YEARS' WAR WILL COST $75,950,000,000

(Continued from page 24.)

Direct war cost to—	3 years ended August 1, 1917.	Per capita.
Great Britain	$16,500,000,000	$351.00
France	14,000,000,000	350.00
Russia	11,750,000,000	67.10
Italy	3,900,000,000	108.00
Rumania	450,000,000	59.30
Belgium and Servia	1,600,000,000	133.40
Entente Allies	$48,200,000,000	$151.50
Germany	$16,500,000,000	$242.60
Austria-Hungary	9,250,000,000	174.50
Turkey and Bulgaria	2,000,000,000	75.50
Central Alliance	$27,750,000,000	$188.10
All belligerents	$75,950,000,000	$163.30

War Costs and Income.

It is interesting to set the estimates of per diem war costs against estimates of per diem income of the people who are paying those costs. Thus the following table has been prepared, comparing war-cost figures with figures or the average per diem income of the people of the principal European powers, as that income was calculated in time of peace:—

	Per capita— Daily income, cents.	Daily war cost, cents.
Great Britain	65	32
France	51	32
Germany	42	22
Austria-Hungary	31	16
Russia	12	6

Another Interesting Estimate.

The American Peace Society estimates the total cost of the war at more than $140,000,000,000 ($59,000,000,000 direct; $88,000,000,000 indirect) basing its estimate on the conservative figures of some of the foremost European statisticians such as Edgar Crammond, of England; Henri Masson, of Belgium; Yves Guyot, of France; Monsieur Barriel, of Russia; von Rensult and Riesser, of Germany, and the Austrian minister of national defence.

The daily increase in the cost of the war during the last year, may be seen in comparing these figures with those for August 1st, 1915, when the total cost was estimated at something like $38,000,000,000. The cost of the war to the various nations at the end of the first year, excluding Japan, Turkey and the Balkan States was as follows:—

	Direct.	Indirect.
Belgium	$185,000,000	$2,480,000,000
France	2,770,000,000	5,165,000,000
Russia	3,000,000,000	4,000,000,000
England	3,540,000,000	6,400,000,000
Germany	4,690,000,000	13,875,000,000
Austria	2,810,000,000	7,510,000,000

Cost of Second Year's Fight.

The cost of the war to the end of the second year is estimated as follows:—

	Direct.	Indirect.
Belgium	$565,000,000	$4,975,000,000
France	7,400,000,000	14,625,000,000
Russia	8,775,000,000	10,000,000,000
England	12,750,000,000	14,600,000,000
Germany	15,305,000,000	32,500,000,000
Austria	8,790,000,000	15,000,000,000

To this must be added the approximate cost to Italy which may be estimated at about $5,000,000,000 direct and $6,000,000,000 indirect cost. The present daily cost of the war to the various belligerents has been variously stated, but a conservative estimate will place it at $28,000,000 for England; $15,000,000 for France; $25,000,000 for Germany; $15,000,000 for Russia and $8,000,000 for Austria.

The property losses and the losses in capital are especially difficult to determine. The total property loss of the five principal nations engaged may be said to be about $25,000,000,000 and the capital loss approximately $20,000,000,000.

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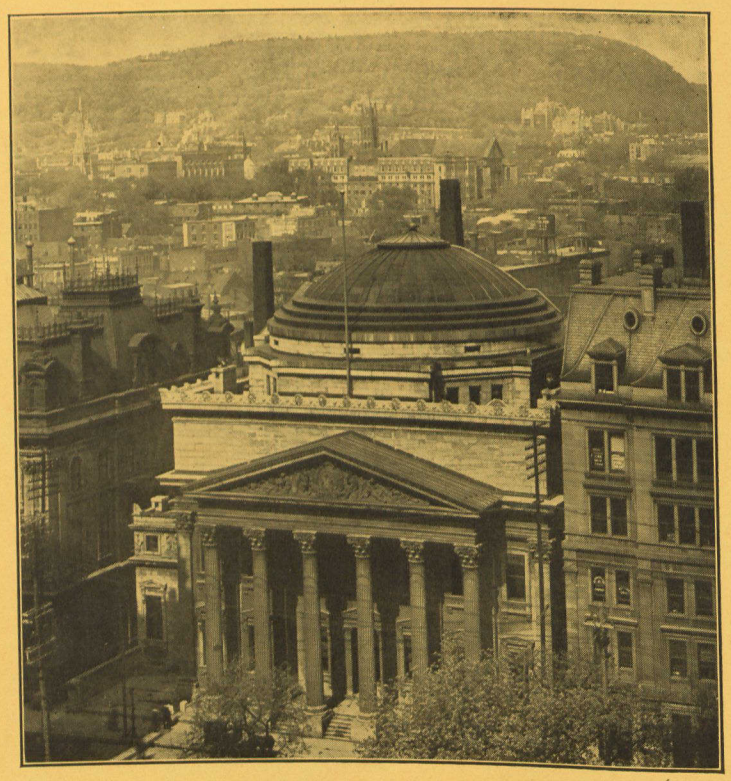

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CLEVELAND	The First National Bank of Cleveland.
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BUFFALO	The Manufacturers' and Traders' National Bank.
SAN FRANCISCO	First National Bank of San Francisco.
SAN FRANCISCO	The Anglo and London-Paris National Bank.
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SEATTLE	Seattle National Bank.
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How Canada's Special War Measures are Working

Since the Outbreak of War, the Dominion Government has been Kept Busy in Raising Additional Revenue and Financing Canada's Share of the Struggle—Review of the Emergency Legislation and National Finance for the past Thirty Months

WHEN war broke out 29 months ago, no time was lost by the Dominion government and the bankers of Canada in handling the financial situation. Undoubtedly financial and business disaster in the Dominion was prevented by the rapid framing of special financial measures to cope with the crisis. This special legislation has been summarized for *The Monetary Times* below, together with some notes as to how the measures have worked. Generally speaking the emergency legislation has operated very smoothly and in some cases, no necessity has arisen for making use of the new laws.

1914.

(1) The Dominion government stood ready to issue Dominion notes to such an amount as was necessary against securities deposited by the banks and approved by the minister of finance.

(2) The government authorized the chartered banks of Canada to issue excess circulation to an amount not exceeding 15 per cent. of their combined unimpaired paid-up capital and rest or reserve fund from August until further official announcement.

No Gold Payments.

(3) The government authorized the chartered banks of Canada to make payments in bank notes instead of in gold or Dominion notes until further official announcement in that behalf.

(4) The redemption in gold of Dominion notes was suspended.

(5) Legislation was obtained to declare a moratorium if necessary.

(6) The power of issue of Dominion notes was increased by providing that the finance minister should hold gold to the amount of 25 per cent. of the Dominion notes issued up to a total issue of $50,000,000, and in regard to Dominion notes issued in excess of that amount, gold to be held equal to such excess.

Heavy War Appropriations.

(7) A war appropriation of $50,000,000 was voted in August, 1914, for the fiscal year which ended on March 31st, 1915.

(8) Tariff legislation was passed on August 20th, 1914, involving new taxation to increase revenue.

1915.

(9) Further taxation measures were announced on February 11th, 1915. A further war appropriation of $100,000,000 was made.

(10) An amendment to the bank act was made in March permitting the banks temporarily to lend money for the purchase of seed grain upon the security of the grain purchase, the crop to be grown therefrom, and the grain threshed from the crop.

(11) Arrangement made in the fall for loan of £30,000,000 from British government for war purposes, to be drawn upon as necessary.

1916.

(12) A further war appropriation of $250,000,000 was authorized in February, 1916.

(13) Tariff on apples, oils and petroleum increased February, 1916.

(14) War tax on business profits instituted for a period of three years.

(15) Measure for compulsory investment in Dominion securities by life insurance companies, enacted.

(16) Sale of Dominion 5 per cent. 3-year debenture stock authorized, February, 1916; first sales, October, 1916.

(17) Temporary bank loan of $30,000,000 was arranged by the government in the summer.

It is of interest to examine these measures in the same order in more detail.

(1) In his letter notifying the presidents of the various banks of the arrangement to issue Dominion notes against approved securities, Sir Thomas White, finance minister, stated that the legislation was intended by parliament "to enable the banks of Canada to extend in this time of stress such credit facilities to the community as may be proper, having regard to prevailing conditions and the observance of sound banking principles."

The following gentlemen were appointed to advise the finance minister as to the securities to be accepted: Mr. D. R. Wilkie, president Canadian Bankers' Association, Toronto (who has since died); Sir Frederick Williams-Taylor, general manger Bank of Montreal, Montreal; Mr. E. L. Pease, general manager Royal Bank of Canada, Montreal, and Mr. H. B. Walker, manager Canadian Bank of Commerce, Montreal.

Upon Pledge of Securities.

The authority given by parliament was to make advances to the chartered banks by the issue of Dominion notes upon the pledge of securities, deposited with the minister of finance, of such kind and amount as might be approved by the treasury board, such advance to be repayable at such times as the board might determine, with interest at a rate likewise determined by the board of not less than 5 per cent. per annum.

This legislation has helped considerably the financing operations of railroads, provincial governments, municipalities and corporations, while it also facilitated the financing of the crop movement. At the present time a comparatively small sum of such advances to the chartered banks is at present outstanding. In July last, the amount was less than $500,000, secured by approximately $100 of securities, market valuation to each $80 advanced.

Excess Circulation.

(2) The permission to issue excess circulation was merely an extension of the period of the emergency circulation, to move the western crop, which had been in force for several years.

Month.	Ordinary limit of note circulation.	Dominion notes and gold on deposit in central gold reserve for which circulation could be issued.	Greatest amount of notes in circulation at any time during month.	Amount, 15 per cent. of which could be used as excess circulation.
August ..	$114,837,227	$ 4,150,000	$115,304,287	$228,220,138
September .	114,843,582	10,950,000	124,618,121	228,229,343
October ..	114,852,645	13,000,000	128,451,315	228,245,019
November .	113,909,750	10,800,000	124,620,870	227,075,057
December .	113,916,913	9,700,000	117,154,696	226,987,772
1915.				
January ..	113,975,538	6,950,000	107,476,852	227,203,192
February ..	113,976,736	5,250,000	99,037,728	227,204,390
March	113,975,472	5,550,000	100,764,584	227,206,126
April	113,980,036	5,800,000	103,842,430	227,307,690
May	113,982,653	5,900,000	102,072,374	226,043,641
June	113,984,389	5,500,000	103,166,744	227,045,377
July	113,984,448	6,350,000	104,166,355	227,045,436
August ...	113,984,747	6,550,000	102,866,674	227,045,735
September .	113,984,870	7,850,000	108,917,398	227,045,978
October ..	113,986,106	11,750,000	123,204,784	226,638,439
November .	113,987,275	15,100,000	130,400,298	226,705,748
December .	113,987,577	17,300,000	132,680,244	226,444,910
1916.				
January ..	113,989,854	11,860,000	123,224,869	226,447,187
February ..	114,216,719	10,460,000	115,301,997	226,674,052
March	112,815,581	12,010,000	119,037,046	225,838,514
April	112,823,898	14,410,000	123,457,733	225,946,831
May	112,832,765	14,810,000	121,932,399	225,855,698
June	112,846,435	17,710,000	124,850,445	225,869,368
July	112,852,038	19,010,000	129,225,475	225,874,971
August ...	113,018,937	20,860,000	129,824,206	226,041,870
September .	113,025,545	24,010,000	135,438,550	226,048,478

For the crop movement this circulation had been allowed from September 1st to the end of February. The special war legislation allowed additional issue from March 1st to August 31st. Additional circulation, therefore, is at present available all the year round. A bank may issue its notes to an amount not exceeding 15 per cent. of the combined unimpaired paid-up capital and reserve fund. Interest not exceeding 5 per cent. per annum has to be paid to the government on the excess circulation. The foregoing table, kindly furnished to *The Monetary Times* by the finance department, Ottawa, is of interest in this connection.

(3) In allowing the banks to make payments in bank notes instead of gold or Dominion notes, the Canadian gold supply was conserved against demands from foreign sources. This was in keeping with the policy of British banks and those of many other countries during the war crisis. The total amount of the notes of any chartered bank circulation at any time was not, however, to exceed the amount of its notes issuable under the provisions of the Bank Act.

(4) The suspension of the redemption in gold or Dominion notes was made for similar reasons.

(5) The necessity for the declaration of a moratorium by the Dominion government has not arisen and so far as can be seen, will not arise.

Dominion Notes Legislation.

(6) The legislation which authorized an increase of Dominion notes from $30,000,000 to $50,000,000, without limitation or condition, left it open to the government to avail itself of it now or at any later time. In other words, there is an integral change made in the Dominion Notes Act whereby a margin of 25 per cent. of gold may be held in respect of an issue of $50,000,000 instead of $30,000,000 as under the present legislation. This matter is a very important one and was treated at length in an article in the previous annual number of *The Monetary Times*. In February last, our gold reserves held against Dominion notes amounted to $115,147,985, or 64.2 per cent of the outstanding circulation.

(7) The war appropriation of $50,000,000 in August, 1914, (and also of $100,000,000 in February, 1915, and $250,000,000 in February, 1916), were for the following purposes: (a) The defence and security of Canada; (b) The conduct of naval or military operations in or beyond Canada; (c) Promoting the continuance of trade, industry and business communications, whether by means of insurance or indemnity against war risk or otherwise; and (d) The carrying out of any measures deemed necessary or advisable by the Governor-in-Council in consequence of the existence of a state of war.

New Taxation Measures.

(8) The special war taxes of August, 1914, were described in detail in *The Monetary Times* annual of 1915. The increases in customs duties were chiefly on sugar, coffee, liquors and tobacco.

(9) The new taxation measures of 1915 were in the form of further tariff changes and also special taxes on financial companies, telegraph messages, passenger fares, and stamp taxes. These measures were discussed in detail in the annual number of *The Monetary Times*, 1916. About $3,000,000 was derived from the special taxes, other than postal, levied under The Special War Revenue Act, 1915. About $19,000,000 was obtained from the increased duties levied under The Customs War Revenue Act, 1915.

(10) The amendment of the bank act in March last to permit the banks temporarily to lend money for the purchase of seed grain was not extensively used by the banks or the farmers. The federal government advanced to farmers in 1915 about $7,600,000 for the purchase of seed grain, a matter discussed elsewhere in these columns.

Annual Debt Charges.

(11) The loan of £30,000,000 to Canada, arranged with the British government in the fall of 1915, was to be availed of, if necessary, at £2,500,000 a month during 1916. Sir Thomas White pointed out when announcing this loan that with the large invisible balance of interest payments amounting to about $150,000,000 annually, which Canada owes to Great Britain on past indebtedness, and our annual interest debit of $37,000,000 to the United States, we should, if an arrangement of the kind was not effected, be obliged to export gold to Great Britain or to the United States to the amount of a part at least of our war expenditure abroad. While this arrangement ensured the stability of our finance for the current fiscal year, it has been the endeavor to use as little as possible, this provision on the part of the imperial government, sustaining, as it is, the heavy burden of financing its own unparalleled war expenditures, and making loans on a vast scale to the Allies.

(12) The chief details of our war expenditure are as follow:—

Pay of 25,000 officers and men; rations at 40 cents per man; purchase of horses; transport to seaboard; ocean transport; transport abroad; return transport to Canada; engineers' services at Halifax, Quebec and elsewhere; equipment; clothing; ammunition from Dominion arsenal; censorship; pay and maintenance of troops on guard in Canada; additional troops and unforeseen expenditure. Our war loans are treated on another page.

(13) The duty on apples was increased to 90 cents per barrel, to encourage the apple growing industry of Canada and particularly of British Columbia. The other change was a duty of one-half cent a gallon on oils, petroleum, not including crude petroleum imported to be refined, or illuminating or lubricating oils, .8235 specific gravity or heavier at 60 degrees temperature. This change will include heavy distillates that are now assessed duty at two and one-half cents a gallon and which have been chiefly imported into the prairie provinces. This item it was expected would yield a revenue of about $500,000.

Tax on Business Profits.

(14) The number of companies which will contribute to the business tax now in force is approximately 2,500. Circulars were sent to all companies last summer requiring them to submit financial statements. Of 20,000 firms circularized, only about 13 per cent. come within the provisions of the act requiring contributions to the federal treasury of excess profits over the 7½ and 10 per cent. dividends on capitalization. According to the returns made there is every indication that the $25,000,000 of revenue estimated by the finance minister for the three years' operation of the tax will be fully realized. Indeed, it is likely to be higher.

The first instalment of taxes was due on November 1st last, and the revenue from the tax last year was estimated at from $7,000,000 to $12,000,000. This year's revenue from the tax will probably be higher owing to the provisions of the act regarding the computing years on which the tax is levied.

The business profits war tax act, which came into force last year will operate until 1918. Under its provisions, incorporated companies are taxed 25 per cent. on net profits exceeding 7 per cent. upon capital employed (throughout the accounting period) of $50,000, or over. Capital employed includes (a) amount of capital stock of a company paid up in cash (or a fair valuation of such stock if issued against any other consideration than cash); (b) actual unimpaired reserves, or accumulated profits.

Outline of Tax.

Companies with a lesser capital than $50,000, 20 per cent. or more of whose business is, or has been in manufacturing or dealing in munitions or war supplies, are subject to the tax.

In determining the profits of mining companies an allowance will be made by the finance minister for exhaustion of the mines.

Firms and individuals are taxed 25 per cent. on net profits exceeding 10 per cent. upon capital employed. Capital employed is taken to be the fair value of all assets used in the business, less all debts owing by the business.

The tax is retroactive and will be levied for three years upon the net profits shown to any accounting period (fiscal year) after December 31st, 1914. Dividends received from the stock of any incorporated company which is taxed under the act, is not included in the profits to be taxed. Reasonable deductions from gross profits for depreciation, renewals, etc., are allowed.

Deductions from gross profits for remuneration of directors, managers, etc., are not, without consent of the minister of finance, to exceed the sums deducted for those purposes in the accounting period ended before January 1st, 1915, and no deductions of any nature will be permitted which improperly reduce the taxable profits of the business.

A company cannot evade the tax by selling its goods or products to its shareholders or others at less than a fair price, and the finance minister has full power to demand additional information (on oath if necessary) and to re-value the assets in any statement submitted to him.

The minister of finance requires, in duplicate, a return on or before July 1st each year, and neglect to make such return renders the delinquent liable to a penalty of $200 for each day of default. The penalty for false statement in any return is $10,000, or six months imprisonment, or both.

On or before September 1st each year, the finance minister forwards notice of assessment of taxable profits to each company, firm and individual, and the tax is payable on or before November 1st following.

Any company, firm or individual which was liable on July 1st, 1916, to a tax on two or more accounting periods covering two years, the tax covering the first twelve months can be paid on November 1st, 1916, the tax covering the second twelve months on November 1st, 1917; and the third and last year's tax on 1st November, 1918. Interest at 7 per cent is chargeable on taxes in arrears.

Appeals against the minister's assessment of taxes may be made in form prescribed by the act, to a board of referees appointed by the finance minister, within twenty days after date of mailing of notice of assessment, and if the tax payer is dissatisfied with the decision of the board, he may within twenty days after mailing of the decision give the finance minister written notice, in form prescribed by the act, of his intention to appeal the decision. The matter will then be referred to the Exchequer Court of Canada, whose decision is final.

Life Insurance Companies.

(15) To assist in war financing, a legislative measure was proposed in February, 1916, whereby life insurance companies and associations carrying on business in Canada under Dominion license will be obligated to invest and keep invested a certain portion of their assets during 1916 and 1917 in the currency, bonds, or debenture stock of the Dominion. Companies whose domicile is outside of Canada, but which are licensed to transact business in Canada, have to make the deposits which they are required to make in those years as security for their policyholders in the Dominion in such securities. During the same two years Canadian companies must invest in such securities one-half of the increase in their net ledger assets after making provision for increase in foreign reserves and in policy loans. Provision was made to meet the case of foreign companies which had already made their deposits for 1915.

The aggregate amount of such investments reaches a total of about $15,000,000. Having regard to the rate of interest which the Dominion is now paying upon its securities, the government took the view that there can be no hardship in such legislation either to the insurance companies or their policyholders who will obtain an investment of the highest character yielding a most attractive interest return.

Dominion Debenture Stock.

(16) The sale of Dominion 5 per cent 3-year debenture stock in small denominations was authorized to promote saving among the public and afford a ready means of remunerative investment in Dominion securities for funds seeking investment during the intervals between public offerings. The government has reserved to itself the right to limit the amount of individual sales, and generally to deal with the issue as is deemed advisable, having regard to the national credit and requirements.

(17) The government negotiated a loan of $30,000,000 during the summer of 1916, the collateral being 3 months treasury notes at 5½ per cent. Seventy per cent. of the loan was placed to the credit of the Dominion government on August 1st, and 30 per cent. on September 1st. As the loan was repayable on November 1st, the loaning banks were not inconvenienced through a diminution of crop moving funds. The loan provided for current needs until the proceeds of the war loan of September had been received.

Nation's Financial Transactions.

Here is a brief review of the national financial transactions during war time:—

1914.

A special session of parliament was held in August, 1914, immediately after the outbreak of war. Between that date and the February session, a month prior to the close of the fiscal year 1914-1915, the following steps were taken by the Dominion government:—

(1) Arranged with the Imperial government for advances from September until March 31st, of £12,000,000, or $60,000,000.

(2) Issued for Dominion purposes Dominion notes to an amount of $10,000,000 in excess of the additional issue of $15,000,000 authorized by parliament at its August, 1914, session. For this action special legislation confirming it was introduced.

(3) Borrowed $5,000,000 from the Bank of Montreal.

(4) Issued after the successful flotation of the British war loan £3,000,000 of six months treasury bills negotiated at 4⅛ and 4¼ per cent. and maturing in June, 1915.

(5) Sold at a net price of 94½ £1,300,000 of Dominion of Canada 1940-1960 stock to meet the private requirements of Canada's investing clientele in London.

By these means Canada arranged its finances until March 31st, 1915, and had substantial balances to its credit both here and in London.

1915.

The nation entered upon the fiscal year 1915-1916 with £3,000,000 of treasury bills maturing in June. There was also a bank indebtedness of $5,000,000. The treasury bills were retired upon maturity and the bank indebtedness paid off. The Dominion government then had no outstanding treasury bills in the London market and was not overdrawn with any financial institution. On the contrary, it had large balances to its credit both at home and abroad. The government was fully financed until the beginning of the summer of 1916.

The total amount of advances made to the Dominion government by the imperial government to February, 1915, for war purposes, was £27,000,000. Since the beginning of the period of serious decline in sterling exchange from June, 1915, onwards, however, the government was able to finance all its war expenditures in Canada without assistance from the imperial treasury. Had we been obliged, during that period, to bring funds for this purpose from London to Canada, we should not only have made a heavy loss on the transactions, but would have been in direct competition with the imperial treasury in selling sterling exchange for the purpose of meeting their obligations maturing due upon orders for munitions and supplies placed on this side of the Atlantic. By reason of improving revenues and borrowings in the United States and Canada, it has not been necessary for the country to negotiate any sterling bills since June, 1915. The result of the past fiscal year's transactions as to revenue and expenditure may be summarized as follows:—We borrowed in the United States the amount required for our capital expenditures. Our revenues will exceed our ordinary expenditure by $45,000,000. This $45,000,000 we devote to the payment of our war expenditure. By the end of the year the net national debt stood at about $580,000,000, an increase of $131,000,000 during the year.

1916.

The ordinary expenditure for the present fiscal year, which will end March 31st next, is estimated at about $135,000,000 as compared with $125,000,000 for the past year and $135,000,000 for 1914-15. Capital estimates are $30,000,000 as compared with $46,000,000 for 1915-16. Adding the ordinary and capital expenditure, the total civil expenditure for the year is estimated at $160,000,000 as compared with $165,000,000 for the past fiscal year, and $187,000,000 for 1914-15. Included in the ordinary expenditure for the current year is the sum of $36,000,000 representing charges upon the public debt, of which sum $20,000,000 represents increased interest on our war borrowings; and a further sum of $2,000,000 for pensions payable on account of the war. In making a comparison between ordinary expenditure for the current fiscal year and that of preceding years, these important items aggregating an increase due to the war of $22,000,000 must be taken into account.

The banks reduced the rate paid on current business accounts last year from 3 per cent. to 2½ per cent.

The militia department in September was paying out $2,000,000 monthly in separation allowances. This heavy expenditure is due to the fact that a large proportion of the Canadians at the front have left dependents in Canada. The payments from the patriotic fund account for another $1,000,000 a month, while the pension expenditure had reached $1,500,000 monthly before the heavy additions to the casualty list in October. These new casualties and the new scale of pensions determined upon during the February session of parliament will increase materially the expenditure under this head.

CANADA'S LOANS TO BRITAIN

Analysis of the Position—In What Form Will Settlement Be Effected?

A considerable part of Britain's new debt is represented by loans to allies and dependencies. The British government has made direct loans, aggregating a vast amount, to Russia, Belgium, Serbia, France, Italy, Canada, Australia, South Africa, India. Thus the financial history of the Napoleonic wars is repeating itself on a greatly enlarged scale. In the contest of over a hundred years ago England poured out subsidies and loans to any power that would take the field against the would-be world conqueror. A considerable part of that outlay was in the form of direct subventions or grants; and of the loans a considerable part was never repaid. On the present occasion the money handed out to allies, etc., is supposed to be altogether in the form of loans. The other nations—Russia, France, Italy, etc.—all expect to derive benefit from the overthrow of the German designs of world-conquest. Probably, they will extend their borders and acquire rich new territories, and presumably they will be quite good for the debts owed by them to Britain. In the aggregate, the claims which the United Kingdom has acquired against solvent nations in Europe and elsewhere, far outweigh the borrowings of the British government in the United States. It was stated officially in October, 1916, that the loans by England to allies and dominions exceeded $4,000,000,000. So Britain is playing the role of middleman—she is borrowing large sums from the United States, and at the same time lending probably twice or thrice as much to her allies and dominions.

Allied Government Loans.

In addition to the direct loans by the British government to the governments of allied nations, there have been from time to time issues in the London market of allied government securities. In these cases the British investment public, as distinct from the imperial government, made the loans to friendly nations. All told, the transactions in which Great Britain appears as creditor to the other powers which are fighting for humanity and civilization, probably balance or overbalance the British borrowings in the United States plus the British sales to Americans of United States securities. With Britain holding these vast amounts of securities on which three friendly great powers of Europe are obligants, it seems clear that British financial influence is not on the wane. Assuming that the European debtor nations maintain their solvency, the annual interest collected from them will cover a respectable portion of the annual charge for carrying Britain's new war debt.

Advances to Britain.

In the same way, though on a much smaller scale, the advances made by the Dominion government and the Canadian banks to the British government in connection with munition purchases here, operate to keep down our annual net interest outgo. Since July 31st, 1914, the funded debt of the Dominion government and the temporary loans have increased approximately $550,000,000 (as at the end of 1916). Of the increase, $100,000,000 is represented by direct loans by the Dominion government to the imperial munitions board, which is virtually the British government—$50,000,000 being advanced out of proceeds of the first domestic war loan and $50,000,000 out of the second loan. Then it is the case that a further respectable part of the increase of Dominion government debt it represented by loans to the Grand Trunk Pacific and the Canadian Northern Railways, and by expenditures on capital account in connection with new property acquired. Probably $60,000,000 or $70,000,000 of the new debt is so represented. Of the real value of the property and claims so acquired it is impossible to speak with assurance, but they should be taken as offsetting to a certain extent the increase of debt.

The $100,000,000 advanced to Britain is understood to be in the form of short-date treasury bills bearing interest at 5 to 5½ per cent. While the bills are current the interest collected on them will fully offset that required to be paid on a like amount of our government's debt. We have to consider in this connection also the loans made by the Canadian banks to the munitions board. These amount to a further sum of $100,000,000, with a prospect of rising to a larger figure. The banks will collect the interest on this sum and it may properly be regarded as offsetting a like amount of Dominion government or other Canadian debt held in the United Kingdom or the United States. Here we have in these two items no less a sum than $200,000,000, offsetting the increased holding abroad of Canadian securities in general. While we hold the claims we have an offset to the extent of $10,000,000 or so to the annual interest requirement on our securities in British or United States hands.

Bond Repurchases from Britain.

Throughout 1916 and during part of 1915 the bond houses here were offering for sale blocks of our provincial government and municipal bonds, also some industrial bonds, which had been repurchased at low prices in the United Kingdom. Some of these repurchased bonds, in sterling denominations, were sold to United States investors. Where that was the case, there would not be any reduction effected in our interest outgo. It would simply mean that we paid so much less interest to London and so much more to New York. But it is apparent that, on the whole, a goodly amount of the bonds brought back from England was sold here in our home markets—to insurance companies, banks, and individual investors. To the extent that our people bought and held these repatriated securities, there would be a decrease in our annual interest outgo and our foreign exchange position would be beneficially affected.

Matter of Settlement.

With reference to the $200,000,000 or so of claims which we hold against the British government, there is naturally some speculation as to the method or methods by which settlement will be effected. In case of the treasury bills, held by the banks and presumably by the government, if they are yearlings they would begin to run off at the beginning of 1916. The holders of a block of maturing bills, payable in London, could, presumably, use them in New York, say a week ahead of maturity, as demand sterling exchange; or the bills could be sent to London bankers for credit of account, and exchange sold in New York as circumstances warranted. Of course, as fresh advances were made to the imperial munitions board here, fresh batches of British bills or bonds would be acquired by parties in Canada—by the Dominion government, the banks, or possibly, if a public issue were made, by the investment public. So long as there is activity in placing new contracts here it is likely that the British securities will be coming in—probably in quantities equal to or greater than the amounts running off.

May be Exchange of Securities.

At the end of the war some of the British securities held by us may be exchanged against short-date or demand obligations of ours held by the British government or by the Bank of England. The Dominion government securities pledged by Britain against the recent $250,000,000 loan in New York are long-term securities, and it is scarcely to be expected that our government will pay them before maturity. However, an arrangement might be made whereby the Canadian banks would take them over and hold them in place of a like amount of British government bills or bonds.

POST OFFICE FINANCES

Figures of the revenue and expenditure of the postal service of Canada for the fiscal year ended with March 31st last are satisfactory. Compared with those of the preceding twelve months, they are as follow:—

	1914-15.	1915-16.
Net revenue	$13,046,649	$18,858,409
Expenditure	15,961,191	16,009,138

In 1914-15 the expenditure exceeded the revenue by $2,914,541. In 1915-16 the revenue was $2,849,271 in excess of the expenditure. In other words, while the revenue in 1915-16 was $5,811,760 greater than that taken in 1914-15, the expenditure last year was only $47,947 greater.

The committee of New York bankers which had charge of arrangements for the six months' $50,000,000 loan made to a syndicate of eight London banks arranged preliminary steps for the renewal of the credit upon maturity on June 20th, 1916.

CANADIAN BANK AMALGAMATIONS

Name of Purchasing Bank	Name of Bank Absorbed	Date of Absorption	Details of Terms of Amalgamation or Purchase	Price of Stock of two Banks concerned at time of Absorption
Bank of Montreal	Exchange Bank of Yarmouth, N.S.	May 15th, 1903	The assets of the Exchange Bank of Yarmouth were purchased by the Bank of Montreal, who assumed all liabilities of the former; the shareholders netted about $82.00 per share, par value $70.00.	Bank of Montreal, 257 Exchange Bank of Yarmouth, not obtainable
	People's Bank of Halifax, N.S.	May 9th, 1905	The Bank of Montreal issued $400,000.00 new stock at 253 in exchange for People's Bank of Halifax stock at 115.	Bank of Montreal, 260 People's Bank of Halifax, not obtainable
	Ontario Bank	October 13th, 1906	Bank of Montreal took over the assets of the Ontario Bank and assumed its liabilities, and agreed to liquidate its affairs, with open doors.	Bank of Montreal, 260 Ontario Bank, last quoted, in June, 1906, 137.75
	People's Bank of New Brunswick	April 30th, 1907	The assets of the People's Bank of New Brunswick were purchased by the Bank of Montreal, who assumed all liabilities of the former on a basis of 230 for People's stock and 258 for Bank of Montreal stock.	Bank of Montreal, 248.50 People's Bank of New Brunswick, not obtainable
*The Bank of Nova Scotia	Union Bank of Prince Edward Island	October 1st, 1883	The Bank of Nova Scotia issued $114,300.00 stock to shareholders of Union Bank of Prince Edward Island, representing $162,222.22, the surplus of the Union Bank of Prince Edward Island assets and earning power over liabilities.	No record
	The Bank of New Brunswick	February 16th, 1913	The Bank of Nova Scotia issued 10,000 shares stock and paid $100,000.00 cash to shareholders of Bank of New Brunswick, being one share of Bank of Nova Scotia stock and $10.00 cash for each share of Bank of New Brunswick.	Bank of Nova Scotia, February, 1913, high 265¾, low 260 Bank of New Brunswick, no record—last 260¾, April, 1912
	The Metropolitan Bank	Novemb'r 16th, 1914	The Bank of Nova Scotia issued 5,000 shares stock and paid $1,000,000.00 cash to shareholders of The Metropolitan Bank, being one share Bank of Nova Scotia stock and $200.00 cash for each two shares of The Metropolitan Bank.	Bank of Nova Scotia, 261 Metropolitan Bank, last quotation March 1914, high 211, low 206
†The Merchants Bank of Canada	Commercial Bank of Canada	June 1st, 1868	One share of Merchants for one share of Merchants Bank of Canada, and one share of the Merchants Bank of Canada for three shares of the Commercial Bank of Canada.	———
Union Bank of Canada	United Empire Bank of Canada	April 1st, 1911	The shareholders of the United Empire Bank of Canada received in exchange for their holdings an equal amount of stock in the Union Bank of Canada.	Union Bank, high 150½, low 150
The Canadian Bank of Commerce	Gore Bank	May 19th, 1870	$445,104.00 stock	Gore, 60—61 Commerce, 108—109
	Bank of British Columbia	January 2nd, 1901	$2,000,000.00 stock and $312,000.00 cash	Bank of British Columbia, no quotation Commerce, 147—149
	Halifax Banking Company	May 30th, 1903	$700,000.00 stock and $6,000.00 cash.	Halifax Banking Co., no quotation. Commerce, 164—166
	Merchants Bank of Prince Edward Island	June 1st, 1906	Purchased for cash	Merchants Bank of P.E.I., unlisted stock Commerce, 175
	Eastern Townships Bank	March 1st, 1912	$3,000,000.00 stock	Eastern Townships Bank, 175 Commerce, 215

CANADIAN BANK AMALGAMATIONS—*Continued*

Name of Purchasing Bank	Name of Bank Absorbed	Date of Absorption	Details of Terms of Amalgamation or Purchase	Price of Stock of two Banks concerned at time of Absorption
Royal Bank of Canada.....	‡Union Bank of Halifax.....	November 1st, 1910	For every five (5) shares, par value $50.00, of Union Bank stock, shareholders of Union Bank received two (2) shares, par value $100.00, of Royal Bank of Canada stock.	Royal Bank of Canada, 242—245 Union Bank of Halifax, 195
	Traders Bank of Canada.....	September 1st, 1912	For every four (4) shares of Traders Bank stock, shareholders of the Traders Bank received three (3) shares of Royal Bank of Canada stock.	Royal Bank of Canada, 228 Traders Bank, 166¾—168
	Quebec Bank.....	January 2nd, 1917	For every 3 shares of Quebec Bank stock, shareholders of the Quebec Bank received one share of Royal Bank, plus $75 in cash.	Royal Bank, 211—213 (Nov. 30th) Quebec Bank, 103—106 (Dec. 30th)
The Standard Bank of Canada	The Western Bank of Canada..... ..	February 13th, 1909	Stockholders of the Western Bank were paid in cash, $160 per share.	Standard Bank, 238—228¼ Western Bank, not listed
Imperial Bank of Canada.....	Niagara District Bank, St. Catharines..	June 21st, 1875		
The Home Bank of Canada...	La Banque Internationale du Canada...	April 15th, 1913	6,000 fully paid up shares of Home Bank of Canada for net assets of La Banque Internationale du Canada.	Neither stock listed
The Northern Crown Bank....	The Northern and Crown Banks of Canada amalgamated under the name of "The Northern Crown Bank"	July 2nd, 1908	Share for share allotted.....	No quotations available

* In addition to those shown in this table, the Bank of New Brunswick, which was amalgamated with the Bank of Nova Scotia on February 16th, 1913, had in 1901 taken over the Summerside Bank. † The Merchants Bank opened for business on May 9th, 1864. In February, 1868, the name was changed to The Merchants Bank of Canada, and a proposition was made to the Commercial Bank of Canada. On May 22nd, 1868, authority was received from the Government, and the amalgamation took place June 1st, 1868. ‡ The Union Bank of Halifax absorbed the Commercial Bank of Windsor in 1902.

CANADA MAY HAVE DOMINANT BANK

One Equal in Its Field as is Bank of France May Come as Result of Mergers

The first banking amalgamation in Canada since July, 1914, occurred last year, when the Royal Bank purchased the Quebec Bank. The directors of the banks reached an agreement whereby for every three shares of Quebec Bank stock shareholders of the Quebec Bank received one share of Royal Bank stock and $75 in cash.

The directors of the Quebec Bank informed their shareholders that "with the present condition of business in the west, your directors cannot hold out the hope that if the separate existence of the bank is maintained, the dividends would be continued. On the contrary, your directors feel that it is necessary for them, owing to severe competition, if the proposed amalgamation were not sanctioned by shareholders, to reduce the dividend for some years to come."

It was also pointed out that "the tendency of modern banking business has been towards the amalgamation of banks and the creation of financial institutions having large resources for the purpose of financing modern industries. It has happened that your directors have been obliged to refuse advances to some of the bank's best customers because, in their opinion, the amount asked for, though safe and profitable, bore an undue proportion to the resources of the bank.

Advantageous to Shareholders.

It was added that the experience of banks, both in Europe and in Canada, had shown that amalgamations such as that proposed were highly advantageous to the shareholders.

The bank amalgamation of last year reduced the number of chartered banks in Canada to 21. How this compares with the position in certain previous years is shown in the following table compiled by *The Monetary Times*:—

July.	No. of chartered banks in Canada.
1869	27
1879	40
1889	41
1899	38
1909	29
1912	26
1914	22
1916	21

"A Bank as Dominant."

It will be recalled that when the Royal Bank in August, 1915, desired to amalgamate with the Bank of Hamilton, Sir Thomas White, on behalf of the government, refused consent, and issued the following statement:—

"With regard to the tentative proposals for the amalgamation of the Royal Bank of Canada and the Bank of Hamilton, which have been placed before him, the minister of finance, Hon. W. T. White, has stated that after giving the matter very careful consideration he has reached the conclusion that as both the banks in question are strong, favorably known and well-established institutions, and are actual and potential competitive factors in the Canadian banking field, it would not be in the public interest that he should give the consent required from him under the terms of the bank act, and the interested parties have been notified accordingly."

The bank act allows any bank to sell the whole or any portion of its assets to any other bank which may purchase such assets. The minister of finance must consent to the entering into of an agreement between the two banks before an agreement is made. Nothing in the act "shall be construed to prevent the governor-in-council or the treasury board from refusing to approve of the agreement or to recommend its approval."

It is interesting to recall the report of Professor Johnson, New York University, on Canada's banking system, prepared for the National Monetary Commission of the United States about four years ago. He said: "The tendency in Canadian banking, as in all forms of business activity, is unmistakably toward combination. . . . It will not be surprising, therefore, if Canada has fewer banks ten years hence than now. One or two mergers would give the country a bank as dominant in its field as is the Bank of France or Bank of Germany."

CENTRAL GOLD RESERVE

It Has Been in Operation Over Three Years Now—Its Record

The central gold reserve at Ottawa has now been in operation a little over three years, it having become available to the chartered banks in September, 1913. The purpose of this reserve is to extend the banks' circulation facilities, which had hitherto proved insufficient. Deposits may be made therein either in current gold coin or in Dominion notes.

The following record, compiled for *The Monetary Times*, shows the deposits in the reserve for each month since its inauguration:—

1913.	Deposits in Central Gold Reserve.
September	$ 3,350,000
October	7,373,977
November	8,100,000
December	7,597,066
1914.	
January	3,500,000
February	3,000,000
March	3,500,000
April	3,250,000
May	3,550,000
June	3,050,000
July	4,400,000
August	4,150,000
September	10,950,000
October	13,000,000
November	10,800,000
December	9,700,000
1915.	
January	6,950,000
February	5,250,000
March	5,550,000
April	5,800,000
May	5,900,000
June	5,500,000
July	6,350,000
August	6,550,000
September	7,850,000
October	11,750,000
November	15,100,000
December	17,360,000
1916.	
January	11,860,000
February	10,460,000
March	12,010,000
April	14,410,000
May	14,810,000
June	17,710,000
July	19,010,000
August	20,860,000
September	24,010,000
October	35,660,000

The banks have made increasingly greater use of the central gold reserves. During the first year of its operation their deposits in that reserve did not reach $10,000,000, whereas last year they exceeded $35,000,000.

How the reserve works is shown in the following hypothecal example. Suppose we have a bank with a paid-up capital of $12,000,000, a reserve of a like amount, $10,000,000 of gold and $10,000,000 of Dominion notes. Such a bank would primarily be able at all times to issue and keep in circulation $12,000,000 of notes, or an amount equal to its paid-up capital. Moreover, from the beginning of September to the end of February it would be able temporarily to augment its circulation by 15 per cent. of its paid-up capital and reserve, namely, 15 per cent. of $24,000,000, or $3,600,000. Under special legislation of 1914, this can now be done all the year round. Further, suppose that it keeps in the central gold reserve only one-quarter of its holdings of gold and Dominion notes. It can then issue at any time extra notes to the amount of $5,000,000.

Canada's Mint Has Coined 114,414,023 Moneys

While War Operations Were Swallowing Money, the Deputy Master of the Mint Was Coining Millions.

During the past nine years, the branch of the Royal Mint at Ottawa has coined for issue 114,414,023 moneys, with a total value of $15,422,781.32. The details are given in the statement below, covering the period from January, 1908, to October, 1916, and supplied to *The Monetary Times* by Dr. James Bonar, deputy master of the Royal Mint at Ottawa.

The Canadian bank act revision in 1913 established central gold reserves for the securing of issues made above the paid-up capital of the issuing banks. The Ottawa Mint, however, has more direct concern with the statutory reserve of the Dominion's finance department, held against Dominion notes and (in small part) against deposits in Dominion savings banks.

Period.	Gold. No.	Gold. Value.	Silver. No.	Silver. Value.	Bronze. No.	Bronze. Value.
2 January—31 December, 1908 ..	636	$ 3,095.20	2,547,296	$ 313,338.35	2,329,095	$ 23,290.95
1 January—31 December, 1909 ...	16,273	79,195.23	4,914,695	673,043.65	3,944,168	39,441.68
1 January—31 October, 1910	27,407	133,380.73	11,241,094	1,484,075.05	3,047,209	30,472.09
1 November—31 December, 1910.	605	2,944.33	3,577,502	495,496.05	2,114,716	21,147.16
1 January—31 October, 1911	196,635	956,957.00	6,260,600	750,854.50	2,508,893	25,088.93
1 November—31 December, 1911..	60,311	293,513.53	2,060,122	234,824.00	2,151,054	21,510.54
1 January—30 November, 1912 ..	192,754	1,226,780.00	10,872,909	1,227,126.25	4,301,622	43,016.22
1 December—31 December, 1912..	32,093	250,930.00	1,001,082	156,706.70	807,977	8,079.77
1 January—30 November, 1913 ..	209,399	1,603,219.67	10,167,946	1,162,054.24	4,836,982	48,369.82
1 December—31 December, 1913..	30,548	305,480.00	1,455,367	154,487.10	896,390	8,963.90
1 January—30 November, 1914 ..	172,669	1,539,272.40	7,294,753	741,449.50	2,776,688	27,766.88
1 December—31 December, 1914..	6,734	32,772.13	799,391	101,794.55	627,249	6,272.49
1 January—30 November, 1915 ..	.....	.....	2,064,350	184,548.60	3,135,381	31,353.81
1 December—31 December, 1915..	.....	.....	.....	.....	1,701,585	17,015.85
1 January—31 October, 1916	6,111	29,740.20	6,588,294	859,537.90	7,437,438	74,374.38
Totals	952,175	$6,457,280.40	70,845,401	$8,539,336.45	42,616,447	$426,164.47

Part of the metal used in the Ottawa Mint was purchased in Canada and part in the United States.

The following gold, silver and bronze moneys were issued during the periods noted:—

	December 1st-31st, 1915. Value.	January 1st-October, 1916. Value.
Gold	.....	*$ 53,703.66
Silver	$74,000	770,000.00
Bronze	17,100	71,400.00
	$91,100	$895,103.66

*11,035 sovereigns only.

BANKS, WAR BONDS, COMMERCIAL LOANS

Large Investment in British Treasury Bills May Be Regarded as Equivalent to Commercial Loans

BY H. M. P. ECKARDT.

One of the outstanding features of recent bank statements in Canada is seen in the respective courses of the commercial loans and discounts on the one hand and the holdings of bonds on the other. At the outbreak of war the security holdings of the banks were, roundly, one-eighth of the current loans and discounts in Canada; and in the closing months of 1916 the bond holdings had increased to more than one third of the commercial discounts. While the one class of credits has been declining, the other has steadily increased. It is worth while to investigate the reasons for the contrary movements and to analyze the increases shown for the holdings of war bonds.

When the war began commercial discounts were tending downwards. Thus, from an aggregate of $866,000,000 on September 30th, 1913, they had fallen to $811,000,000 in January, 1914, with subsequent recovery to $840,000,000 by July 31st, 1914. From that level, during the early months of the war, the descent was rapid; and by January, 1915, the total had fallen to $770,000,000, the movement representing liquidation of $70,000,000. It is not difficult to discover reasons for this decline. In the first place, house-cleaning after the boom period was in process; and, naturally, when bankers, merchants and manufacturers were confronted with the appalling possibilities of the war, they, one and all, increased their efforts to liquidate old and doubtful debts and to contract their liabilities. At the same time, business men and financiers evinced strong disinclination to undertake or finance new ventures. Under the circumstances it was not strange that the commercial loans and discounts of the banks decreased. Throughout the early part of 1915 the aggregate of the discounts declined further, the low point of $758,000,000 being reached in August, but in the closing months the activities incidental to the moving of the mammoth wheat crop brought the total up to $775,000,000. In 1916, the low point for the year was reached on August 31st, at which date the total was $739,900,000. Then, as in 1915, the crop movement and the activity of the munition manufacturers were responsible for a substantial increase.

Banks Took Bond Issues.

In case of the securities there was, during the first seventeen months of the war, a net increase of, roundly, $22,000,000, the total rising from $100,000,000 to $122,000,000. This apparently occurred through the banks taking up some issues of the Canadian provinces and large cities which could not at first find a market abroad and through subscriptions by the banks to the war loans issued by the British government. There was also direct loans to the government of France to facilitate French purchases in this country. However, the principal increases as regards bond holdings occurred in 1916. In January there was a jump of $17,000,000, reflecting the banks' payments in connection with their subscriptions to the first domestic war loan of the Dominion. The next striking change was in April, the increase of $49,000,000 shown for that month, bringing the total to $190,000,000. This increase consisted of the British treasury bills taken from the Imperial Munitions Board to enable the imperial government to settle for shells, etc., bought in Canada. A further increase of $16,000,000 in May reflected the effects of a similar transaction of lesser amount with the Munitions Board, the aggregate of British bills taken by the banks in the two months being $76,000,000.

Two Special Transactions.

June saw an increase of $10,000,000; July, one of $22,000,000; August, one of $15,000,000; and September, one of $16,000,000. Altogether, the increase for the four months was $63,000,000. Most of this is accounted for by two special transactions—a further purchase of $25,000,000 of British treasury bills from the Munitions Board, bringing the aggregate of such bills purchased up to $101,000,000, and a credit of $30,000,000 on three months' bills granted to the Dominion government in anticipation of collection of instalments on the second domestic war loan. Of the last-mentioned credit, $21,000,000 were advanced on August 1st and $9,000,000 on September 1st. It is to be remembered that as a result of the enormous values of Canada's exports of farm, animal and mineral products, and of the heavy sales of war material of one kind and another to the Allies, the banks were flush throughout the whole of 1916. To employ surplus funds not required by their commercial and industrial customers, they bought in the home market a considerable amount of municipal and provincial debentures. Early in the year these were procurable at attractive prices. Thus several of the western provinces issued loans yielding 5¾ per cent., or thereabouts, maturing in from three to five years. Also, a number of the larger cities put out short-date bonds yielding exceptionally good returns. These investments suited the purposes of the bankers, and apparently they acquired several million dollars worth.

A respectable proportion of the increased bank holdings of bonds had practically the same effect on our industry and trade as if the funds had been put directly into commercial paper. The avowed purpose of the credits granted to the British government (amounting to $101,000,000) was to enable our manufacturers to compete successfully with the Americans for Briitish war orders. So, considering the purpose and effects of this large investment in British treasury bills, it might, with all propriety, be regarded as practically equivalent to an expansion of the commercial loans and discounts. The transactions consisted in the banks placing the funds at disposal of the Imperial Munitions Board, which body immediately proceeded to disburse them to the Canadian manufacturers having claims on the British government for work done under the war contracts. Thus the effect was exactly as if the British government had given its twelve-month paper to our manufacturers, the paper being discountable at the banks without recourse to the manufacturers' names. In this respect the British bills have a semblance to trade paper, and the point should always be remembered and allowed for when the abnormal rise of the banks' bond holdings is under discussion.

Credits to Government.

In the same way the credits granted by the banks to the Dominion government, whether in the form of temporary loans or investment in Dominion bonds, operated to facilitate the government's purchases of supplies, etc., in Canada, thus stimulating trade and industry. Up to the end of September, 1916, these credits to the Dominion government accounted for something like $52,000,000 of the increase in bond holdings; and, taken in combination, the credits granted to the imperial and Dominion governments account for all but a small part of the increase. There is the further consideration that during a period like the present, in which the world's destinies are being decided, the first and imperative duty of banks and citizens is to accord all possible support to our own government and the government of the United Kingdom. Even if it resulted in shutting off to a certain extent the credits available for our ordinary trade and commerce, the government loans would have to be provided for. In view of the large amounts which they are and have been under obligation to provide for the needs of the government, it appears to be correct and wise policy for the banks to generally and concertedly endeavor to restrain their commercial and industrial customers from borrowing for unnecessary purposes. In particular, loans for speculative purposes and for new ventures not apparently called for have been discouraged, even when they could be made on safe security, the idea or theory being that the funds should be kept in form available for the great national and imperial purposes.

Beneficial to Trade.

The increased holding of war bonds, in addition to being a means of supporting the Canadian and British governments, has also been decidedly beneficial to Canadian trade and industry. In reality, the movement to increase the bond investments has not been antagonistic to the interests of the commercial discounting customers of the banks. With reference to 1917, it is likely that the banks will be required to carry through to completion further large transactions similar in character to those mentioned herein. Perhaps the British bills now held will be paid off this year, but if so they will undoubtedly be succeeded by others. Also, there will be occasion for further extensive credits to the Dominion government. On the other hand, should business continue active, and Canadian industry and trade require enlarged credits, apparently the situation will permit of a moderate expansion under the heading, current loans and discounts.

GOLD DEPOSITORY AT OTTAWA

Heavy Shipments Made to United States Last Summer—Bank of England's Arrangement Here

The gold depository at Ottawa of the Bank of England was a busy institution again last year. This depository, it will be recalled, was established so that bankers on this side of the Atlantic could pay gold due to London through Ottawa and vice versa, thus avoiding the risk of gold shipments across the ocean in time of war. The authorities at Ottawa will not issue any figures regarding this arrangement without the consent of the Bank of England, but it is generally understood that the total deposited at Ottawa was originally $110,000,000. A number of transactions, of which no details have been given, have since occurred. The deposits there in October last were estimated by a competent banking authority at $75,000,000 to $100,000,000. The supply is being constantly replenished by arrivals from the South African mines and by shipments from London, via Halifax. Russia has been a large contributor. Coin gold received at Ottawa has been melted into bars at the Royal Mint. This explains why no foreign coin went from Canada on last year's movement.

On August 12th, 1915, the first shipment of gold, since the beginning of the war, direct from Great Britain, was received, via Canada, in New York. Further shipments were made from Great Britain, but on account of war precautions no publicity has been given to them in Canada.

About October, 1914, United States bankers supplemented the Ottawa arrangement by the formation of a $100,000,000 gold pool in New York. This gold pool was terminated in March, 1915.

The minister of finance tells *The Monetary Times* that the arrangement under which he is authorized to receive gold in trust for the Bank of England is as follows:—

How Bank of England Works.

The minimum of the transaction was established at $20,000; shipments to be made in kegs or boxes and a statement that the amount was to be held in trust for the Bank of England to accompany the shipment, which was to be addressed to the Minister of Finance and Receiver-General of Canada, Ottawa; the minister to be advised also as to whom the proceeds were to be paid in London.

On the gold being received and checked, the Bank of England was advised by cable of the amount and to whom the proceeds were payable in London. The rate established by that institution for gold was 77/6d. per ounce for standard fine bars and 76/½d. per ounce for eagles. If sovereigns were accompanied by a guarantee from the person shipping same that they were of correct standard weight—namely, 122.5 grains for sovereigns and 61.125 for half-sovereigns, the bank would pay out a like amount in pounds in London, less three pence per ounce to cover freight and insurance.

Heavy Exports Last Summer.

The largest imports since the war were in the fall of 1914; substantial imports were also made in the fall of the following year. Last year, the imports were almost normal with the exception of those in January. The exports were heavy practically throughout the whole of 1915. They were small during many months last year, but in the summer months again assumed considerable volume. Probably a certain amount of gold went last year from the Bank of England to the United States direct.

In payment of the large quantities of goods which Great Britain and the Allies are importing from the United States (to which country Canada's gold exports are going) gold has entered the United States in heavy volume. That country now holds presumably more gold than either of the belligerent groups. Shipments of gold to the United States since the beginning of the European war, in conjunction with domestic production, brought the total of gold in that country from $1,887,270,664 on August 1st, 1914, to $2,636,009,564 on October 1st, 1916, the gain in the amount in the 26 months' period being $748,738,904.

The amount of gold imported by the United States during the war is greater than that for the full decade preceding the war, and the imports for June, 1916, were greater than in any full year prior to the war with the single exception of 1908. The gold in the United States is now double that of 1904, and 40 per cent. more than at the beginning of the war.

The following table compiled by *The Monetary Times* shows the imports to and exports by Canada of coin and bullion month by month since the beginning of 1914:—

Imports.

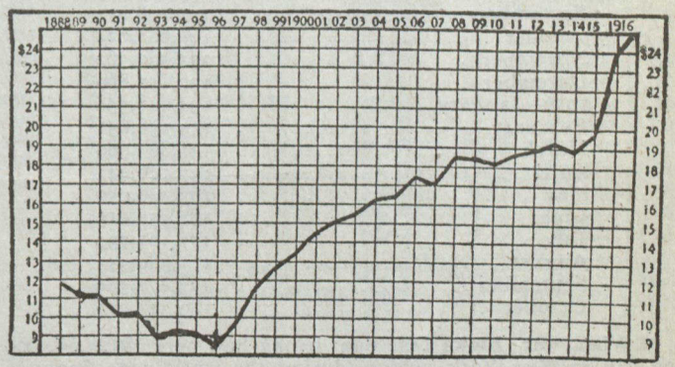
	1914.	1915.	1916.
January	$ 429,627	$ 638,174	$11,716,848
February	406,726	288,916	2,109,968
March	1,409,125	446,795	531,383
April	333,674	572,116	464,789
May	537,594	656,136	632,369
June	206,634	459,537	388,438
July	233,899	744,119	404,102
August	11,452,719	812,891	17,721,634
September ..	15,885,221	597,378	578,686
October	52,578,669	1,924,605	.....
November ...	48,328,727	4,705,933	.....
December ...	1,061,970	9,429,288	.....

Exports.

	1914.	1915.	1916.
January	$ 3,974,764	$ 863,007	$ 112,736
February ...	859,887	2,530,088	116,288
March	10,604,330	21,793,481	192,274
April	1,242,606	4,980,701	71,619
May	433,294	1,455,457	156,783
June	671,215	44,259,738	27,182,099
July	286,646	13,127,009	14,232,189
August	471,208	4,754,398	32,344,620
September ...	354,451	144,282	151,604
October	308,328	24,462,311	.....
November ...	332,121	9,865,896	.....
December ...	79,923	101,342	.....

Gold Per Capita.

The accompanying chart shows the amount of gold per capita in the United States since 1888:—



Per Capita Figures.

On the basis of returns made on September 1st, 1916, if all the gold in the United States could be divided equally, each citizen would be entitled to $24.80. No less important from the banker's point of view than the large total imported is the prospect that the inflow will continue for an indefinite period.

Although it has been customary to include figures of coin and bullion shipments in our trade returns, the total trade figures have been seriously disturbed by them since the outbreak of war. This fact should be remembered when calculating the total trade of Canada.

London's supremacy is the cumulative result of numerous forces, political as well as economic, spread over a long series of years during which time the world has learned to think in terms of British money and the bills of exchange on London have been raised almost to the dignity of an international currency, while the safety of the Bank of England and the value attached to the word "sterling" have become proverbial. Sovereigns and to a great extent Bank of England notes pass current the world over without recourse to money changers. The dollar and the dollar bill must be made equally well-known and acceptable.—Mr. E. L. Stewart Patterson.

CANADIAN BANK LOANS ABROAD

Record Since the War—No Difficulty Was Experienced in Calling the New York Loans

The call loans abroad of the Canadian banks have fluctuated considerably since the outbreak of war, but the Canadian banks experienced little difficulty in calling these loans at short notice. War between Great Britain and Germany commenced on August 4th, 1914, and at the end of that month, Canadian banks had withdrawn $29,000,000 of their loans from abroad, despite the fact that critics were positive that the banks could not recall these loans in a hurry during the crisis. Between June and November, 1914, the Canadian banks withdrew loans amounting to $63,000,000. Between the autumn of 1914 and May, 1915, there was a gradual increase in these loans until they reached $136,000,000, a total within a million dollars of the high mark in June, 1914. The decreases during the latter part of 1915 were due largely to the financing of the crop movement.

The following is a record, compiled by *The Monetary Times*, of the Canadian banks' call loans abroad since just prior to the outbreak of war:—

	Call loans abroad.
1914—June	$137,120,167
July	125,545,287
August	96,495,473
September	89,521,589
October	81,201,671
November	74,459,643
December	85,012,964
1915—January	85,796,641
February	89,890,982
March	101,938,685
April	121,522,971
May	136,098,835
June	124,604,875
July	117,821,174
August	120,607,677
September	135,108,412
October	120,681,624
November	135,530,562
December	137,157,869
1916—January	134,248,558
February	139,138,651
March	141,889,989
April	147,146,443
May	163,406,059
June	182,757,015
July	177,121,733
August	171,380,353
September	173,877,586
October	189,346,216

When war broke out, our banks had over $125,000,000 on call in New York, which, during the world-wide financial crisis, was reduced without trouble to about $74,000,000 in November. With improving conditions, a smaller crop to finance, and less call for funds in Canada, the total call loans abroad reached the high total of $189,346,216 last October.

No Reason for Complaint.

The usual complaint regarding call loans is that Canadian banks are loaning their funds in New York to the detriment of the business community in Canada. As the late Mr. Alexander Laird, former general manager of the Canadian Bank of Commerce, once put it: "Notwithstanding all that financial critics have written about the Canadian banks sending to New York moneys needed in Canada, in order to take advantage of the high rates occasionally prevailing there, such a thing as a bank curtailing its commercial loans in Canada for a purpose of this kind is absurdly improbable."

This particular business between Canadian banks and New York has been going on for half a century. The results have been satisfactory to Canada, because they have yielded a steady profit to the banks, have strengthened their position and have enabled them to lend to their Canadian customers on more favorable terms than perhaps would have been possible otherwise. The larger portion of these loans are carried in New York at 24 hours' call, and are practically as readily available as cash. Except on rare occasions, New York call loans bear a lower rate of interest than Canadian mercantile loans. Therefore, the Canadian banks aim to carry such an amount on call in New York as will constitute, with the cash carried in Canada, a reasonable reserve of cash and immediately realizable funds.

Only occasionally during the past 20 years have excessive rates for call money prevailed in New York for more than a few days in a year. Obviously, a Canadian banker would not sacrifice prominent business connections in Canada for such a temporary advantage. Selfish reasons alone would be sufficient to prevent the banks from lending Canadian funds outside of the Dominion except to the extent that is necessary for the purposes of their cash reserve.

By carrying call loans abroad, disturbance or inflation of the home markets in Canada is avoided and funds lying in New York can be utilized gradually to meet Canada's external obligations for merchandise imported, and the interest and principal of foreign-held securities.

IMPERIAL-CANADIAN GOVERNMENT FINANCE

Interesting Transactions Have Interwoven the Financing of the Two Governments

Since the outbreak of war, the Canadian government has had unusually close financial relations with the imperial government. This position has arisen chiefly in the following ways:—

1. The advance of loans to Canada for the conduct of the war.
2. The establishment of credits in Britain upon which Canada can draw if necessary
3. The settlement of this indebtedness.
4. The advance by Canada of munitions credits for British purchases here.

Monthly Advances to Canada.

When the war commenced, funds for its conduct, so far as Canada was concerned, were advanced by the British government, £2,000,000 monthly. This continued for about seven months. It was intended to issue long-term loans in London at a later date to repay these war advances, but a different arrangement was formulated last August.

When the national revenue commenced to improve early in 1915 and loans were successfully floated on this side of the Atlantic, the Dominion became able to finance its war expenditure in Canada, and also to assist the British government in financing here its purchases through the Imperial Munitions Board. For more than sixteen months now the Dominion finance department has borrowed from the imperial treasury only the amount represented by our expenditures in Great Britain and at the front. All advances received up to August last from the British government were entered in the books of the Dominion as temporary borrowings.

Effective Arrangement Made.

Then an arrangement was made by which the Dominion government will pay off from time to time its temporary indebtedness to the British government by the issue to the imperial treasury of Dominion bonds bearing the same rate of interest and having the same maturities as the issues of the imperial government from the proceeds of which the advances have been made. The amount of the bonds will be calculated, having regard to the issue price of the imperial securities. In other words, the Dominion government will, without any flotation expenses, fund its temporary indebtedness by the sale of its bonds to the imperial treasury, bearing interest at the favorable rate at which the imperial government has been able to borrow in the London market since the outbreak of the war. The Dominion government bonds will be payable in dollars, and all necessary adjustments of exchange will be made.

On February 15th, 1916, advances by the British government towards our war expenditure had been £27,000,000, or about $135,000,000. The first transaction involved the extinguishing of over $100,000,000 of temporary indebtedness of the Dominion by the issue to the British treasury of 3½ per cent. and 4½ per cent. dollar bonds, maturing in 1928 and 1945. These Dominion bonds will not be sold, but will furnish the basis of imperial banking credits in the United States and Canada, from which payments will be made on this side of the Atlantic. The arrangement thus greatly assists the British government in its financing of the pur-

chases of munitions and supplies for which dollar credits are necessary. The plan embodies the proposal made by the minister of finance to Lord Reading and the representatives of the British treasury when in New York in the fall of 1915, arranging the $500,000,000 Anglo-French loan. The finance minister had in view the purpose of clearing up by the issue of permanent securities the floating indebtedness of the Dominion and at the same time providing the imperial government with the best of collateral for banking advances. The Dominion securities will not be sold, but will continue to be owned by the imperial government. In this way, very close financial relations have been established between the two governments.

As to the Future.

This financing plan raises interesting speculations. Apparently the bonds are given to the imperial treasury, and the Bank of England charges up to the imperial government account the temporary loan originally made to the Canadian finance department. The original loan was in pounds sterling, but the long-term bonds substituted therefor are in dollars. This arrangement will materially reduce loans shown by the Bank of England. As the newly-issued bonds are drawn in dollars, the intention probably is ultimately to find a market for them on this side of the Atlantic instead of placing them in the hands of British investors at the conclusion of the war. Meantime they will be in convenient form for use in New York. It is not improbable that when conditions suit London, New York and Ottawa, the bonds will be partly distributed in the American investment field.

Substantial Advance Arranged.

Bankers suggest also that the Dominion bonds which were taken by the imperial treasury last year may be used to some extent to offset or cancel a like amount of British treasury bills held by the finance department here and by the Canadian chartered banks.

During the fall of 1915, an arrangement was made with the British government for a total authorized loan of £30,000,000 to be availed of, if necessary, at the rate of £2,500,000 a month during 1916. That arrangement ensured financial stability for the year, but the government has endeavored to use this provision as little as possible, and has succeeded.

The question of munitions credits is discussed in an article on another page.

NET PROFITS AND DIVIDENDS OF CANADA'S BANKS

BANK	1906 Net Profits	Dividend	1907 Net Profits	Dividend	1908 Net Profits	Dividend	1909 Net Profits	Dividend	1910 Net Profits	Dividend
	$	%	$	%	$	%	$	%	$	%
(1)Bank of Montreal	1,797,976	10	1,980,138	10	1,957,659	10	1,826,167	10	1,797,993	10
Quebec Bank	295,036	7	300,011	7	281,057	7	252,771	7	278,926	7
Bank of Nova Scotia	653,516	11&12	681,709	12	559,577	12	604,123	12	662,302	12
(2)Bank of British North America	627,880	7	596,740	7	417,669	7	494,705	7	554,942	7
Bank of Toronto	544,295	10	586,635	10	582,156	10	579,471	10	589,656	10
The Molsons Bank	434,668	10	544,038	10	612,646	10	493,479	10	602,694	10
La Banque Nationale	195,753	6	252,360	7	279,121	7	266,661	7	257,917	7
3)Merchants Bank of Canada	740,399	7	961,660	8	738,597	8	831,159	8	1,057,140	8 & 9
Banque Provinciale du Canada	95,344	3	119,466	5	121,599	5	124,143	5	149,062	5
(4)Union Bank of Canada	452,930	7	642,748	7	401,013	7	407,541	7	451,620	7
Canadian Bank of Commerce	1,741,125	7+1	1,752,350	8	1,627,333	8	1,510,696	8	1,838,065	9
(5)Royal Bank of Canada	604,495	9 & 10	742,034	10	746,775	10	838,306	10	951,336	11&12
(6)Dominion Bank	539,360	12	635,235	12	641,318	12	620,927	12	659,300	12
Bank of Hamilton	371,251	10	384,708	10	360,308	10	382,332	10	422,090	10
(7)Standard Bank of Canada	251,618	12	186,097	12	283,065	12	342,258	12	373,208	12
(8)Banque d'Hochelaga	347,504	7	449,794	8	381,387	8	360,821	8	417,697	8
(9)Bank of Ottawa	425,238	10	443,288	10	429,879	10	421,065	10	532,353	10½
(10)Imperial Bank of Canada	535,786	10	719,029	10&11	721,175	11	743,524	11	702,508	11
(11)Home Bank of Canada	25,171	6	78,030	6	95,411	6	83,957	6	95,832	6
(12)Northern Crown Bank	.....	.....	.....	.....	130,324	5	193,464	5	258,144	5
(13)Sterling Bank	27,206	5	50,091	5	64,146	5	92,832	5	96,825	5
(14)Weyburn Security Bank	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

BANK	1911 Net Profits	Dividend	1912 Net Profits	Dividend	1913 Net Profits	Dividend	1914 Net Profits	Dividend	1915 Net Profits	Dividend
	$	%	$	%	$	%	$	%	$	%
(1)Bank of Montreal	2,276,519	10	2,518,409	10+2	2,648,403	10+2	2,496,452	10+2	2,108,631	10+2
Quebec Bank	276,392	7	294,804	7	309,228	7	296,659	7	233,420	7
Bank of Nova Scotia	815,519	13&14	970,544	14	1,210,774	14	1,196,117	14	1,220,057	14
(2)Bank of British North America	632,117	8	678,506	8	689,745	8	536,577	8	328,595	7
Bank of Toronto	677,964	11	835,787	11+1	* 1,050,693	11+1	829,538	11+1	663,074	11
The Molsons Bank	712,539	11	684,779	11	694,356	11	608,196	11	556,193	11
La Banque Nationale	262,513	7	293,564	7	302,304	8	319,903	8	333,207	8
(3)Merchants Bank of Canada	1,179,581	9 & 10	1,338,844	10	(A 533,653	10	1,218,694	10	995,431	10
Banque Provinciale du Canada	184,398	5	185,165	6	190,126	6	194,214	7	196,355	7
(4)Union Bank of Canada	662,437	8	706,832	8	750,095	8	712,440	8+1	762,707	8+1
Canadian Bank of Commerce	2,305,409	10	2,811,806	10+1	2,992,951	10+2	2,668,233	10+2	2,352,035	10+2
(5)Royal Bank of Canada	1,152,249	12	1,527,324	12	2,142,100	12	1,886,142	12	1,905,576	12
(6)Dominion Bank	704,045	12	901,529	12+2	950,402	12+2	925,364	12+2	805,123	12
Bank of Hamilton	443,506	11	495,860	11	498,273	12	485,265	12	424,274	12
(7)Standard Bank of Canada	381,601	13	462,079	13	555,095	13	621,463	13	563,401	13
(8)Banque d'Hochelaga	415,000	9	481,616	9	534,700	9	566,614	9	530,237	9
(9)Bank of Ottawa	595,228	11	640,220	11¾	706,740	12	620,691	12	531,268	12
(10)Imperial Bank of Canada	841,692	11&12	1,004,340	12	1,125,971	12	1,236,984	12	1,031,359	12
(11)Home Bank of Canada	121,941	6	140,030	6 & 7	167,125	7	163,929	7	133,406	5
(12)Northern Crown Bank	285,694	5 & 6	291,094	6	281,167	6	201,289	6	100,789	Nil
(13)Sterling Bank	107,876	5	113,400	6	114,200	6	115,111	6	145,290	6
(14)Weyburn Security Bank	26,682	2½	63,135	5	54,917	5	48,354	5	53,844	‡10

(1) Prior to 1904 the Bank of Montreal's year ended in April. The profits during 1911 include $708,800 expended in premises and those of 1912, $511,000; in previous years these expenditures were deducted. 2% bonus since June, 1912.
(2) Figures for 1912 are from Jan. 1st to Nov. 30th inclusive.
(3) Profits for 1908 are for year ending Nov. 30th; previous years ended May 31st. 1913 figures are for 5 months ending 30th April. 1915 figures are for year April, 1915. Net profits for year ending April, 1916, $970,713. Dividend, 10%.
(4) 1907 figures are for 18 months from June 15th, 1906 to Nov 30th, 1907.
(5) 1912 figures are for 11 months; financial year changed.
(6) 1903 figures for 8 months ending Dec. 31st.
(7) 1908 figures are for 9 months only; date of financial year changed.
(8) 1905 figures for 18 months; 1907 figures include $175,000 premium on new stock.
(9) 1906 profits for 11 months only.
(10) 1906 figures for 11 months ending 30th April, 1906. All other figures for year ending 30th April.
(11) Began business under name of Home Bank in 1906 and held first annual meeting in June of that year.
(12) 1912, profits are for 11 months.
(13) Sterling Bank has only been doing business since 1906.
(14) Weyburn Security Bank commenced business only in 1911.
‡ 5% cash dividend and 5% stock dividend.
* Including $200,000 debts recovered.
(A) Result of business for 5 months only.

WHEN VON SPEE SCARED BANKS

Fear of Bombardment of Vancouver and Victoria Caused Change in Clearing House System

A bank clearing house in practical operation is, as tersely explained by Mr. G. W. Morley, secretary of the Canadian Bankers' Association, a place where all the representatives of the banks in a given city meet, and under the supervision of an officer, called the manager, selected by the member banks, settle their accounts with each other and make or receive payment of balances and so "clear" the transactions of the day for which the settlement is made.

Two new bank clearing houses were opened last year, one at Kitchener, Ont., on January 10th, and one at Sherbrooke, Quebec, on February 11th. Three clearing houses were established in 1910, one each at Brandon, Lethbridge and Saskatoon. Three, Moose Jaw, Brantford and Fort William were established in 1911; two, New Westminster and Medicine Hat in 1913; and one, at Peterborough, in 1914. No new clearing houses were opened in 1915.

List of Clearing Houses.

The following table, compiled by *The Monetary Times*, shows where the 25 bank clearing houses are situated:—

Clearing house.	Commenced Business.
Halifax, N.S.	1886, 1 July.
Montreal, Que.	1889, 7 January.
Hamilton, Ont.	1891, 15 June.
Toronto, Ont.	1891, 21 July.
Winnipeg, Man.	1893, 4 December.
St. John, N.B.	1896, 1 May.
Vancouver, B.C.	1898, October.
Victoria, B.C.	1898, 2 November.
Quebec, Que.	1901, 1 May.
Ottawa, Ont.	1901, 9 September.
London, Ont.	1902, 1 June.
Calgary, Alta.	1906, 18 April.
Edmonton, Alta.	1906, 11 July.
Regina, Sask.	1909, 1 October.
Brandon, Man.	1910, 1 April.
Lethbridge, Alta.	1910, 1 September.
Saskatoon, Sask.	1910, 15 October.
Brantford, Ont.	1911, 1 January.
Moose Jaw, Sask.	1911, 9 February.
Fort William, Ont.	1911, 2 October.
New Westminster, B.C.	1913, 2 January.
Medicine Hat, Alta.	1913, 1 May.
Peterborough, Ont.	1914, 16 June.
Kitchener, Ont.	1916, 10 January.
Sherbrooke, Que.	1916, 11 February.

Medium of Settlement.

The medium of settlement in each case is shown in the following table:—

Draft on—				
Montreal	Toronto	Winnipeg	Vancouver	Legals
Halifax	Brantford	Brandon	New Westminster	Montreal
Hamilton	Peterborough	Calgary	Victoria	Toronto
London	Kitchener	Edmonton		Vancouver
Ottawa		Fort William		Winnipeg
Quebec		Lethbridge		
St. John		Medicine Hat		
Sherbrooke		Moose Jaw		
		Regina		
		Saskatoon		

The medium of settlement, as Mr. Morley, the Canadian Bankers' Association secretary, pointed out in an instructive article in the Journal of Commerce, recently, is for the most part by means of drafts on Montreal, Toronto, Winnipeg and Vancouver, and at these four points alone do the banks settle in legals. It must, however, be remembered that the great war has been responsible for many radical changes in the practices of the banks in settling balances at the clearing house points.

When Von Spee Planned.

Prior to August, 1914, settlements at Montreal, Toronto, Winnipeg, Vancouver, Quebec, Halifax, St. John and Victoria were made in legals (Dominion notes), but the following month, when money began to get tight, the banks wished to concentrate and centralize cash reserves at convenient points, and accordingly arranged for settlement of daily balances by means of cash only at Montreal, Toronto, Winnipeg and Vancouver. It was decided that henceforth Quebec, Halifax, St. John and Victoria should settle by draft on Montreal. But in the beginning of October, 1914, the British Admiralty advised the Canadian authorities that it was likely Victoria and Vancouver would be bombarded as a result of the operations of the German squadron (commanded by Von Spee) in the Pacific Ocean. The banks represented at the Pacific Coast, forthwith, made rush shipments of legals, gold and a large portion of their own notes to Winnipeg for safety, and it was arranged that Vancouver should settle by draft on Winnipeg.

When all danger of bombardment had passed, it was decided that on and after 1st May, 1915, the Vancouver clearing house should settle daily balances by means of legal tenders and the Canadian Bankers' Association ruled that after the same date all other clearing houses in British Columbia (i.e., Victoria and New Westminster) were to settle by draft on Vancouver.

Too Much Emphasis on Returns.

Mr. Morley has also pointed out that far too much emphasis is usually laid upon the returns of the Canadian bank clearing houses by financial papers (especially by way of comparison) for the following reasons:—

First.—While clearing house statements are valuable for the purpose of showing the business of the banks and acting as an idea of the internal trade of a certain neighborhood, it must be borne in mind that it is not an accurate statement of internal trade, because amounts of transactions taking place between two customers of the same bank do not appear.

Secondly.—On account of the fact that twenty-one out of twenty-five clearing houses settle by means of drafts on four centres, the figures of the clearing houses at these four centres are inflated. If one looks at the figures of the clearing houses mentioned above, he will see that the returns of Montreal and Winnipeg for the year 1915 surpass those of Toronto. It must be remembered, however, that all centres like Ottawa, Hamilton, London, Halifax, Quebec and St. John and also Victoria (up to 1st May in that year) settle on Montreal, whereas all the clearing houses in the prairie provinces and Vancouver (up to 1st May, 1915) settle on Winnipeg. It must be borne in mind also that in Winnipeg when a local bank requires a supply of legals for settling purposes the manager of the clearing house usually arranges a sale of legals by another bank which takes in exchange a draft on Montreal. Anyone who examines carefully the returns of the clearing houses in the late autumn will notice that if the Winnipeg clearings are increased to a great extent, Montreal figures also automatically increase. This is because the banks in Winnipeg are obliged to carry large amounts in legal tenders during the grain season, and these legals change hands from day to day, and are exchanged for drafts on Montreal.

In order to explain how the figures of those clearing houses which settle by draft are reflected in the total clearings of Montreal, Toronto, Winnipeg and Vancouver, Mr. Morley cites a clearing house proof as follows:—

Moose Jaw Clearing House Proof ..... 19....

Banks.	Due to clearing house.	Amount received by clearing house.	Amount delivered by clearing house.	Due by clearing house.
Bank A	....	10,000	7,000	3,000
Bank B	5,000	6,000	11,000	....
Bank C (clearing bank)	....	8,000	6,000	2,000
	5,000	24,000	24,000	5,000

It will be noticed that out of a total clearing of $24,000 there will be settlements by draft on Winnipeg to the extent of $8,000. As bank C is the clearing bank, a draft will be given by it to bank A for $3,000, whereas it will receive from bank B a draft on Winnipeg for $5,000.

The detailed record of Canada's bank clearing houses appears on other pages.

Contracts valued at more than $1,250,000 have been placed with Vancouver, New Westminster and Victoria firms, calling for an output of 30,000 18-pound high-explosive shells per week from January 1 till June 30 next.

TWELVE MONTHS' BANK FIGURES (COMPARED)

	Circulation			Deposits on Demand			Deposits after Notice			Deposits Abroad		
	1913	1914	1915	1913	1914	1915	1913	1914	1915	191	1914	1915
	$	$	$	$	$	$	$	$	$	$	$	$
November	119,497,321	114,767,226	124,153,685	384,486,046	350,884,153	406,735,171	625,803,150	665,994,852	714,219,286	107,323,009	91,278,495	132,029,108
December	108,646,425	105,969,755	122,199,582	381,375,509	349,909,953	423,690,384	624,692,326	662,830,037	720,990,267	103,403,085	98,901,413	134,650,183
	1914	1915	1916	1914	1915	1916	1914	1915	1916	1914	1915	1916
January	96,611,909	97,192,699	111,029,572	339,811,339	329,916,730	387,002,926	635,135,955	666,960,482	714,264,486	95,342,345	91,807,007	120,534,966
February	97,563,982	97,789,392	113,528,237	337,516,595	331,415,179	389,825,667	640,927,130	671,088,613	728,242,609	119,556,649	92,092,034	116,675,028
March	96,848,384	96,666,544	114,804,604	345,590,642	339,514,286	389,165,388	646,143,604	676,875,790	738,169,212	114,523,736	97,737,998	120,678.959
April	93,064,460	96,288,398	119,233,330	350,515,933	347,325,937	402,060,955	653,679,223	686,075,124	748,359,957	113,403,809	104,210,620	192,041,591
May	97,760,921	99,125,136	114.847,323	340,784,488	347,346,119	412,301,481	663,945,753	691,891,287	765,064,041	95,392,439	96,912,047	187,415,780
June	99,138,029	99,625,426	123,373,395	355,006,229	349,057,351	428,117,340	663,650,230	683,761,432	767,598,130	103,061,603	112,242,504	176,922,950
July	94,815,561	100,412,424	123,530,451	346,854,051	340,950,215	431,958,188	671,214,125	691,731,719	789,363,919	95,873,092	98,762,226	171,167,615
August	114,551,525	99,610,962	122,656,083	338,984,418	334,022,174	443,317,275	659,399,151	692,580,626	806,774,687	95,754,821	128,109,996	140,789,100
September	120,365,786	105,798,618	135,285,031	384,284,206	359,315,280	454,148,049	658,401,501	693,339,851	816,374,171	100,981,564	128,271,771	149,744,985
October	123,744,682	122,782,233	145,031,667	348,732,830	392,042,193	489,230,234	659,806,682	701,336,850	814,297,404	90,866,894	111,236,345	166,200,928

	Current Loans in Canada Including loans to municipalities.			Current Loans Abroad			Call Loans in Canada			Call Loans Abroad		
	1913	1914	1915	1913	1914	1915	1913	1914	1915	1913	1914	1915
	$	$	$	$	$	$	$	$	$	$	$	$
November	865,888,832	838,975,275	818,227,113	55,819,280	42,966,275	53,240,955	70,123,101	63,394,407	83,203,787	122,380,863	74,459,643	135,530,562
December	852,906,548	824,291,325	806,395,975	58,305,388	43,413,760	58,479,739	72,862,971	68,511,653	84,228,155	115,984,680	85,012,964	137,157,869
	1914	1915	1916	1914	1915	1916	1914	1915	1916	1914	1915	1916
January	840,883,750	806,071,716	790,515,863	56,051,465	43,987,270	61,986,845	71,248,242	66,154,891	82,584,659	108,776,770	85,796,641	134,248,552
February	842,084,073	810,073,111	796,023,096	56,052,837	43,661,379	56,099,719	71,374.602	67,591,769	81,949,125	141,143,442	89,890,982	139.138,651
March	855,381,265	810,366,332	808,888,988	53,279,411	41,745,737	52,705,827	69,088,240	68,245,261	81,747,512	145,218,223	101,938,685	141,889,989
April	865,873,876	805,963,211	822,035,732	54,362,513	37,705,039	57,008,965	68,523,774	68,599,095	82,527,448	139,937,027	121,522,971	147,146,443
May	872,152,263	804,579,549	807,160,953	51,812,875	36,375,658	59,600,342	67,210,504	71,516,953	84,826,636	129,897,328	136,098,835	163,406,059
June	875,536,999	806,823,970	794,243,573	46,186,854	39,273,120	60,081,584	67,401,484	73,628,187	86,776,474	137,120,167	124,604,875	182,757,015
July	876,570,959	802,378,963	782,425,837	48,013,052	41,784,633	62,356,259	68,441,816	71,168,233	87,355,648	125,545,287	117,821,174	177,121,733
August	876,238,633	804,363,465	779,821,324	47,314,832	44,968,445	66,556,371	69,229,045	71,855,565	86,351,216	96,495,473	120,607,677	171,380,353
September	870,853,494	815,015,088	791,254,501	41,347,231	49,147,877	69,949,215	70,063,414	71,578,886	88,145,851	89,521,589	135,108,412	173,877,586
October	863,939,928	826,467,984	812,541,752	42,040,716	49,612,985	79,459,621	70,201,939	74,574,270	90,412,023	81,201,671	120,681,624	189,346,216

WORLD'S GREATEST BANKS

Sixty-four Have Large Deposits—Three Canadian Banks Included

In the past generation the growth of banking has been one of the most remarkable of the many phenomena of the period; indeed, in a large measure the expansion of banking and the extension of the credit system have rendered possible the really wonderful development that has taken place. At the end of 1915 the deposits of many banks were swollen by war conditions; nevertheless, a comparison of the deposits of the world's great banks assists one to realize how it has been possible for the great nations to raise so much money for war purposes.

In the following table, compiled by The Statist, 64 of the world's greatest banks in 1915 are tabulated in order of deposits and current accounts. Three Canadian institutions, the Bank of Montreal, the Canadian Bank of Commerce and the Royal Bank of Canada are included:—

Deposits of the World's Great Banks, end 1915.

	Deposits and current accounts. 1915.	1880.
1. Imperial Bank of Russia	£178,800,000	£37,971,000
2. Bank of England	161,668,000	33,809,000
3. London City and Midland Bank	147,751,000	.....
4. Lloyds Bank	130,017,000	5,785,000
5. Deutsche Bank	127,200,000	3,215,000
6. Imperial Bank of Germany	118,000,000	8,663,000
7. London County and Westminster	109,224,000	.....
8. National City Bank, New York	104,154,000	3,249,000
9. Bank of France	97,400,000	25,011,000
10. Barclay and Company	90,304,000	.....
11. Guaranty Trust Company of New York	86,182,000	.....
12. National Provincial Bank of England	81,590,000	29,138,000
13. Crédit Lyonnais	67,880,000	16,484,000
14. Direction der Disconto-Gesellschaft	63,100,000	3,228,000
15. Russian Bank for Foreign Trade	60,000,000	2,055,000
16. Dresdner Bank	59,600,000	4,752,000
17. Oesterreichische Credit-Anstalt	55,708,000	6,920,000
18. Parr's Bank	54,851,000	3,137,000
19. Chase National Bank, New York	54,600,000	.....
20. Bankers' Trust Company, New York	54,066,000	.....
21. Banco de la Nacion Argentina (1914)	52,853,000	.....
22. Volga-Kama Commercial Bank	50,700,000	5,085,000
23. Continental and Commercial National Bank, Chicago	50,400,000	.....
24. Bank of New South Wales	49,932,000	9,039,000
25. Bank of Montreal	49,453,000	.....
26. Banque Russo-Asiatique (1914)	47,681,000	.....
27. National Bank of Commerce, New York	47,350,000	3,446,000
28. Union of London and Smiths Bank	47,067,000	13,358,000
29. Capital and Counties Bank	45,770,000	3,465,000
30. Bank of Spain	44,720,000	23,751,000
31. London Joint Stock Bank	43,686,000	12,645,000
32. Comptoir National d'Escompte de Paris	43,000,000	.....
33. Canadian Bank of Commerce	40,615,000	2,318,000
34. First National Bank, New York	39,989,000	3,272,000
35. Société Générale (Paris)	39,680,000	13,353,000
36. Darmstädter Bank	37,500,000	1,457,000
37. Mechanics and Metals National Bank	35,576,000	.....
38. Central Trust Company, New York	35,097,000	1,054,000
39. Bank of Liverpool	34,275,000	3,462,000
40. Anglo-Austrian Bank	32,000,000	1,049,000
41. Farmers' Loan and Trust Company, New York	31,869,000	2,091,000
42. Royal Bank of Canada	31,763,000	.....
43. National Park Bank, New York	31,571,000	.....
44. First National Bank, Chicago	31,000,000	2,654,000
45. Hongkong and Shanghai Banking Corporation	30,700,000	4,726,000
46. Oesterreichische Länderbank	30,375,000	1,522,000
47. Hanover National Bank, New York	30,094,000	1,620,000
48. Banque Internationale de Commerce de Petrograd	30,000,000	1,601,000
49. Banca d'Italia	29,800,000	.....
50. Banca Commerciale Italiana	29,720,000	.....
51. Manchester and Liverpool District	28,667,000	10,825,000
52. Russian Commercial and Industrial	26,500,000	.....
53. Union Bank of Australia, Limited	26,179,000	6,767,000
54. Commercial Banking Company of Sydney	25,308,000	5,467,000
55. London and South Western Bank	24,962,000	1,787,000
56. Bank of Scotland (Feb. 27, 1916)	21,837,000	12,508,000
57. Standard Bank of South Africa	24,608,000	6,082,000
58. London and Provincial Bank	24,362,000	2,491,000
59. National Bank of South Africa	24,243,000	.....
60. London and River Plate Bank	22,000,000	2,849,000
61. Oesterreichische Ungarische Bank (Austro-Hungarian Bank), Dec., 1913	21,869,000	9,506,000
62. Illinois Trust and Savings Bank	21,594,000	147,000
63. National Shawmut Bank, Boston	21,028,000	.....
64. National Bank of Scotland	20,486,000	12,335,000

BANK LOANS TO MUNICIPALITIES

High Record Was Made Last Year — Comparative Statistics to Date

Since only August, 1913, have the chartered banks' loans to municipalities been shown separately in the government bank statement. Previously these advances were included in the figures representing current loans and discounts to business generally. The following table, compiled for *The Monetary Times*, gives the bank loans to municipalities since August, 1913, to the latest month last year for which figures are available:—

	1913.	1914.	1915.	1916.
January	.....	$29,301,620	$35,952,805	$32,015,371
February	.....	30,372,854	38,437,903	35,149,915
March	.....	31,890,843	41,227,449	38,649,462
April	.....	30,168,812	43,031,360	44,371,050
May	.....	33,689,577	43,948,436	43,924,036
June	.....	37,260,571	46,889,816	46,773,032
July	.....	36,372,334	44,029,446	42,385,096
August	$41,310,281	39,664,534	46,020,730	39,882,811
September	37,465,383	44,338,873	43,928,331	38,708,745
October	37,846,369	47,316,076	45,682,230	37,613,530
November	35,173,817	44,706,055	41,064,550	.....
December	30,518,573	38,256,947	30,878,028	.....

Prior to August, 1913, these loans were not reported separately in the bank statement. Two years ago, they were at their highest point in October, the total being $47,316,076. In 1915, the highest total was $46,889,816 in June. Last year to October, the largest sum was $46,773,032 in June. The loans during the fall months of 1916 were generally lower than for the previous two years.

To Montreal port for cargoes last season there went 685 sea-going vessels with a total tonnage of 2,119,051, as against 815 vessels in 1915, with a total tonnage of 2,261,374. Grain formed the larger portion of the port's exports. Up to the end of November last, the exports from the elevators of the Harbor Commissioners and the Grand Trunk Railway, reached 71,646,455 bushels.

Gold to the amount of $3,000,000 had been exported from Canada and deposited in the United States Assay Office and $14,000,000 had been shipped to the Philadelphia Mint, all for account of J. P. Morgan and Company, making the total imported by the United States from all sources since January, 1916, $548,000,000 according to the revised estimate based on official figures brought down to November 17 last.

OLD NOTES OF CANADIAN BANKS

Where They Can Be Redeemed—List of Insolvent Banks Since Confederation

The following information regarding the redemption of notes of Canadian banks no longer in existence, has been furnished *The Monetary Times* by Mr. G. W. Morley, secretary of the Canadian Bankers' Association:—

Issued by.	Redeemed by.
Bank of Acadia	Worthless.
Bank of British Columbia	Canadian Bank of Commerce.
Bank of Liverpool, (N.S.)	Worthless.
Bank of London in Canada	Worthless.
Bank of New Brunswick	Bank of Nova Scotia.
Bank of Prince Edward Island.	Worthless.
Bank of Vancouver	E. Buchan, Liquidator, Vancouver.
Bank of Yarmouth	Department of Finance.
Banque Internationale du Canada	Home Bank of Canada.
Banque du Peuple	Department of Finance.
Banque de St. Hyacinthe	Department of Finance.
Banque de St. Jean	La Banque Provinciale du Canada.
Banque Ville Marie	Department of Finance.
Central Bank of Canada	Worthless.
Commercial Bank of Manitoba.	Department of Finance.
Commercial Bank of New Brunswick	Worthless.
Consolidated Bank of Canada.	Worthless since 1890.
Crown Bank	Northern Crown Bank.
Eastern Townships Bank	Canadian Bank of Commerce.
Exchange Bank of Canada	Worthless.
Exchange Bank of Yarmouth.	Bank of Montreal.
Farmers' Bank of Canada	G. T. Clarkson, Liquidator, Toronto.
Federal Bank of Canada	Worthless since 1893.
Halifax Banking Company	Canadian Bank of Commerce.
Jacques Cartier	La Banque Provinciale du Canada.
Maritime Bank of the Dominion of Canada	Worthless since 1893.
Mechanics' Bank of Montreal.	Worthless.
Merchants' Bank of Halifax	Royal Bank of Canada.
Merchants' Bank of Prince Edward Island	Canadian Bank of Commerce.
Metropolitan Bank of Montreal.	Worthless.
Metropolitan Bank, The	Bank of Nova Scotia.
Northern Bank	Northern Crown Bank.
Ontario Bank	Bank of Montreal.
People's Bank of Halifax	Bank of Montreal.
People's Bank of New Brunswick	Bank of Montreal.
Pictou Bank	Worthless.
St. Lawrence Bank	Standard Bank of Canada.
St. Stephens Bank	Department of Finance.
Sovereign Bank of Canada	G. T. Clarkson, Liquidator, Toronto.
Stadacona Bank	Worthless since 1890.
Traders Bank of Canada	Royal Bank of Canada.
Union Bank of Halifax	Royal Bank of Canada.
Union Bank of Prince Edward Island	Bank of Nova Scotia.
United Empire	Union Bank of Canada.
Western Bank of Canada	Standard Bank of Canada.

The table at the foot of this page, revised to date by *The Monetary Times*, gives a list of insolvent banks and those having gone into liquidation in Canada since 1867. The bank notes of eight institutions are now worthless. The Central Bank of Canada had its head office at Toronto and suspended in 1887. Since 1890 its notes have been worthless. The Consolidated Bank of Montreal suspended in 1879. The Exchange Bank of Canada was another Montreal institution, chartered in 1871. It suspended in 1883. The Federal Bank of Canada, at Toronto, changed its name from the Superior Bank of Canada. It went into voluntary liquidation in 1888. The Bank of London in Canada, had its head office at London, Ont., and failed in 1887. Its notes have been worthless since 1893. The Maritime Bank of the Dominion of Canada had its head office at St. John, N.B., and suspended operations in 1887. The Pictou Bank, a small institution of Pictou, N.S., ceased operations in 1887. It paid its depositors in full. The Bank of Prince Edward Island had a local charter of the provincial government and suspended in 1881. The notes of all the above institutions are now worthless.

INSOLVENT BANKS AND THOSE HAVING GONE INTO LIQUIDATION IN CANADA SINCE 1867

	Name of Bank and Place of Head Office	Date of Charte	Date of Suspension	Capital Stock at Date of Suspension		Total Assets at date of Suspension	Total Li'bilities at date of Suspension.	Dividends Paid	
				Capital Subsc'ed	Capital Paid Up			Note-holders	Deposi-tors
				$	$	$	$	Per cent.	Per Cent.
1	Commercial Bank of New Brunswick, St. John	Local, before Confederation	Last return July, '68	600,000	600,000	1,222,454	671,420	In full	In full
2	Bank of Acadia, Liverpool, N.S.	June 14, 1872	April, 1873	500,000	100,000	213,346	106,914	(1)	50
3	Metropolitan Bank, Montreal	April 14, 1871	Winding-up Act passed 40 Vic., ch. 56 (1877), ret'n Oct., 1876	1,000,000	800,170	779,225	293,379	In full	In full
4	Mechanics' Bank, Montreal	Before Confederation	May, 1879	243,374	194,794	721,155	547,238	57½	57½
5	Consolidated Bank, Montreal	Sep. 18, 1875, by amalgamation of City Bank and Royal Canadian, 69 Vic. ch. 44	Aug., 1879	2,091,900	2,080,920	3,077,202	1,794,249	In full	In full
6	Bank of Liverpool, Liverpool, N.S.	April 14, 1871	Oct., 1879	500,000	470,548	207,877	136,480	"	96
7	Stadacona Bank, Quebec	June 14, 1872	Voluntary liquidation July, 1879. Winding-up Act, 43 Vic., ch. 48 (1880)	1,000,000	991,890	1,335,675	341,500	"	In full
8	Exchange Bank of Canada, Montreal	April 14, 1871	Sept., 1883	500,000	500,000	3,335 907	2,431,935	"	66⅔
9	Maritime Bank of the Dominion of Canada, St. John, N.B.	June 14, 1872	March, 1887	321,900	321,900	1,825,993	1,409,482	"	10 6/10
10	Pictou Bank, Pictou, N.S.	May 23, 1873	Under Act 50 Vic., ch. 54, Sept., 1887	500,000	200,000	277,017	74,364	"	In full
11	Bank of London in Canada, London, Ont.	May 25, 1883	August, 1887	1,000,000	241,101	1,132,108	838,339	"	"
12	Central Bank of Canada, Toronto	May 25, 1883	Nov., 1887	500,000	500,000	3,231,518	2,631,378	"	99 2-3
13	Federal Bank of Canada, Toronto; changed from the "Superior Bank of Canada"	May 26, 1874.	Voluntary liquidation Jan., 1888	1.250,000	1,250,000	4,869,113	3,449,499	"	In full
14	Bank of Prince Ed. Island, Charlottetown, P.E.I.	Local charter by Prov'l Gov	Nov., 1881	120,000	120,000	953,244	752,242	59	59
15	Commercial Bank of Manitoba, Winnipeg	April 19, 1884	June 30, 1893	740,700	552,650	1,951,151	1,341,251	In full	In full
16	Bank du Peuple, Montreal	June 27, 1844	July 15, 1895 (2)	1,200,000	1,200,000	8,663,308	6,820,450	"	75¾
17	Banque Ville Marie, Montreal	June 14, 1872	July 25, 1899	500,000	479,620	1,770,955	1,951,346	"	17½
18	Bank of Yarmouth, Yarmouth, N.S.	April 15, 1859	Mar. 6, 1905	300,000	300,000	820,143	479,323	"	In full
19	Ontario Bank, Toronto (formerly Bowmanville)	May 27, 1857	Liquidation Oct. 13, 1906	1,500,000	1,500,000	17,432,177	15,229,685	"	"
20	Sovereign Bank of Canada, Toronto	May 23, 1901	Voluntary liquidation Jan. 18, 1908.	3,000,000	3,000,000	18,594,357	15,544,534	"	"
21	Banque de St. Jean, St. Johns, P.Q.	May 3, 1873	April 28, 1908	500,200	316,706	967,876	614,491	"	.....
22	Banque de St. Hyacinthe, St. Hyacinthe, P.Q.	May 23, 1873	June 23, 1908	504,600	331,235	1,580,097	1,182,362	"	90
23	(3) St. Stephen's Bank, N.B.	6 Wm. 4., cap. 32	March 5, 1910	200,000	200,000	818,271	549,830	"	In full
24	(4) Farmers Bank, Toronto	July 18, 1904	Dec. 20, 1910	584,000	567,579	2,000,000	2,436,262	.....	.....
25	(5) Bank of Vancouver, Vancouver	March 16, 1910	Dec. 14, 1914	587,400	446,105	1,120,862	725,721	Now in course of liquidation.	

(1) This bank was only in existence 3 months and 26 days. It re-opened for a few days and redeemed a few thousands of its notes. This lasted only a day or two, and the remaining note-holders with the exception of the Government got nothing. The Dominion Government received 25 cents on the dollar on several thousand dollars' worth of the notes which it held. (2) The figures for the Bank du Peuple are as at July 31, 1895, sixteen days after actual date of suspension. (3) Figures from January, 1910, Government statement—the last published figures of this bank. (4) There are about $150,000 worth of notes still outstanding but it is expected that they will be paid in full out of the assets of the Bank. Some time may elapse, however, before this is done. In the meantime, there has been no dividend paid to depositors and it is difficult to say if there will be a dividend. (5) All the notes presented have been redeemed, but this was made possible largely by recourse to the Bank Circulation Redemption Fund, which the liquidator will have to reimburse as the assets are realized, and the liabilities of the contributories collected.

STANDARD OF CANADIAN CURRENCY

It Has Been Well Maintained—Sound Finance is the Nation's Practice

The Canadian government is resolutely determined to maintain the standard of our currency. It will not resort to the issue of unsecured paper money, which is merely a forced loan without interest, leading to depreciation and the gravest economic evils which can afflict a nation. This statement was made in the course of the finance minister's budget speech last year. As a practical backing of the statement, it is interesting to know that our gold reserves held against Dominion notes at that time amounted to $115,147,985, or 64.2 per cent. of the outstanding circulation.

At the time of the United States civil war, the North and South had to resort to paper currency. Germany is resorting to paper currency to-day. The paper currency of the North went down to between 35 and 40, and it was fifty years at least after the end of the civil war before the currency of the United States was restored to a parity with gold. The paper currency of the South became absolutely valueless; ten thousand would not buy a plug of tobacco.

Squelching Bad Suggestions.

Last year, Sir Thomas White, finance minister, settled once and for all, the suggestions made in one or two quarters that the Dominion should issue a large issue of paper currency. Speaking in the house of commons at Ottawa, he said:—

"The banks have a certain note circulation which varies from time to time according to the commercial needs of the community. It is pocket money in the community, till money, so to speak. If a man gets a thousand dollars or two thousand dollars in bills, he does not carry them in his pocket, but deposits them in the bank, and, by the clearings the next day, the several banks that have issued the bills get back their notes and have to pay any balance against them in gold, or the equivalent of gold—viz., Dominion notes. It is said: Why not go to New York and borrow $500,000,000 or $250,000,000 in gold and then, to the extent of 25 per cent., make that gold a deposit against an issue of $1,000,000,000, and then we will have plenty of money for the needs of Canada, plenty of money for the imperial government, plenty of money to purchase munitions and carry on the war. The idea is so apparently feasible, I might ask: Why does not the imperial government gather up a thousand million dollars of gold and issue four thousand million dollars of paper money? Why does not any government do that?

Printing Press Money.

"It is very easy to turn on the printing press, even if you have a 25 per cent. reserve of gold, but nevertheless, to the extent that the notes are not required for the circulation needs of the community, your paper has been watered; to that extent you have made a forced loan without interest; and the inevitable result will be the depreciation of your currency. Let me give an extreme case. Supposing to-morrow the Dominion government put out an issue of a thousand million dollars of paper. The public would get it. They would take it in payment of services or for commodities, and they would deposit it in the banks. It would not be required for the circulation of the community, and the result would be that the banks of Canada would soon have tens of millions of dollars lying idle, not bearing any interest. The inevitable result would be that a bank or a financial institution would say: We will take a bond because it bears interest, but we do not want a note, that is not needed for the circulation purposes of the country, lying idle and unremunerative in our vaults.

Gold Would go to Premium.

"Gold would go to a premium and your note would go to a discount, and the inevitable result of a large issue of paper money, an issue of paper money beyond the circulation requirements of a community, would be depreciation in your currency, destruction of your credit, and the loss of the gold that your country has. There is no doubt about that whatsoever. To-day the circulation needs of this country are met by the bank circulation and by the Dominion note circulation. Increase it by $10,000,000 and you get redundancy; increase it by $50,000,000 and you get a great redundancy, and your notes are at a discount, and your gold at a premium."

Canadian national financing has been on sound lines. "I stand and intend to stand for sound finance," the finance minister has said, 'and I think that in this country, at this time, we should stand for sound finance, because it means so much to the credit of this country." This strong position is one of the important factors contributing to the high standing of Canadian credit in the world's money markets.

BANKS AND THE WAR LOANS

Important Phase of Government Financing—Banks as Medium for Payments

The banks have taken an important part in government financing in connection with the domestic war loans, having made heavy purchases of war bonds. Their holdings of these were largely acquired on the pro rata basis, each bank having the opportunity of taking the same fixed percentage of its capital. The proceeds were left on deposit with the subscribing banks. Each bank also was permitted to carry for the time being the deposit represented by the subscriptions of its customers. The special balances thus carried at credit of the Dominion rose to a high level in January, 1916, this being the month in which subscribers to the first war loan were allowed to discount their unmatured instalments at 4 per cent. Altogether the balances at credit of the finance minister in Canada then exceeded $65,000,000, the individual banks holding amounts ranging from $59,527 up to $13,178,592. The $65,000,000 mentioned was about $50,000,000 above normal. The total was again high in October last, when the unmatured instalments of the second war loan could be discounted.

Allotments to Banks.

The following figures show the final allotments to the banks of the first war loan floated in November, 1915.—

Bank.	Allotment in former loan.
Bank of Montreal	$ 3,134,300
Quebec Bank	514,500
Bank of Nova Scotia	1,286,600
Bank of British North America	953,600
Bank of Toronto	979,700
The Molsons Bank	784,900
La Banque Nationale	300,000
Merchants Bank of Canada	1,372,400
La Banque Provinciale du Canada	195,900
Union Bank of Canada	986,400
Canadian Bank of Commerce	2,938,700
Royal Bank of Canada	2,273,100
Dominion Bank	1,200,900
Bank of Hamilton	587,600
Standard Bank of Canada	857,800
La Banque d'Hochelaga	350,000
Bank of Ottawa	857,800
Imperial Bank of Canada	1,372,400
Home Bank of Canada	260,000
Northern Crown Bank	300,000
Sterling Bank of Canada	165,000
Weyburn Security Bank	70,000
Totals	$21,741,600

Banks as Medium.

The aggregate subscription by the banks of $50,000,000 to the second war loan, issued in September last, was not needed on account of the heavy over-subscription of the loan. That amount was, therefore, used for the establishment for a further credit here for Great Britain. The chartered banks have acted as the medium for Canadian war loan payments, and the arrangement has proved satisfactory.

"Canada is bearing up magnificently under the strain of this world-wide war, and her sacrifices will be amply repaid by the engendering of a spirit of self-reliance, and she will emerge a comparatively little known country to take her rightful position in the affairs of the nations."—Sir Vincent Meredith, Bart., president, Bank of Montreal.

CANADA REPURCHASES HER OWN BONDS

About $50,000,000 Have Been Brought Back Since War Commenced

BY E. R. WOOD.

Much prominence has been given in United States financial journals to the large amount of American securities which have been re-purchased from European holders since the outbreak of the Great War. As a result, the Great Republic is in the happy position of not only having cut its annual payment of foreign interest in two, but should shortly have reduced the sum to a negligible amount. As matters stand at present its citizens are to a large extent paying to themselves the amounts represented by maturing bonds and coupons instead of to British and Continental holders as prior to 1914. This transfer of ownership has naturally greatly strengthened the financial position of the United States as a whole, and has resulted in an important control over foreign exchanges, as well as increasing the income of its own people.

Great Britain to Canada.

A similar transfer of securities has been taking place between Great Britain and Canada, although naturally on a scale considerably smaller than to the United States. The enormous amount of financing done by Canada in Great Britain prior to 1914 (over $685,000,000 in the three preceding years alone) naturally produced a prolific field for such operations. It was, therefore, only to be expected that from time to time the large insurance, trust and other investment companies—not to mention private investors,—should from time to time part with their securities as they deemed it their duty to subscribe to their various war loans, exchequer bills, etc., or as their securities came under the treasury's "mobilization" plans. Fortunately for us a large proportion of our securities originally sold in Great Britain had been made payable as to principal and interest in Canada as well, (and in fewer instances in the United States), thereby facilitating such repurchase by this country. The Canadian market has absorbed large amounts, and where American payment was possible, the United States investor, owing to the high yields, has not been slow to avail himself of these splendid opportunities. Such purchases have materially contributed toward maintaining and improving the London selling prices of the securities in question with consequent benefit to the British owners.

Income Has Been Increased.

The income of Canadians has been increased as a consequence of such investments, while from a patriotic standpoint these purchases have performed their part in assisting to regulate sterling exchange. It is estimated that not less than $50,000,000 par value of Canadian bonds have been repurchased since the outbreak of the war, of which probably $30,000,000 have remained in Canada. Payment of the interest on this sum to our own people means an increased investment power for our country as a whole, and in view of the war financing which confronts us this is an important factor to consider, while a substantial appreciation in the price of such securities is almost sure to occur after the end of the war. A considerable volume of Canadian stocks has also been repurchased, but it is impossible to estimate the total amount. The outflow of our capital represented by these purchases for our own account is more than offset by the enormous expansion in our trade, and our increasingly favorable trade balances.

Western Canada's Refunding.

One special feature has attracted much attention in both American and Canadian financial circles. I refer to the refunding in the United States by the provinces of Manitoba and Saskatchewan, and by the city of Winnipeg of approximately $8,000,000 of their sterling loans. Taking advantage of the exchange conditions prevailing, these two provinces and the city in question have been able to substantially reduce their outstanding debt, thanks to the friendly assistance of the Imperial Treasury Board who facilitated the sales of the sterling bonds. As the loans refunded were originally for long terms, and the substituted securities sold in the American market have been issued for considerably shorter periods, it is hardly correct to describe the apparent saving as *entirely* net. To accurately gauge the position, it would really be necessary to know at what rate the renewals of the currency loans will be effected as against the rate of interest then obtaining in Great Britain. Possibly this factor and sinking fund complications have deterred other borrowers from attempting the same operation, though the chief reason is doubtless the difficulty in actually purchasing the securities themselves in Great Britain, at a price sufficiently low to enable the refunding operation to show a profit. The Imperial Treasury Board, while taking a sympathetic attitude toward these particular transactions, did not adopt, as in the case of American securities held in Great Britain, the supertax measures which resulted in the "mobilization" of the latter for the purposes of the British government.

Has Helped Great Britain.

The assistance by Canadian banks by way of munition credits and otherwise is well known, and it should, therefore, be gratifying to us as Canadians that our substantial repurchases of Canadian bonds from Great Britain have enabled us to co-operate so effectually in this international financial situation. The part played by Canadian bond houses in this connection should not be overlooked.

NEW BRUNSWICK

New Brunswick

By Honorable C. J. CLARKE, Premier.

NOTWITHSTANDING the great interference with business, necessarily attending upon the participation by the province in the Empire's war, New Brunswick has been fairly prosperous during the past year. A fair demand has prevailed for all natural products. Manufacturers have been busy and general trade has been good. At the opening of the year, it was thought that there might be a serious decrease in the lumber cut, but returns to the Crown lands office indicate that the business done in connection with this department was well up to the average, the receipts reaching a figure closely approaching those of the previous year, which was the largest in provincial history, while payments from all sources were more promptly made than at any time heretofore. Lack of transportation facilities interfered to a very considerable extent with this business, but under the conditions the results were most satisfactory.

The classification of Crown lands inaugurated in 1915 was actively carried on last year and upwards of 200,000 acres of the forest lands have been surveyed by various parties, under the direction of a most capable head. Along with the regular work of classification, is associated the work of selecting areas for settlement purposes, and orders have been given for a soil type map which will serve as a guide in the opening up of lands for agricultural purposes.

The question of improved fire protection is also under consideration and will be pressed forward with the least

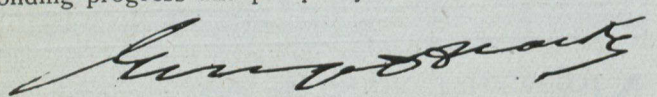
possible delay. There is little question that at present New Brunswick is taking one of the leading places in forestry matters in Canada.

The farmer has been favored with a most gratifying yield and good prices. Not in recent years has there been from the farm such satisfactory results as during the past year. While a very considerable portion of this prosperity may be ascribed to the demand for food products generally prevailing, there is no doubt that the success attending the work of the farmer is due to a very large extent to the active and intelligent work of the agricultural department, which during the past four or five years has carried on and at present is carrying on a campaign of education which has resulted in the adoption of improved methods in all lines of agriculture.

For the products of the sea as well there has been a good demand throughout the season, which has rendered the prosecution of this industry a most profitable work.

Problems arising from the war have occupied the attention of the government during the year. Plans for the care of returned soldiers are in progress, and are in a satisfactory state of advancement. It is confidently expected that as a result of this work, New Brunswick will be able to meet all demands made upon her for a proper settlement of those from the province now actively participating in the war, when they return, and of all those from the great inflow of immigration to Canada anticipated when the war closes, who may desire to cast in their lot with us, and who may apply for assistance.

Excluding the sinister influence of the war and the menace it always carries, the outlook for the coming year in New Brunswick is most promising. That the lumber cut will be greater than heretofore is generally assumed, and there is no reason why the satisfactory returns in all departments of industry and particularly in farming, during the twelve months just closed should not be an incentive to greater production in the future and corresponding progress and prosperity.



(See pages 15 to 20 for articles by other Premiers.)

CONNECTION BETWEEN EXCHANGE RATES

What They Mean—The Fine Points of Buying and Selling

The connection between various exchange rates was explained in an interesting address on international exchange to the Association of Reserve City Bankers at Detroit last year by Mr. F. L. Appleby, manager of the foreign exchange department of the Union Bank of Canada. After discussing the technicalities of the subject, he illustrated the relation between the effects of the different rates by the following examples:—

In one case a high discount rate will mean higher exchange, while in another it will have no effect whatever, and, in still a third, lower exchange.

(a) A higher discount rate causes higher exchange when another financial centre has a superfluity of funds for investment in long bills, of which there is a good supply.

(b) A higher discount rate has no effect on exchange if there is not a good supply of bills. This occurs when the discount rate is artificial; that is to say, when it has been arranged by agreement and is not the result of supply and demand.

(c) A higher discount rate causes lower exchange when other financial centres lack funds or confidence, while the offerings of bills are heavy and persistent.

I have pointed this out for the express purpose of showing that in exchange especially there is not, and never can be, any hard and fast rule of certain specific causes producing certain effects. Such is only possible when all the surrounding circumstances are identical.

Now, having pointed out the many advantages of exchange as an investment, I can almost feel that many of you are wanting to ask me the question, "But what about the risks of loss through being caught in an unfavorable turn in the market?"

Yes, this is the one risk to be feared, and it is to prevent being caught in it that you have installed that very expensive system of obtaining your own information from your own sources from every foreign centre with which you are trading.

When a Flurry Comes.

Under these circumstances, the ordinary small fluctuations leave you unharmed because you will have foreseen them, and even taken advantage of them. The only outstanding risk now becomes what is generally known as a "flurry." The real term is "panic," but as this word in the American banking world has acquired a distinctive meaning, equivalent to a temporary suspension of the whole financial machine, it has been thought advisable to substitute the word "flurry."

Now the cause of this is psychologic. A rumor is started or some information leaks out. Promptly the "flurry" is well under way; in other words, the market is demoralized, and while in this condition the exchange operator has a very interesting example of the workings of mob psychology right before him.

It is impossible to estimate accurately the psychology of the individual, but the psychology of the crowd it is not. A crowd of people in a panic will always act in approximately the same manner and a crowd of bankers is no exception.

This way is, "Wait for a lead." I do not claim that the whole crowd will follow, but some will and others will compose themselves and think that things are not too bad after all, and either go their own way or remain where they are.

The important thing to remember is that if a lead is given, a certain number will follow, and often, indeed, there will be so many going in one direction as to create a positive pressure.

It is such times as these that the individuality of the exchange operator manifests itself, and whenever a "flurry" is on he promptly reviews the situation as it is, makes full allowance for the effect of the news or rumor, and finally decides, when a certain point has been reached, that the "market" has more than discounted any possible effect.

Suppose the news or rumor has created a great demand and prevented holders from selling, the price advances and continues to advance. After a certain point has been reached the exchange operator decides that the price is above the intrinsic value, and sells. He may have to sell some more, and yet some more, but when buyers find a source of supply they begin to ask themselves if they may not have paid too much. Other holders hear of the sales, and think, "Well, here's a good profit now; we might as well have it." Promptly the price eases, and the one who gave the lead has made the best sales. The others following now begin to get anxious in case their profits disappear, and effect sales at lower and still lower prices, until finally, if he deems it fit, the one who took the lead can cover up his sales at a handsome profit, leaving his original balance untouched.

Acting In Speculative Manner.

I know that many bankers will think that the one who took the lead was acting in a highly speculative manner, but to my mind it is a question whether those who did nothing were not acting even more so. In the one case the financier controlled his own finances, and in the other they let go and allowed circumstances to control.

It is in times of panic, above all, that a firm guiding hand is required, as then only are there such wide gaps as will permit one to cut one's losses at the minimum or make unusual profits, and it is to enable you to form your own opinion of values that you have installed the expensive system for obtaining and using reliable information. General information is of no value to you, for the reason that every one else has it. You must have your own sources of supply and these must be the best obtainable.

I have forgotten the greatest benefit of all, which can not be measured by the profits made. This is that you are kept constantly posted in the current conditions of other countries and are one of the first to remark a persistent trend in any one direction.

Dangers of a Surfeit of Gold

Economic Effects of an Increase in a Nation's Gold Reserves — A Typical Case — An Analysis of the United States Federal Reserve Board's Recent Statement

By E. L. STEWART PATTERSON.

EXPERIENCED bankers in the United States have viewed with concern the steady flow of gold into that country during the last eighteen months, with every prospect of continued shipments, unless some other means is adopted of adjusting the sterling exchange situation. To the average individual this view occasions surprise as the possession of gold is generally considered most desirable, and it may be of interest to study why too much gold is likely to affect seriously the financial health of the nation.

Under modern economic conditions gold, apart from what little may be used in the arts and industries, is of little or no use except for banking reserves as a basis of credit, and for this purpose the United States has already more than sufficient for her legitimate requirements. New gold received into the country can only remain in the vaults of the banks where it earns nothing, and is even a source of expense. The gold in circulation in the country will not be increased by its advent nor will it replace silver or paper as a circulating medium. An increase of gold in the reserves therefore can only be of economic use as the basis of an increased borrowing movement with a latent potentiality of creating an over-expansion of credit of four or five times its own amount. To fully understand this fact let us take an imaginary bank to represent the hundreds of banks affected by this great overflow of gold. The following is a brief statement of the Blank National Bank:—

Deposits.....	$5,000,000	Loans.....	$5,000,000
Capital and surplus..	2,000,000	Call loans.....	1,000,000
		Specie, etc.....	1,000,000
	$7,000,000		$7,000,000

How the Gold Works.

The net earnings of the bank are, say, $160,000 or 8 per cent. on the capital and surplus. Many of the bank's customers are engaged in various kinds of export orders and receive payment from time to time, the proceeds of which they use to reduce their loans, or to increase their deposits in the bank. Suppose, for the sake of illustration, that the amount due for these exports from abroad was $1,000,000. Under ordinary circumstances this amount would have been offset by a corresponding amount of imports, and there would have been little or no change in the country's gold reserves. Under war conditions, however, there is no such offset, and it is necessary for the purchasing country, England, to send over gold, the proceeds of which, directly or indirectly, are received into the Blank National Bank, increasing its specie holdings to $2,000,000 and decreasing its loans to $4,000,000. If the bank continues to hold this gold it is faced with the prospective loss of $60,000 per annum (6 per cent. on $1,000,000) or nearly 40 per cent. of its earning power, and is furthermore carrying reserves in gold sufficient to support $10,000,000 in deposits and $8,000,000 or $9,000,000 in loans. In self-defence it will therefore be forced to seek an outlet for its surplus funds and compete with other banks, similarly situated, for new business, even at a lower rate of interest if necessary.

Manufacturers, merchants and others will be quick to take advantage of this opportunity to borrow freely at low rates and will extend their business in all directions. New factories will be erected, old ones extended and the production in all classes of goods greatly increased. The increased demand for material and labor will raise prices and increase the cost of labor, and set in operation a whole series of influences of a cumulative nature, the ultimate effect of which is an old story in the United States and other countries subject to periods of over-expansion. A rise in prices, under normal conditions, would lead to a decrease in exports and an increase in imports attracted by the high prices, resulting eventually in an unfavorable movement of exchange and an outward movement of gold. The steadily advancing prices make the United States a good market to sell to and a poor one to buy from.

Manufacturers and merchants will find themselves with heavy stocks of goods at high cost and practically no market, due to unwise overproduction on a rising market for material and labor. The outward movement of gold in payment of imports referred to above necessarily falls on the gold reserves of the country and the banks are consequently forced to press for payment of their loans, interest rates rise, failures are rumoured and all the material for a panic is in readiness. It will be seen from the above that unless there is inflation it is impossible for a country to absorb into its credit system an amount of gold over its ordinary reserve requirements; available funds will find their way into use, the idle dollar is the most diligent of all seekers after employment. The history of nearly all crises is practically the same; cheap money due to abnormal reserves, over-expansion, and over-speculation, increase in price levels, over-production and dear money.

Surfeit of Gold.

The illustration given above is necessarily crude, but it is hoped will help the reader to realize the main factors that tend to make a surfeit of gold an unhealthy condition for any country. It may be advanced that this is simply theory, but the financial history of the United States and other countries amply demonstrates the fact that an undue amount of gold and consequent expansion of credit not only tends to raise the entire level of prices and wages, but unless the situation is adjusted in time, leads to a crisis. A well-known instance is that of Germany, following the receipt of the Franco-Prussian war indemnity. This indemnity amounted to $2,000,000,000, the payments of which were spread over the years 1871-2-3.

The year 1871 saw an immense commercial and industrial expansion in Germany. Wages and prices rose in leaps and bounds, speculation was rampant and credit generally was inflated. Reaction, however, commenced in 1873-4; credits collapsed everywhere, prices fell, failures were numerous and unemployment widespread, and it was many years before the effect finally wore off. An older example is the case of Spain; the tremendous inflow of precious metals following the conquest of Peru and Mexico is generally recognized as having occasioned the ruin of Spanish industries, causing prices to rise higher in Spain than elsewhere, and preventing the people from manufacturing as cheaply as the inhabitants of other countries. This situation was further aggravated by the law forbidding private merchants to export bullion or coin in payment of imports.

War Conditions Prevent.

Under normal conditions, as stated above, a flow of gold into the United States would be stopped by an automatic increase in the imports, but this, owing to war conditions, is not possible at the present time. Two alternatives present themselves:—

1st.—To extend credit to Great Britain and France for goods purchased. This has been done to a limited extent though the recent pronouncement of the Federal Reserve Board advises strongly against this method.

2nd.—To refuse gold settlements by relieving the mints from the statutory obligations of buying gold and coining it. This remedy was adopted by Sweden.

It was hoped that, with the establishment of the Federal Reserve Banks, banking in the United States would be placed on a sound basis, free from political influence and governed entirely by practical and economic considerations. It is, therefore, disturbing to find the Federal Reserve Board, in the face of published and expressed warnings of practical bankers and economists, issuing a statement disapproving of short-date treasury bills as a form of investment for banks.

Treasury bills of Great Britain and France are short-date bills of varying maturities to suit purchasers, payable absolutely at maturity in New York in gold dollars, and free from all taxation by the issuing government. They form an ideal method of investing funds temporarily, and to the extent of their absorption in the United States would prevent such funds being used for the unhealthy inflation of internal credits. Furthermore, should the occasion arise, as it surely will eventually, for the exportation of gold to Europe, the outstanding treasury bills at that date, falling due on consecutive dates, would automatically serve to offset demands for equal amounts of gold, and as long as there were any such bills held in the country they would obviate the necessity of gold exports. By objecting to the purchase of treasury bills the Federal Reserve Board has practically sat on the safety valve, thus closing an outlet for surplus funds which would have tended to mitigate the evils of unhealthy internal expansion. The potential credit behind the constantly accumulating gold holdings will now, it is feared, be used more than ever in the creation of enlarged domestic loans unleavened by any liquid foreign obligations.

The statement issued by the Board says in part:—

"The board does not share the view frequently expressed of late that further importations of large amounts of gold must of necessity prove a source of danger or disturbance to this country. That danger, the board believes, will arise only in case the inflowing gold should remain uncontrolled and be permitted to become the basis of undesirable loan expansions and of inflation. There are means, however, of controlling accessions of gold by proper and voluntary co-operation of the banks, or, if need be, by legislative enactment. . . . It will then appear that while a large increase in the country's gold holdings has taken place, the expansion of loans and deposits has been such that there will not remain any excess of reserves apart from the important reserve loaning power of the Federal Reserve Banks."

Federal Reserve Board's Motives.

The board admits the danger of the inflowing gold becoming a "basis of undesirable loan expansion and of inflation" and its ruling, therefore, cannot be ascribed to ignorance of an economic truism. To what influence can it be ascribed? Two reasons stand out prominently:—

One is that it questions its own ability to handle the situation when the tide turns and the foreign demand for gold becomes effective.

The other is that the statement was purely for political effect dictated perhaps by the desire to curtail an export of munitions.

Though both of these reasons may have had their influence on a few individual members of the board, it is likely that the intention of the board in thus declaring itself was to force investors and others, especially those interested in munition concerns, to accept these foreign obligations in payment for their goods. The result as far as the country is concerned is the same,—it is immaterial whether an individual or a bank is the first holder of the foreign obligation, it could still be borrowed against. A manufacturer, for instance, who has hitherto received cash for his goods and consequently borrowed little or nothing from his bank would, in accepting foreign obligations in payment, eventually be forced to borrow either against his general credit or against the security of the bills.

Use of Treasury Bills.

The November letter of the National City Bank, New York, presents the views of those who hold that there is serious danger to the country in the continued accumulation of gold, and that treasury bills and other short-time obligations will serve efficiently as offsets to foreign demands for gold and will prove in the not distant future an extremely desirable and useful asset to the country. The National City Bank is of the opinion that there is no practical way of controlling the gold supply of the country as suggested by the board. The importations of gold go into the banks as deposits and the lending or purchasing power remain first of all with the depositor. Even if the gold is deposited with the Federal Reserve Banks, the latter must give either their notes or an equivalent on their books in exchange. Such a credit at a Reserve Bank is equivalent to gold itself as a basis for loans, and therefore up to the limit of the lending power of the bank the Reserve Board has no control over the expansion of credit. Co-operation in this connection is impossible among 27,000 banks scattered all over the country, competition alone would prevent any organized curtailment of credit expansion.

The United States may now be considered at the top notch of her industrial activity, and there is sufficient gold on hand to finance all legitimate expansion. Restrictions which tend to put more money into internal use at such a time will only create new demands for labor and material, when practically no more of these are to be had, with the result that wages and prices will continue to rise until the new supplies of credit are absorbed in doing the same amount of business as before. All of these carry the country further from normal conditions and involve a menace for the future.

The decision of the Federal Reserve Board is to be deplored for more reasons than one; the time and manner of its publication was most unfortunate and lends itself to misconstruction. German sympathizers are already busy in the Central Western States and elsewhere spreading the rumor that the real reason for the pronouncement by the Federal Reserve Board was the belief that the resources of the Allies were approaching exhaustion and that investors would be well advised to avoid all their securities. The immediate result, apart from the local effect on the stock market, will doubtless be a curtailment of munition orders and a speeding up of the vast munition plants of the "Allies." If past experience counts for anything the future effect of the board's ruling, if literally lived up to by the banks, will militate against the best interests of the country.

EXCHANGE MARKET IN 1917

Foreign Trade Balance May Be Most Important Factor This Year in Canadian Exchange Situation

Throughout 1916 the exchange rates applying to transactions with parties in the United States did not cause Canadian exporters so much concern as was the case in 1915. For a considerable part of 1915 New York funds ruled at a premium of from ¼ to 1 per cent. This circumstance caused the banks at United States centres near our boundary, at which our cheques had previously been negotiated at par, to refuse to take them except at a discount of from ½ to 1 per cent. The abnormal discount on Canadian funds disappeared in the fall of 1915 with the commencement of shipment of our heavy wheat crop. Previous to this the flotation of Canada's $45,000,000 loan in New York on August 1st, had cut down the discount to small proportions. Then, early in 1916, New York funds were again at a premium of from ¼ to ⅝ per cent. between banks. The situation eased to a certain extent in April with the flotation of the $75,000,000 Dominion loan in the United States, but after this occurrence, notwithstanding the heavy balances carried by our banks in New York, the premium was unduly high until towards midsummer, when it fell to normal bounds, and during the remainder of the year, the exchange problem gave no trouble at all. With the announcement of the domestic war loan of $100,000,000 in September, New York funds hovered around par—sometimes at a small discount and sometimes at a premium. The improvement on that occasion was supposed to have been due to remittance of United States subscriptions to the loan.

Business men in Canada are naturally interested in the question as to the state of the exchanges in 1917. It will be worth while to consider some of the factors likely to be operating during 1917. It should be observed at the outset that the state of affairs in 1915 and 1916 favored the export business and tended to a certain extent to discourage imports. In fact there was, in 1916, after the United States loan gave us a large amount of funds in New York, a theory prevalent that the government and the banks wished to keep the United States exchange arbitrarily against the Dominion, as a means of discouraging our importers from buying goods abroad unnecessarily.

However that may be, the fact remains that importers and others requiring to buy exchange to settle debts in the United States were obliged in the first half of the year to pay from $4 to $10 per $1,000 for remittance. On the other hand the customers who tendered large export bills for negotiation at the banks got excellent results. The ordinary customer of a bank would not be quoted a premium when handing in a New York draft for cash or credit; but in case of the larger amounts, while the high premium prevailed, the drafts were negotiated at par in many instances, where previously a

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charge was customarily made. Also, in a few special cases, parties handling a large amount of exchange, got a premium on the New York funds deposited. Thus the province of Ontario and the city of Toronto derived full benefit from the high premium on New York funds prevailing early in 1916, when they placed bond issues in New York. Similarly, the large grain exporters would get the benefit of the premium in connection with their heavy offerings of exchange. In their case, probably, the high exchange rates would percolate backwards and be reflected in the prices paid to farmers at country points.

Influences on Our Exchanges.

In considering the exchange markets prospects for 1917, it is necessary to take carefully into account the several factors that exercise the deciding influences on our exchanges. At present these are the foreign trade balance, the sale of Canadian securities in the United States, and payments of interest and principal of our external debt, together with the external expenditures in connection with military operations. With reference to the last-mentioned item, it is not to be expected that Canada's repayments of principal to England and the United States in 1917 will be so extensive in themselves as to turn the exchanges decidedly against us. Such repayments as we make to England will be in the form of Canadian bonds and debentures purchased by our bond houses in London for distribution in the home Canadian market, and also sundry redemptions by our industrial and other corporations of bond or debenture issues maturing in England. There is to be met in the United States an amount of $20,000,000 Dominion bonds falling due August 1st, 1917. If last year's precedent is followed the Dominion government will make provision in the spring months for this maturing loan and for other needs, through placing an issue of $75,000,000 or so with the United States bankers. So, assuming that our United States friends are willing to grant us the new credit, this repayment will not be a factor in making our exchanges adverse.

As regards the whole matter of our issues of securities in the United States, so far as one can see at present, they will not be unduly numerous. Apart from the suggested Dominion government loan, Canada is not likely to ask for many credits of importance. The several provinces and large cities may be in the market for moderate amounts from time to time, but generally speaking all public bodies are economizing severely and cutting their borrowings severely down. The extraordinary military expenditures are being made as far as possible in Canada, and a large part of the remainder of the outlay is represented by payments made in England, probably in the form of an open account against Canada which will eventually be settled by our government remitting its long-term bonds. The expenditures in the United States, however, have some effect on the exchange situation.

Foreign Trade Balance.

Apparently, the foreign trade balance will be the most important factor working on Canada's exchange situation throughout 1917; and, fortunately, that has been running heavily in our favor. We have to bear in mind, however, in this connection that as a result of the western crop shortage, the volume or quantity of our agricultural exports during the eight months—January to August inclusive—will almost inevitably be considerably less than in the same months of 1916, and that this falling off in volume may be only partly offset by the higher prices realized. Some authorities think that the higher range of prices for agricultural products, along with a possible increase in value of our manufactured exports, may keep our total export trade for 1917 up to the level set in 1916, but this is doubtful unless the 1917 crops prove to be very bountiful and move promptly out for export.

On the other hand, the imports are running high and are likely to continue so during a considerable part of the year, unless the thrift campaigns have a more decided effect than is at present noticeable. Thus it may be that we shall have difficulty in maintaining the surplus of exports at the same level as in 1916. Again, we may find it advisable to take British securities for a fairly large part of our export surplus.

While these considerations, taken with the rising volume of our external interest payments, appear to point to a rather firm market, at times in 1917, for United States exchange, it should be remembered that the Canadian banks have abnormally large balances at their call in New York, and this circumstance may have some effect in preventing the return of a very high premium on New York funds

GERMANY'S FINANCIAL POSITION WEAKENING

War Loans Secured by Fading Credit—List of Loan Issues

While Canada was preparing to subscribe over $200,000,000 to a war loan of $100,000,000, Germany opened subscription lists for its fifth war loan. On the day that the books were opened, New York exchange on Berlin stood at the lowest point reached to that time since the outbreak of hostilities. The security of the fifth German war loan was said to be the credit of the entire German empire, but no reference was made to the neutral opinion of such credit, which finds expression in the condition of exchanges in the world's money markets. The following table, compiled by *The Monetary Times*, gives particulars of Germany's five war loans:—

Issued.	Rate.	Issued at	Redeemable.	Amount (Millions of $).
September, 1914	5	95	Not before 1924	$ 865
September, 1914	5	97.50	Between 1918 & 1920	250
March, 1915	5	98.50	Not before 1924	2,071
March, 1915	5	98.50	Between 1921 & 1922	193
September, 1915	5	99	Not before 1924	3,040
March, 1916	5	98.50	Not before 1924	2,650
September, 1916	5	98	Not before 1924	2,647

As the German mark is at a considerable discount, the actual amounts are a good deal less.

As to Fifth Loan.

The lists for the fifth German war loan were closed on October 5th, 1916. As in the case of the fourth loan a choice was given between long and short-term bonds. The long-term bonds differ only in price from the four earlier loans. They were irredeemable before October 1st, 1924—that is to say, the Empire would not guarantee to make conversion before that date—and the interest given was 5 per cent. For the fifth loan the price was 98, as compared with 98½ for the fourth, 99 for the third, 98½ for the second, and 97½ for the first loan. It was explained that the reduction in price was due to the fact that the currency of the loan was somewhat shorter than that of the fourth loan. This was a poor explanation; the price of the second loan was raised by a point, and the price of the third by half a point, in spite of the fact that the currency of each was shorter than that of its predecessor.

As in the case of the previous loan, the short-term bonds of the fifth loan bear interest at 4½ per cent., and are redeemable by 10 annual drawings between the years 1923 and 1932. The price also was the same as the fourth, but the yield, owing to the redemption period being six months shorter, was higher at from 5½ per cent. to about 5 per cent., according to drawing. As usual, a discount of 0.20 per cent. was allowed to subscribers who guaranteed not to bring their holdings on to the market for at least six months. Payment could either be made in full on September 30th, 1916, or in four instalments, the last of which falls due on February 6th, 1917. Subscribers for 100 marks ($20), the minimum subscription, are not required to pay anything until February 6th, 1917, the last day of payment

Hollow German Boasting.

In announcing the result of the fourth war loan issued in March, Dr. Helfferich, who was then German finance minister, said:—"The financing of the war is thereby assured for a further half-year. That a nation of seventy millions, cut off from the outer world by arbitrary acts in conflict with international law and wholly depending on its own strength, should have borne for 20 months the heavy burdens of war and should now again be offering over 10,000,000,000 marks to the Fatherland is proof of a greatness which is beyond the praise of words. It signifies that our strength is unbroken, that confidence in our good cause and in the final victory are unshaken, and that the German people, when it is a question of beating the enemy, do not know discord but stand together united as one man."

To those acquainted with the facts, such a statement is obviously far from the truth. German loans from the beginning have been pyramided and a dangerous financial position was reached some time ago. After the first loan, part subscription for the succeeding issues could be made in the bond of preceding loans. Thus for the fourth series the

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bonds of the first, second and third issues could be presented for payment. This is building a dangerous paper fabric. The position is admirably expressed in one of the famous pictures of Louis Raemaekers, the Dutch cartoonist. He portrays German Michael holding, with an unmistakable air of suspicion, a receipt for his war loan subscription. Michael says:—"I got a receipt for 100 marks. I gave this for a second 100 marks, and I received a second receipt. For the third loan I gave the second receipt. Have I invested 300 marks and have the government got 300 marks, or have both of us got nothing?"

Banking on Indemnities.

A great deal has been said by the German press in regard to paying for the war loan out of indemnities to be obtained from the Allies after the war. In an appeal to subscribe to the fifth war loan, published by the official Deutscher Reichsanzeiger, the following sentence occurred:—"In addition there are the territorial pledges, which we hold in the shape of enemy country. These are an assurance that the words of the secretary of state, Dr. Helfferich, will be fulfilled, when he said that 'The leaden weight of the many millions [spent on the war] will be borne in the future by those who have brought the war about, not by us.' "

According to the Paris correspondent of a London paper, "It is only after December, 1916,—and failing the advent of a satisfactory peace from the German standpoint—that the financial position will begin to become really critical. It is for this reason, among others, that the imperial German government is stated to be bent upon forcing the definite issue of the war during the next few months, so that a general armistice will be brought about as a prelude to the discussion of peace conditions." Germany cannot stand the financial strain indefinitely.

STATE DIRECTED EMIGRATION

This is Suggested for Movement from Great Britain to Overseas Dominion

BY A. T. DRUMMOND, LL.D.

After the close of the war, a considerable emigration from Great Britain, of, among others, discharged soldiers and women munition workers, is anticipated. When so many of these men and women have served their country nobly in its hour of difficulty and danger, and when the importance is so clear, now, to the mother country of having strong and prosperous co-partners imperially associated with it, why should not the British government take a friendly interest in its emigrants and co-operate with the overseas Dominions in affording them facilities and direct inducements for remaining within the bounds of the Empire, and of aiding in its continued development? Necessarily, every emigrant must have perfect freedom of choice as to the section of the empire, or elsewhere, to which he would go, but it would be within the ability of the British government to show to him that, within the British possessions, he would find every known climate, probably all known materials, social conditions that are very satisfactory, a definite outlook for advancement among people of his own race, and a general freedom of action which is the heritage of every Briton.

Some months ago, I brought the subject of state-directed emigration before the Right Honorable Bonar Law, the Secretary of State for the Colonies, as well as before our own government and the governments of Australia and New Zealand, because the solution of the problem requires co-operation. It is satisfactory now to know that Mr. Bonar Law considers that the British government would be much to blame if it did not make certain of two facts—that whatever emigration takes place from Great Britain after the war, shall be to points within the empire, and shall not lessen the strength of it as a whole: and that this emigration will take place under the best conditions for the men who have fought in the war.

The Duke of Connaught, also, in a parting address to the Canadian Club at Ottawa in October last, pointed out that perhaps the most important question Canada had to face, after the war, was the class of immigrants it was to have, and he insisted on the wisdom of introducing immigrants of British stock. Our minister of finance has, likewise, recently told an audience in England that Canada has, in the past, been too cosmopolitan in its grasp of the immigration problem. The Canadian government itself, whilst giving a very sympathetic hearing to this proposal for state-directed emigration from Great Britain, has referred the whole subject of immigration into Canada to the Economic and Development Commission, and the proposal has been discussed with it. Australia and New Zealand have yet to be heard from, but conditions there as to land, labour, transportation expenses, and general opportunity for the immigrant, are on a somewhat different basis from those in Canada.

Must be Co-operation.

Whilst state-directed emigration from Great Britain, as above proposed, implies action on the part of the home government, it cannot be effectively carried out without the direct co-operation of the overseas Dominions. The inducements offered and the methods employed by governments and railways in Canada and the other Dominions in the past to secure immigration, are quite familiar, but it is now clear that the changed conditions which have been brought about by the war, have rendered a different programme necessary. The idea, largely prevalent in this country in the past, that whoever is willing to come should be welcomed, must be dropped. The nationality, the mental calibre, and the moral and social conditions which have hitherto surrounded the immigrant, must be considered. The feeble minded, the illiterate, the criminal class, and any who are likely to become a charge on the charity of the community, are not wanted. Men of British stock will be preferred in all of the Dominions, and it is here where the British government, by directing the trend of emigration from its shores, can render invaluable aid to these Dominions, and, at the same time, serve in an important way its own imperial interests. It must leave the emigrant to form his own final choice of destination, but can afford him every opportunity of studying the attractions presented by each Dominion, and the special inducements offered by each in permanent employment in the towns, settlement on the land, financial assistance, or otherwise.

Case of Returned Soldier.

In the case of the discharged soldier, it is most suggestive that, as some small return for the part he has taken in the war, the government should aid in his transportation to his final destination in the Dominion under whose auspices he intends thereafter to be. Conferences are thus needed between the imperial and the overseas governments in order to complete arrangements for immediate co-operation whenever peace is declared. In the meantime, the Canadian, Australian and New Zealand soldiers in the concentration camps in England, in the army at the battlefront, and in the convalescent and other hospitals throughout Britain, are performing valuable emigration service through disseminating information, and affording personal experiences of colonial life, to their associates in khaki from the homeland, whilst the British press in its admiration of the physique, the courage, and the endurance of these overseas soldiers at the firing line, has shown to the British public what the climate, the free life and other new world experiences can produce in these distant possessions, apart from mere material prosperity.

Beneficial Results of Policy.

The different governments must map out in detail what can be effectively done in carrying out state-directed emigration. Each Dominion has its special climatic, agricultural. mineral and other attractions, and has its own views of what it can wisely do, without being too paternal, in helping to start in a fresh life those who desire to permanently settle within its bounds and become progressive citizens. There are thus problems to be met in each of these Dominions as well as in Great Britain, but that spirit of optimism in confronting problems, and of mutual helpfulness where imperial interests are concerned, which now pervades every section of the empire, will, we can confidently believe, result in a new general policy under which whatever Great Britain may apparently lose through emigration, will be recouped to it, not merely in the increased population and strength of its distant possessions, and its trade with them, but also in the cementing, even more firmly there, of the bond of attachment to the homeland, which in times of stress has proved so valuable.

ESTABLISHED IN 1836

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INCORPORATED BY ROYAL CHARTER IN 1840

Bank of British North America

Paid-up Capital, $4,866,666.66 **Reserve Fund, $3,017,333.33**

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Brandon, Man.
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" Westinghouse Ave.
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Longueuil, P.Q.

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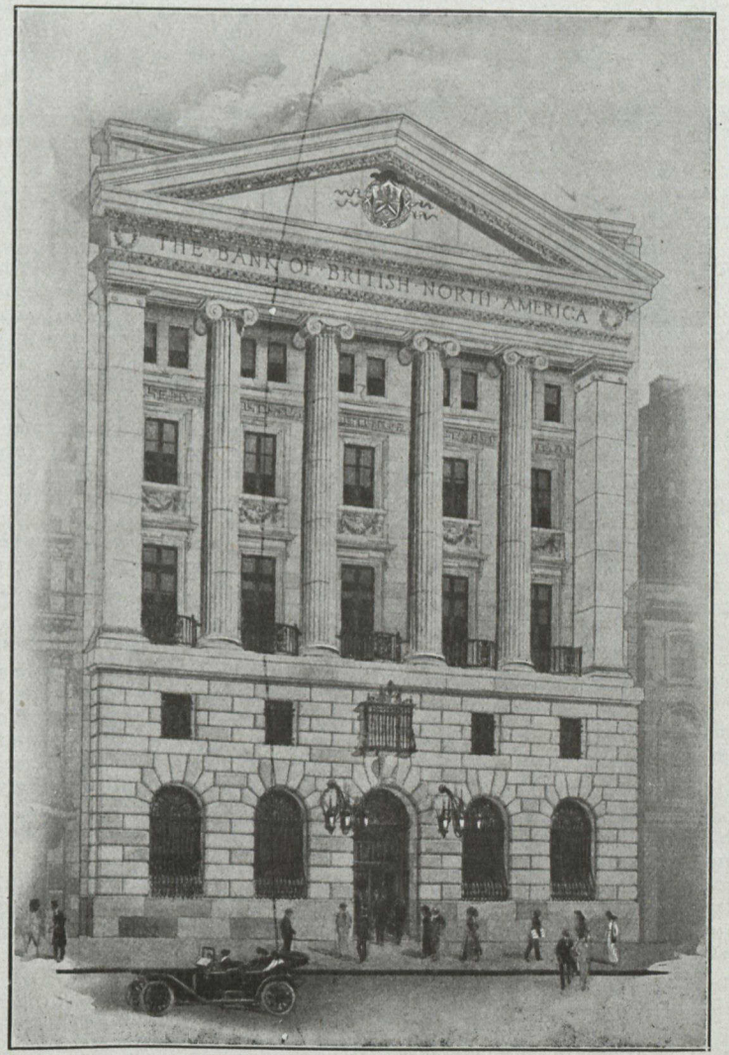
Montreal, P.Q.
Montreal, St. Catherine Street
Montreal, Rosemount

North Battleford, Sask.
North Vancouver, B.C.



BRANCHES IN CANADA

Oak River, Man.
150 Mile House, B.C.
Ottawa, Ont.

Prince George, B.C.
Prince Rupert, B.C.
Punnichy, Sask.

Quebec, P.Q.
Quebec, St. John's Gate
Quesnel, B.C.

Regina, Sask.
Reston, Man.
Rhein, Sask.
Rossland, B.C.
Rosthern, Sask.

St. Catharines, Ont.
St. John, N.B.
St. John, N.B., Haymarket Square
St. John, N.B., Union St.
St. Stephen, N.B.
Saltcoats, Sask.
Saskatoon, Sask.
Selkirk, Man.
Semans, Sask.

Toronto, Ont.
Toronto, Ont., Bloor and Lansdowne
Toronto, Ont., King and Dufferin Sts.
Toronto, Ont., Queen St. E. and Beech Ave.
Toronto, Ont., Royce Ave.
Trail, B.C.

Vancouver, B.C.
Varennes, P.Q.
Verdun, P.Q.
Victoria, B.C.

Wakaw, Sask.
Waldron, Sask.
Weston, Ont.
West Toronto, Ont.
Winnipeg, Man.
Winnipeg, McGregor and Selkirk Ave.
Wynyard, Sask.

Yorkton, Sask.

AGENCIES IN THE UNITED STATES, ETC.

NEW YORK—52 Wall St.—W. T. Oliver and P. C. Harrison, Agents.
BOSTON—Merchants National Bank.
MINNEAPOLIS—Scandinavian-American National Bank.
ST. PAUL—First National Bank.
LONDON, Eng.—The Bank of England and Messrs. Glyn & Co.
LIVERPOOL, Eng.—Bank of Liverpool, Ltd.
SCOTLAND—National Bank of Scotland, Ltd.
IRELAND—National Bank, Ltd.; Provincial Bank of Ireland, Ltd.
AUSTRALIA—Bank of New South Wales; Union Bank of Australia, Ltd.
SAN FRANCISCO—264 California St.—A. G. Fry & A. S. Ireland, Agents
CHICAGO—Merchants Loan and Trust Co.
SEATTLE—Dexter Horton National Bank.
PORTLAND, ORE.—Ladd & Tilton
CLEVELAND—Union National Bank.

FOREIGN AGENTS

NEW ZEALAND—Bank of New South Wales; Union Bank of Australia, Ltd.
SOUTH AFRICA—Natal Bank, Ltd.; National Bank of South Africa, Ltd.; Standard Bank of South Africa, Ltd.
SOUTH AMERICA—London & River Plate Bank, Ltd.; British Bank of South America, Ltd.
FRANCE—Credit Lyonnais.
INDIA, CHINA & JAPAN—Mercantile Bank of India, Ltd.; Hong Kong and Shanghai Banking Corporation.
WEST INDIES—Colonial Bank.

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Agents in Canada for Colonial Bank, London and West Indies

SAVINGS DEPARTMENT AT EVERY BRANCH

BRITAIN'S PROPOSED TRADE BANK

It Would Enter Into Agency Arrangements With Canadian and Other Banks

Considerable interest was shown last year in the suggestion that a British trade bank should be instituted in the United Kingdom. A committee, under the chairmanship of Lord Farringdon, was appointed by the British government, "to consider the best means of meeting the needs of British firms after the war as regards financial facilities for trade, particularly with reference to the financing of large overseas contracts." The committee recommended the foundation of a British trade bank with a capital of £10,000,000 and a charter to engage in a world-wide business. The plan of the committee provides for an institution whose chief duty it would be to assist British trade abroad after the war, and especially to finance those large, long contracts for which adequate facilities hardly exist at present. British banks, except some of those in London, cater for domestic business, and particularly for short-term business. Most of their resources are repayable on demand or upon short notice, and they cannot lock up large sums for more or less indefinite periods. Colonial and foreign banks, in their turn, grant large facilities for overseas business, but again they are conditioned by the terms upon which they hold their funds.

Lack of Co-Ordination.

The British committee find that though very considerable facilities do exist at present both at home and abroad for financing British trade, yet there is much lack of co-ordination and ample room, indeed need, for a new institution which by holding its own funds upon a secure tenure could engage in development work involving a lock-up for some considerable time.

The chief features of the proposed bank are tabulated as follow:—

(1) It should have a capital of £10,000,000. The first issue should be from £2,500,000 to £5,000,000, upon which in the first instance only a small amount should be paid up, but which should all be called up within a reasonable time. A further issue should be made afterwards, if possible, at a premium.

(2) It should not accept deposits at call or short notice.

(3) It should only open current accounts for parties who are proposing to make use of the overseas facilities which it would afford.

(4) It should have a foreign exchange department, where special facilities might be afforded for dealing with bills in foreign currency.

(5) It should open a credit department for the issue of credits to parties at home and abroad.

With Colonial Banks.

(6) It should enter into banking agency arrangements with existing colonial or British-foreign banks wherever they could be concluded upon reasonable terms, and where such arrangements were made it should undertake not to set up for a specified period its own branches or agencies. It should have power to set up branches or agencies where no British-foreign bank of importance exists.

(7) It should inaugurate an information bureau in close touch with the commercial intelligence department of the board of trade.

(8) It should endeavor not to interfere in any business for which existing banks and banking houses now provide facilities, and it should try to promote working transactions on joint account with other banks, and should invite other banks to submit to it new transactions which, owing to length of time, magnitude, or other reasons, they are not prepared to undertake alone.

(9) Where desirable, it should co-operate with the merchant and manufacturer, and possibly accept risks upon joint account.

(10) It should become a centre for syndicate operations, availing itself of the special knowledge which it will possess through its information bureau.

(11) It should receive government assistance, being appointed to carry through foreign commercial and financial transactions in which the government may be interested.

AGRICULTURAL CREDITS IN BRITISH COLUMBIA

Applications for Loans Aggregating $2,175,000 Received —The Loans Analyzed

BY HON. WM. MANSON.

The agricultural credit system is a new departure in British Columbia, but is already proving of advantage to many farmers, in furnishing money to make improvements to their farms, for land clearing, draining, erection of buildings, purchase of stock, etc., all calculated to increase agricultural production.

The agricultural act was placed upon the statutes of British Columbia in March, 1915. It authorized the borrowing of $15,000,000, to be administered by a commission, the debentures of the said commission to be guaranteed by the government of the province.

The money market for some time previous to, and since the outbreak of the European war, has been unfavorable for the borrowing of money, but last spring a loan of $1,000,000 was obtained under the act to begin the work and give definite assistance to aid in developing agriculture. The money cost 5.63 per cent., and is being loaned to the farmers at 6½ per cent.

Long-term loans for 20, 30 and 36½ years, may be made on the amortization plan, interest and principal payable half-yearly.

Will Grant Straight Loans.

Short-term loans may be made from three to ten years, which need not be amortizable. The commission has decided that for the present while it prefers that all such loans should be amortizable, yet will grant straight loans for three, four or five years, interest payable half-yearly, and that loans from six to ten years must be payable on the instalment plan, the same as long-term loans of 20, 30 and 36½ years, interest and principle payable half-yearly.

Borrowers have the privilege of paying off, in addition to the regular half-yearly payments, $25 or any multiple of $25 from time to time on any interest date, in reduction of the mortgage.

The agricultural act of 1915, under which the commission is working, requires that the money to be loaned for the purposes of making improvements on agricultural land shall only be advanced as such improvements are made, and the commission when granting each loan is arranging accordingly.

To Pay Off Existing Mortgages.

A great many applications are being received where the money is to be used for the purpose of paying off existing mortgages. The policy of the commission, with the limited amount of money at its disposal, is to give first consideration to applications where the money is to be used for purposes that will tend definitely to increase agricultural production, therefore the applications for money to be used exclusively to pay off mortgages are being held in abeyance for the time being.

The system is yet new in British Columbia, consequently statistical information is limited. The following figures however may be of interest:—

	No.	Average.	Amount.
Applications received	1,137	$2,048	$2,328,895
Applications appraised	738	2,233	1,647,750
Applications to appraise	399	1,707	681,145
Applications refused	276	2,228	617,555
Applications withdrawn	17	2,067	35,125
Applications granted	236	1,494	352,630
Applications under consideration and held over	209		

The following figures give further particulars of loans granted: 6 loans for $250, $1,500; 2 loans for $300, $600; 53 loans for $500, $26,500; 2 loans for $600, $1,200; 1 loan for $700, $700; 10 loans for $750, $7,500; 3 loans for $800, $2,400; 2 loans for $850, $1,700; 41 loans for $1,000, $41,000; 1 loan for $1,100, $1,100; 7 loans for $1,200, $8,400; 18 loans for $1,250, $22,500; 1 loan for $1,300, $1,300; 20 loans for $1,500, $30,000; 4 loans for $1,800, $7,200; 26 loans for $2,000, $52,000; 1 loan for $2,280, $2,280; 11 loans for $2,500, $27,500; 8 loans for $3,000, $24,000; 2 loans for $3,500, $7,000; 4 loans for $4,000, $16,000; 1 loan for $4,250.

THE BANK OF NOVA SCOTIA

(INCORPORATED 1832)

CAPITAL PAID-UP
$6,500,000

RESERVE FUND
$12,000,000

Total Assets Over, $110,000,000

GENERAL EXECUTIVE OFFICES: TORONTO

H. A. RICHARDSON, General Manager. **D. WATERS, Asst. General Manager.**

	Dec. 31st, 1910	Dec. 31st, 1913	Aug. 31st, 1916
Capital Paid-up -	$ 3,000,000	$ 6,000,000	$ 6,500,000
Reserve Fund - -	5,650,000	11,000,000	12,000,000
Deposits - -	41,821,610	56,592,774	84,847,175
Total Assets - -	53,506,980	80,151,829	112,163,841

BRANCHES IN CANADA:

30 in Nova Scotia | **7 in Prince Edward Island** | **33 in New Brunswick**
10 in Quebec | **63 in Ontario** | **14 in Western Provinces**

NEWFOUNDLAND:

Bay Roberts, Bell Island, Bonavista, Bonne Bay, Brigus, Burgeo, Burin, Carbonear, Catalina, Channel, Fogo, Grand Bank, Harbor Grace, St. John's, East End St. John's, Twillingate, Wesleyville.

WEST INDIES:

CUBA—Havana. PORTO RICO—San Juan.

JAMAICA—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, St. Ann's Bay, Savanna-la-Mar, Spanish Town.

NEW YORK: H. F. Patterson, Agent.

CHICAGO: W. H. Davies, Manager.

BOSTON: W. Caldwell, Manager.

CORRESPONDENTS:

Great Britain: The London Joint Stock Bank, Ltd., and The Royal Bank of Scotland.

France: Credit Lyonnais.

United States: The Bank of New York, N.B.A., New York; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Merchants National Bank, Boston; Citizens National Bank, Baltimore; First and Security National Bank, Minneapolis; Canadian Bank of Commerce, San Francisco; First National Bank of Seattle, Seattle.

Special facilities for making prompt collections in Canada, Newfoundland and the West Indies.

$4,250; 2 loans for $4,500, $9,000; 7 loans for $5,000, $35,000; 1 loan for $5,500, $5,500; 1 loan for $7,500, $7,500; 1 loan for $9,000, $9,000; total 236 loans for $352,630.

The terms of loans granted are as below: 3-year straight loans, 5; 5-year straight loans, 45; 6-year amortizable, 1; 7-year amortizable, 4; 8-year amortizable, 3; 9-year amortizable, 1; 10-year amortizable, 83; 20-year amortizable, 52; 30-year amortizable, 21; 36½-year amortizable, 1; total, 236.

The commission has at present five appraisers in the field in various parts of the province, and every effort was being made to complete the work of appraising before the winter weather set in.

Two of the directors of the board have spent considerable time in the field with the appraisers, for the purpose of obtaining first-hand information regarding agricultural lands and conditions throughout the province and also in assisting the appraisers to establish a proper basis of valuation. The reports of the appraisers are received at head office weekly, and the commission passes upon the applications as the reports come in.

SECRETARIAT FOR BRITISH EMPIRE

How the Governments Concerned Would Work Together —An Interesting Proposal

BY J. P. MURRAY.

On June 14th, 1916, the prime minister of the Britannic house of parliament, Mr. Asquith, in addressing an audience at Ladybank, England, made this statement: "With such an Imperial record it will never be possible, in my judgment, to revert to our old methods of counsel and of government. The fabric of the empire will have to be refashioned, and the relations, not only between Great Britain and Ireland, but between the United Kingdom and our Dominions will of necessity be brought, and brought promptly, under close and connected review."

In these words Mr. Asquith voices the general opinion held and expressed by the most prominent representatives of the empire's Dominions.

Tested and Proved.

The development of the Dominions and the desire for "place," may have, at times, brought criticism from the thinkers and mind-formers of Britain. But as in days of yore, the characters of the units of Britain were rigorously tried, educated, severely tested and given a force of will by circumstances not paralleled by any other peoples, so also, and in a similar manner, the severities of climate, and the hardships of the pioneers and their successors, in opening up new lands, hewing a road through virgin forests and building up towns and governments, has bred a race of hardy men accustomed to overcome great difficulties.

The general advancement in all that makes for stability under national pride has been, not only tested, but proved in all the Dominions of the empire, and in the great responsibility which now presents itself before each, there is no reason to presume that this responsibility will not be accepted and carried with dignity and to the welfare of the empire.

If all that has been written is carefully received and all the speeches that have been made are studied, the subject matter being the union of all parts of the empire in some form which is to include a constitutional mode of Imperial government of the empire, nothing has yet been offered from which to base the relative merits of the Dominions and Britain.

It is then with that purpose, some thoughts are put before those interested, which may help to advance the desire so generally voiced by all parts of the empire.

So far schemes to organize and strengthen our Imperial ideas have not yet been taken beyond the shape of paper or speech. It is, however, the silent determined committees of business men in the industrial centres who took the first steps in bringing into recognition the necessity for organized effort in all parts of the empire. This achievement demonstrated the necessity for co-operation in developing strength, and the exchange of experience created the desire for a greater national union. It showed the need of a common purpose and a guiding principle throughout the empire.

To secure this and develop it, there must be a complete and thorough knowledge of all that each unit of the empire has included in its latent or partly developed possibilities.

No advancement can be made in this direction without organization, and following is a plan for a proposed practical measure by which a statistical bureau would be established at the heart of the empire, and which in due time may prove to be, not only an encyclopædia of the empire, but of all that would be necessary to tabulate outside of it.

The basic idea is to establish in London what may be termed a secretariat, as it is to be the office of statistical secretaries for every self-governed unit in the empire. Each government would have a secretary-general and under him an under-secretary for each of the other self-governed units. That is to say, taking Canada as an example, there will be the secretary-general for Canada, under him would be the Canadian-Australian, the Canadian-New Zealand, the Canadian-Britannic, etc., under-secretaries, and vice-versa for each of the other parts of the empire.

All general secretaries to hold equal standing, but to have no control outside own staff. All under-secretaries to be of equal standing with each other.

All these secretaries, general and under, will not be connected with any other office and each is subject to his own government only. They would form a body of statisticians, without political influence, promotory powers, nor would they represent the views of their governments or any other bodies, boards or institutions. The duties of each under-secretary would be to co-operate with the under-secretary of the unit for which he has been appointed, thus, the Canadian-Australian secretary and the Australian-Canadian would co-operate.

At Disposal of Empire.

They would procure from each respective Dominion data and detail of Canadian and Australian activities, raw materials, developed or undeveloped, and particulars of all features, measures and doings which are the life of a people.

These would be co-related fully by the two secretaries and all that had no relation would be set out clearly and concisely.

Then all this information would be in turn handed over to the secretary-general, who in turn would bring it before the council of all the secretaries-general. The information so submitted would then be generally co-related as far as possible and all that was not relative would be set out distinctively.

When all has been so prepared it would be sent to each respective government and be at the disposal of every subject of the empire.

In addition, as information was procured of any item within the empire, effort would be made also to obtain particulars of similar matter from non-British countries. The purpose is obvious. The general cost of administration and management would be pooled and each part of the empire would bear its share equally with each other part.

By such an institution the empire would be better prepared to take advantage of every occasion, result of research, opening of trade, benefit of transportation, advantages in banking and in marine insurance, in manufacturing, education, the refined arts, hygiene, defence, and in every and all subjects, doings, legislation or anything or purpose for the bodily, spiritual or material welfare of the empire and its citizens.

BANK BRANCHES OPENED AND CLOSED

The following table, compiled by *The Monetary Times*, shows the number of bank branches, including sub-branches, opened and closed in each province during the past three years:—

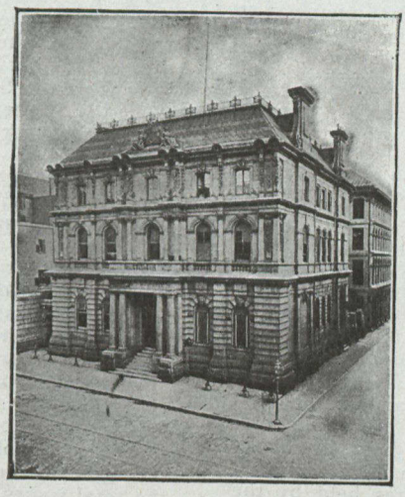
	Nine months, 1916.		1915.		1914.	
	O.	C.	O.	C.	O.	C.
Ontario	26	21	15	37	61	16
Quebec	55	27	119	25	123	20
New Brunswick	2	—	2	3	4	6
Nova Scotia	—	—	3	1	1	3
Prince Edward Island	—	—	—	—	—	—
Manitoba	3	3	1	5	3	2
Saskatchewan	16	10	10	13	23	17
Alberta	13	17	4	9	9	13
British Columbia	1	11	2	29	13	38
Total	116	89	156	132	240	115

THE MOLSONS BANK

INCORPORATED 1855

Capital Paid up - $4,000,000
Reserve Fund - 4,800,000

96 Branches
in Canada



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Saving Bank
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By H. M. P. ECKARDT

This Book is listed by the Canadian Bankers' Association as a recognized text book on banking practice. Chapters on Organization of a New Bank; Selection of the Junior; The Junior's Post; The Cash Book; The Discounts; Teller and Customer; The Bank's Business in Exchange; Receiving and Paying; The Accountant; The Statements; Manager of the Branch; Financing the Crops and the Mines; Relations with other Banks and with Head Office; Inspection of the Branch; Head Office; The General Manager's Department; The Board; Liquidation of Failed Banks.

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CURRENCY EXPANSION LAST YEAR

Position is Sound—How Excess Note Issues Were Made

BY H. M. P. ECKARDT.

One of the remarkable features of Canadian business in 1916 is seen in the currency expansion. This has been in evidence more particularly in connection with the bank note issues, but statistics show that the amount of Dominion notes in the hands of the general public, as distinct from the chartered banks also increased. Throughout the whole year the bank circulation, as shown in the monthly returns to government, ran well above the level reported in the preceding year. Subsequent to May the increased use of currency became more pronounced.

From the official returns published in this country it is possible to calculate accurately from month to month the amount of bank and government notes actually in circulation among the public. Thus, by taking the amount of Dominion notes outstanding, as shown in the returns of the Department of Finance, and deducting therefrom the amount of Dominion notes held by the chartered banks and the amount deposited in central gold reserves, we get the amount held by the public. In the same way by deducting from the total bank note issues outstanding, the amount held by banks other than the issuers, both items being shown in the monthly bank return, we get the amount of bank notes held by the general public. Then by combining the two, we get the approximate amount of currency actually in use in the hands of companies and individuals apart from the banks. Practically the whole of our currency is represented in these two forms; and when the amount actually in use of both forms is obtained, we have an accurate reflection of trade conditions.

Bank and Government Notes Held by the Public.

(Thousands omitted.)

	Bank notes.	Government notes.	Total.	Increase or decrease same month preceding year.	Percent of increase.
1914.					
January ..	$ 84,600	$18,952	$103,552	— $ 900	— .9
February ..	85,088	18,840	103,928	— 3,303	— 3.1
March	83,977	18,068	102,045	— 9,213	— 8.3
April	80,959	17,763	98,722	— 19,373	—16.4
May	83,311	19,065	102,376	— 10,367	— 9.2
June	84,911	19,518	104,429	— 11,104	— 9.6
July	81,975	19,827	101,702	— 6,678	— 6.2
August ...	99,758	20,660	120,418	+ 4,409	+ 3.8
September .	106,884	21,117	128,001	+ 9,207	+ 7.7
October ..	108,426	21,019	129,445	+ 2,678	+ 2.1
November	100,554	19,654	120,208	— 6,314	— 5.0
December .	92,907	19,139	112,046	— 1,833	— 1.6
1915.					
January ..	86,079	17,812	103,891	+ 339	+ .3
February ..	86,885	17,751	104,636	— 708	— .7
March	85,869	17,593	103,462	+ 1,416	+ 1.4
April	85,594	18,101	103,695	+ 4,973	+ 5.0
May	85,778	18,637	104,415	+ 2,039	+ 2.0
June	88,058	18,896	106,954	+ 2,525	+ 2.4
July	88,066	19,473	107,539	+ 5,837	+ 5.7
August	87,295	19,368	106,663	— 13,755	—11.4
September .	93,822	19,371	113,193	— 14,808	—11.6
October ..	108,569	20,741	129,310	— 135	— .1
November .	110,012	20,909	130,921	+ 10,713	+ 8.9
December .	107,097	22,083	129,180	+ 17,134	+15.3
1916.					
January ...	96,830	20,201	117,031	+ 13,140	+12.6
February ..	99,220	20,342	119,562	+ 14,926	+14.3
March	101,983	20,190	122,173	+ 18,711	+18.1
April	104,132	20,501	124,633	+ 20,938	+20.2
May	101,297	20,479	121,776	+ 17,361	+16.6
June	109,368	21,842	131,210	+ 24,256	+22.7
July	107,442	21,933	129,375	+ 21,836	+20.3
August ...	108,879	22,470	131,349	+ 24,686	+23.1
September .	123,522	23,069	146,591	+ 33,398	+29.5

Thus from October, 1915, to May, 1916, the volume of currency in actual use has averaged roundly 15 per cent. greater than in the preceding year, and since May it has been running from 20 to 29 per cent. greater.

With abnormal conditions prevailing, as at present, the foregoing statement should possess unusual interest. In addition to the amount of currency held by the public from month to month, the amount of increase and percentage of increase over the corresponding month of the preceding year is shown. So as to give a comparison with the pre-war period, the statistics back to January, 1914, are given.

Causes of Position.

Various circumstances have combined to produce this result. First, there was unusual activity in the grain trade through the spring and summer of 1916—grain poured heavily into the Lake Superior ports right up to August. Next, the generally higher level of commodity prices necessitated an increase of currency in order to make the day-to-day payments. Again the unwonted activity of many industrial establishments in connection with munition orders meant large pay rolls; and the regular payments handed out by the Militia Department to the enlisted men and their dependents, also operated to increase the circulation. The enlarged volume of currency necessarily spells high prices and prosperity for various lines of trade and industry. It is satisfactory to observe that the currency of the Dominion is solidly based, and that there is no tendency here in the direction of inflating the financial system by means of flooding the country with paper money issues not properly backed with gold. So far as the government note issues are concerned it is required that for all issues in excess of $50,000,000, dollar for dollar in gold must be held; and against the first $50,000,000, gold to the amount of 25 per cent. must be carried. So the total issues of the government are backed by 65 per cent of gold.

First Claim on Banking Assets.

With reference to the bank note issues, it is well known that they constitute an absolute first claim on banking assets of over $1,800,000,000; and as the individual issues are guaranteed by the associated banks, no one doubts the safety or immediate convertibility of all Canadian bank notes. The banks are allowed to issue notes up to the amount of paid-up capital without special security apart from the 5 per cent. redemption fund in the hands of the minister of finance and receiver general. The expansion of the last year necessitated extensive issues in excess of the normal limits. It is interesting to note how the excess issues were made:—

Bank Circulation.

1915.	Excess issues.	Covered by gold in central reserves.	Subject to tax at 5 per cent.
September	$ 4,438,239	$ 3,496,942	$ 941,297
October	12,837,039	11,122,001	1,715,038
November	13,292,829	11,453,414	1,839,415
December	11,523,136	10,197,315	1,325,821
1916.			
January	5,333,120	5,104,792	228,328
February	6,863,784	6,578,018	285,768
March	8,814,226	8,456,865	357,361
April	11,150,446	10,516,718	633,728
May	8,569,032	8,440,532	128,510
June	14,056,328	13,538,863	517,465
July	14,132,506	13,578,852	553,654
August	13,886,269	13,424,681	461,588
September	23,553,740	22,697,457	856,283

This shows that the unsecured portion of the excess issues has been relatively unimportant.

Sir Henry Drayton, chairman of the Railway Commission of Canada, recently prepared a vigorous memorandum on the question of ocean transportation as it affects Canadian trade. Sir Henry favors an imperial board, having jurisdiction on the whole question of rates and a thorough investigation of the whole subject by it.

The French authorities propose to start a trade bank. The capital of the French institution would be between 25,000,000 and 50,000,000 francs and the purpose of the institution would be to assist French trade after the war. The interests behind the proposed new bank expect to have the support of the French government.

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HEAD OFFICE - - TORONTO

BRANCHES:— **OTTAWA WINNIPEG SASKATOON VANCOUVER**

Canada's Balance Sheet, January 1st, 1917

By KINGMAN NOTT ROBINS.

Assets.

1. Natural Resources.

(a) Tillable land, 440,951,000 acres.

(b) Timber, 170,000,000 acres. Between 500 and 700 billion feet, board measure. Canada stands third among nations of the world.

(c) Coal resources estimated at 1,234,269,000,000 tons (148,490,000,000 tons in western provinces alone).

(d) Minerals, production in 1916, $170,000,000.

(e) Natural gas.

(f) Petroleum.

(g) Water-power, 17,746,000 horse-power, estimated; 1,712,193 horse-power developed.

2. Climate.

That of the north temperate zone, making for the highest qualities—physical, mental and moral.

3. Population.

Made up of northern races—comparatively homogeneous—maintaining a high average of intelligence and per capita productivity. Conditions favor continued immigration of these peoples after the war.

4. National Relations.

Canada enjoys not only all the advantages of her position on this continent, and of her vast wealth of resources, administered by her own autonomous government, but, in addition to this, the economic, social and political advantage of her place as an integral part of the British Empire. Her place in the Empire will be of increasing importance and corresponding advantage to her.

5. Government.

A constitutional democracy, as well fitted as any form of government of our day to serve its people. Strictly autonomous, but having the advantage also of vital connection with the best traditions of the Mother Country.

6. National Unity.

A nation not so large and heterogeneous as to be unwieldy and lacking in national ideals. A nation welded together and tempered by war, it should be in a strong position to make the most of the opportunities of peace. Co-operation of all classes will bring prosperity to all.

7. Economic Position.

A national plant for production, as it were, completed in the departments of transportation, communication and city development. With this foundation completed, and in a thoroughly liquidated position, Canada's national business should be ready for profitable activity on a sound foundation after the war. With social cleavages less pronounced than in other countries, and economic problems on a smaller scale and less complicated, Canada is in a better position than the United States or foreign countries to work out the problems of national progress.

Liabilities.

1. Large national plant and overhead expense in proportion to population, resulting in heavy per capita taxation.

2. Lack of restraint on the **power** of the **majority** of the moment, as expressed in the federal and provincial parliaments, either by an upper house or by direct constitutional limitations, resulting too often in legislation confiscatory in nature, invading the rights of property and private contract, and assuming in behalf of government privileges denied the individual, and, therefore, inimical to the interests of a free people.

3. The expenses of war and the attendant national debt, amounting to $680,275,440 at September 30th, 1916, or $91 per capita.

4. The present burden on the public purse of two transcontinental railway systems partially supported by government.

5. The loss to the nation's life of a large part of its finest manhood through the casualties of war.

Canada's Income Account, Year Ending January 1st, 1917.

Income.

1. Total value of all natural products, estimated, $1,241,029,350. Good demand at high prices for all products.
2. Exports exceeded imports in year ended September 30th, 1916, by $367,000,000. Unfavorable balance, 1913, $275,000,000. Favorable balance, 1915, $100,000,000.
3. National revenue at close of current fiscal year is officially estimated at $200,000,000, which will allow application of $50,000,000 against principal outlay on war account after having settled all interest charges.
4. Total bank deposits, $1,270,000,000.
5. Total war orders to date estimated at $1,095,000,000, considerably more than offsetting the national expenditure for war purposes.
6. Business, corporate and individual, in a liquidated position. Much small business, especially in rural districts, on cash basis, and credits on generally shorter terms than before.
7. Productive capacities of remaining population greatly increased—in farming by better methods, and in industry by better methods and new capacities of hitherto idle labor.
8. Revenue from tourist traffic and immigration for the year estimated at $85,000,000 (amounted to nearly a billion dollars in decade ending 1914, and should increase after the war).
9. Increased securities market in the United States, insuring added supplies of capital for development after the war. The United States has supplied perhaps $1,000,000,000 to Canada, of which $306,000,000 has been since the outbreak of the war.

Outgo.

1. Expenditure on war account during current fiscal year, probably $250,000,000.
2. Annual interest charges, $20,000,000.
3. Annual loss of producing power of 350,000 enlisted men.

The world's gold production in the last quarter of a century equals that of the preceding four hundred years; and the silver output since 1878 equals that of the preceding four hundred years. The gold money of the world has doubled in the last 20 years, and the silver money of the world has decreased one-half in the same period. These facts are shown in a compilation by the foreign trade department of the National City Bank of New York, suggested by the exceptionally high price of silver, of which the United States is now the world's largest producer, and the large inflow of gold of which the United States has imported over $600,000,000 since the beginning of 1916.

"I am firmly convinced that the war will be over before next summer," recently said the head of a large brokerage house in New York City. "Germany opened the door to peace discussions by her proposal. Lloyd George's statement will have the effect of keeping that door open. Of course, it is not expected that Great Britain will accept Germany's terms. Acting for herself and her allies, Great Britain will come back with her own terms. And they will be exacting. Of that there is little doubt in my mind. Someone must finally give way and accept the other's terms, and that someone will be Germany."

ESTABLISHED 1875

IMPERIAL BANK OF CANADA

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Brandon
Portage La Prairie
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Fort Qu'Appelle
Hague
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HEAD OFFICE - TORONTO

Taxation of Banks in Canada

Some Municipalities Levy Taxes on Income Derived by Individual Shareholders From Bank Stocks—Returns to Investor in Bank Stocks—Analysis of Taxation.

By G. W. MORLEY.

IN these days of strenuous warfare, the Dominion and provincial governments are devising means of taxation, and naturally serious consideration is given to the advisability of taxing corporations which enjoy special privileges, but the writer ventures to state that after reading the facts and figures given below, the reader will come to the conclusion that the banks are finding the increasing burdens very onerous. The lot of the banker these days, is, no doubt, a hard one. He is not only called upon to face the delicate situation created by a shortage of staffs owing to enlistment, and the necessity of keeping the assets of his bank in as liquid a shape as possible, but is forced to fight proposed extra taxation not only by the Dominion government, but by the provinces and municipalities.

Shareholders Number 41,000.

There is a false impression abroad that the banks are owned by wealthy men who are quite able to stand reductions in their incomes, and the average layman hails with delight extra taxation which the banks are called upon to pay, but in adopting this attitude there is the illusion that individuals are not being taxed. Such is not the case, as there are approximately 41,000 shareholders of bank stocks in Canada of whom 50 per cent. are women and many are executors and trustees of estates. Municipalities require banks not only to pay the usual tax on real property, but the special business tax (in the majority of provinces on the basis of so much floor space), while in municipalities like Montreal, Halifax, St. John and Vancouver a discrimination tax is levied These same municipalities, moreover, are permitted to levy taxes upon the income derived by individual shareholders from bank stocks.

There are many further facts to be taken into consideration. Having in mind the prices of bank stocks and the dividends paid, the net return to the investor is on the average 5.8 per cent. only, whereas parties investing their money in first mortgages are receiving at the present time from 6½ per cent. to 9 per cent.

Double Succession Duties.

Double succession duties are paid by executors of estates holding bank shares, notably in the provinces of Ontario and Quebec, as there are no reciprocal arrangements between these provinces. An estate of a deceased shareholder, for instance, domiciled in Quebec, holding shares of a bank having a head office in the province of Ontario, or vice versa, is required to pay duty to both provinces. In Manitoba the amount of the taxes paid by the banks was increased 50 per cent. in the year 1915. Since the outbreak of the war a heavy tax of 1 per cent. has been levied by the Dominion government on bank circulation. In spite of these facts the banks have generously contributed to the Patriotic and Red Cross funds, as the returns of eight banks show a total contribution in this regard of $184,450. There are several other banks, however, which have contributed, but do not show such contributions in their statements. We must not forget also that since the outbreak of the war four banks have made withdrawals from their reserve funds to the extent of $1,175,342, and about a year ago one of these reduced its capital stock by one-half. The following table shows the amounts of the profits of the larger Banks in Great Britain and United States as compared with the chartered banks of Canada.

It is to be noticed that the profits in Canada are much less (comparatively speaking), than those in Great Britain and the United States, and also that the information in these tables covers the year 1914 only, which period has been chosen for two reasons. Firstly,—the returns are not affected to any great extent by war conditions in that year; and secondly,—the returns for the American banks for the year 1915 were not readily obtainable.

In England before the war, the only tax levied on banks applied to country banks which still retain the right to issue notes, and amounts to £30 for every town or place where the notes are issued. In addition there is a stamp duty on such notes which may be compounded for by all banks purchasing licenses at the rate of 3s. 6d. on the average amount or value of such notes in circulation during every half-year. The number of note issuing banks, is, however, now insignificant.

Taxes in United States.

In the United States the taxes levied on banks have assumed larger proportions than they have in Great Britain, but are not so large as the taxes collected in Canada. The following information has been obtained from six States:—

In three of the largest and most important states on the boundary there are no additional taxes outside of the usual taxes on real property and income taxes, excepting one in which a tax is levied of 3/20 of 1 per cent. on the capital.

If you take the last case mentioned as an average, and have the tax applied to nine states in which there is $114,000,000 of bank capital, (i.e., the total paid-up capital of banks in Canada), the total levy would be $189,000: whereas the total taxes collected from the banks by the nine provinces of Canada as shown below are $520,553.

State and private banks in one of the states referred to are taxed a minimum of $25 for banking departments, and in addition thereto 1/90 of 1 per cent. on the total aggregate resources in excess of $100,000, the maximum being placed at $1,250. In the second state the taxation of banks is divided into three classes:—National banks, savings banks and trust companies. The tax on national bank stock is levied against the stockholder but paid by the bank, and the basis upon which the tax is levied is the market value of the total shares as of April 1st each year, from which value may be deducted the local real estate tax paid by the bank, if any. The tax is then levied upon such net value at so much per thousand. Savings banks in this state are subject to an annual tax of ½ of 1 per cent. on the average amount of their deposits, and from the amount of such deposits may be deducted the amount invested in real estate for banking purposes, the amount of loans secured by mortgages of real estate in the Commonwealth and the total of non-taxable investments such as municipal bonds and notes. Trust companies are subject to a franchise tax figured at the state rate, which means an average throughout the state. The value of the franchise, as denoted by the market value of the shares on April 1st, is taxed at this state rate, but from the total value of the shares may be deducted the value of real estate owned subject to local taxation, and also the amount of mortgages held on real estate within the state.

In the third state mentioned (Illinois), in addition to the taxes on real property, there is a tax on personal property which, of course, includes bank shares, the taxes levied in Chicago on bank shares, roughly speaking, being about one per cent. of the book value.

When the new banking law came into force in 1871, while there was no pledge that taxation should not be imposed, it is only fair to notice that the Canadian banks surrendered the right to circulate smaller notes than $4, and the Dominion government made the promise that the banks would be relieved from the taxation which previously existed.

DOMINION LEGISLATION.

Between 1870 and the beginning of the year 1915, the banks were not troubled with taxation by the Dominion government, but the Great War has wrought many changes.

In 1915, the minister of finance, being at his wits' end to find funds for general and war purposes, was successful in having passed the special war revenue act which provided for a tax of 1 per cent. (payable quarterly), to be

THE DOMINION BANK

ESTABLISHED 1871

HEAD OFFICE, TORONTO

Capital Paid Up - - - - - - $6,000,000
Reserve Fund and Undivided Profits, - $7,400,000

Sir Edmund B. Osler
M.P.
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Vice-President

C. A. Bogert
General Manager

A. Pepler
E. A. Begg
Assistants to the General Manager

HEAD OFFICE OF THE DOMINION BANK
Corner King and Yonge Streets, Toronto

levied upon the average amount of the notes of the banks in circulation, the average amount being defined in the act as the "greatest amount of notes in circulation at any time during each three months." This netted the government for the first year, the sum of $1,013,213.

In 1916, the business profits' tax act was enacted. This legislation provided for a tax of 25 per cent. of the net profits for every accumulating period ending since the outbreak of the war, in excess of 7 per cent. upon the paid-up capital, which includes the actual unimpaired reserve, rest, or accumulated profits, the duration of the measure extending over a period of three years, beginning on the 1st August, 1914. Rightly enough provision was made for the exemption of taxation under the act in the case of the banks to the extent taxed under the special war revenue act.

PROVINCIAL TAXATION.

It was decided in the well-known case of the Bank of Toronto v. Lamb, that the provinces have illimitable power to tax banks, and they are making full use of the opportunities afforded them, as taxes of this nature are peculiarly popular.

The taxes levied are as follow:—

Alberta.

(1) $1,000 for every main office.
(2) $125 for each additional office.

British Columbia.

(1) $1,500 for the main office
(2) $250 for each additional office.

Manitoba.

(1) Every head office of a bank..... $1,200
(2) For each branch office or agency up to and not exceeding four in number..... 300
(3) All branches or agencies over and above four in number, and up to and including fourteen branches or agencies..... 150
(4) All other branches over and above the fourteenth, each 50

No tax is levied on more than one branch or agency in any city, town, or village.

New Brunswick.

(1) $1,100 for the main office.
(2) $100 for each additional office.

Nova Scotia.

(1) A capital tax is levied.
(2) $100 for each branch up to ten.
(3) $50 for each branch over ten.

No tax is levied on more than one branch in any city.

Ontario.

(1) A tax of one-fifth of one per cent. on the paid-up capital thereof up to $6,000,000.
(2) $50 for every $100,000 or fraction thereof of the paid-up capital in excess of $6,000,000.
(3) An additional tax of $500 for the head office.
(4) $50 for each additional office.

Prince Edward Island.

(1) 1/15 of 1 per cent. annually on average loans and deposits, minimum tax $1,000.
(2) Where average amount of loans and deposits exceeds $2,500,000 rate is 1/20 of 1 per cent., minimum tax $1,600.

Quebec.

(1) A capital tax of $100 on every one hundred thousand dollars of paid-up capital, up to $1,000,000 inclusively.
(2) $50 for each $100,000 or fraction thereof over $1,000,000.
(3) $200 on each head office or chief place of business in each of the cities of Montreal and Quebec.
(4) $150 on each other office or place of business in each of the said cities.
(5) On all other branches there is a levy of $30 each.

Saskatchewan.

(1) $300 for each branch in a city.
(2) $100 for each branch in a town.
(3) $25 for every other branch.

The following table will show the number of branch banks in and the amount of taxes paid to each province:—

Province.	Number of branch banks.	Taxes.	Average per branch.
Alberta	241	$ 46,900	$195
British Columbia ...	191	62,652	328
Manitoba	201	45,850	228
New Brunswick	81	15,875	196
Nova Scotia	111	13,950	126
Ontario	1,153	198,355	172
Prince Edward Island	17	5,764	339
Quebec	774	94,682	122
Saskatchewan	402	36,525	91
Total	3,171	$520,553	$164

MUNICIPAL TAXATION.

In addition to the formidable levy indicated by the above figures, the banks pay a discriminating business tax in many cities and towns throughout Canada, particulars of which it is not possible to set out in this limited space. Section 393 of the Halifax city charter and ordinances not only provides that there should be a tax on all the real property owned by the banks within the city, but levy of $1,000 is imposed for each year in which the bank does business, and a tax of one-sixteenth of one per cent. yearly upon the average volume of business done by the bank within the city, the average volume of the business being defined as the average of all loans and investments, including notes or bills discounted, accounts, current accounts, call loans, loan accounts, past due bills, foreign exchange and other advances of any kind or description whatsoever, and the average deposits, including current accounts and savings bank balances, special deposits and any other deposit in or balance due by any such bank within the city, except any balance due by any branch bank to the head office of such branch bank.

The city of Vancouver was successful in having its charter amended last year so that it might tax the chartered banks within its boundaries, and it was finally agreed that there would be a limit of $800 for the main office and $150 for each branch. Therefore, the aggregate amount of taxation involved in this recent municipal license fee is $17,450 for sixteen banks having thirty-one city offices.

It would seem that the provincial authority to tax should not be given another form by being applied to municipal aid, as the business of the banks does not belong to any particular city. Nothing is more remote and unfounded than the suggestion involved in this proposal that there is some advantage to the banks' general financial operations from the city government, for which advantage or protection the banks should pay an added sum, substantially increasing their general taxes to the municipality, and it would appear in the cases mentioned that all other business of all kinds are not paying the taxes the banks are. The banks have been singled out for these discrimination taxes alone. No municipality would have an implied authority to tax a corporation established under Dominion laws, therefore such tax would not be a municipal tax in any sense of the term. Municipal taxes are well known and can be quite readily classified, and to choose Dominion corporations and saddle them with special burdens would not be authorized municipal taxation.

In spite of the decision in the case of the Bank of Toronto v. Lamb, wherein it was held that there was no limit to the taxation of banks by the provinces, why should not the whole of the taxation be imposed by the Dominion parliament which is the creator of banks? Why should not this question be taken up with the minister of finance, and if possible have a uniform method of taxation of banks adopted all over the Dominion, which could be settled by the Dominion government, and the revenue, if necessary, distributed pro rata among the provinces. The tax would not only be more obviously fair, but it would be less expensive to collect since it would be made in one payment instead of several payments, and the total amount of the tax would be seen at once. There could then arise no question of double taxation and no difficulty as to the discrimination of the amount of capital employed in one province or another. The general objections which may be made against the system of special taxation adopted by the provinces at the present time, are, that it is based upon no definite principle, that it is too complex, and that in nearly every case there is no automatic process by

THE MERCHANTS BANK OF CANADA

ESTABLISHED 1864

Paid-up Capital - - - - $7,000,000

Reserve Fund and Undivided Profits - $7,250,984

Statement of Liabilities and Assets at 31st Oct., 1916

(Taken from the Return to the Dominion Government)

LIABILITIES TO THE PUBLIC	
Notes in Circulation	$ 9,221,086.00
Deposits by Provincial and Dominion Governments	4,270,955.53
Deposits on Demand	31,568,410.61
Deposits after Notice	48,769,510.66
Due to other Banks	733,608.42
Due to Agents in United Kingdom	49,707.00
Due to Foreign Agents	591,307.66
Acceptances under Letters of Credit (as per contra)	1,022,895.00
Other Liabilities	175.817.50
TOTAL	$ 96,403,298.38

ASSETS	
Specie and Dominion Notes	$ 11,971,088.42
Deposit in Central Gold Reserve	2,500,000.00
Deposit with Dominion Government re Circulation	375,000.00
Notes and Cheques of other Banks	5,843,474.99
Due by other Banks	2,635.33
Due by Agents in the United Kingdom	865,121.31
Due by Foreign Agents	2,507,153.17
Call Loans	11,264,832.09
Government, Railway, Municipal and other Bonds	16,755,975.48
Loans and Discounts	51,232,596.06
Overdue Debts (temporary)	214,211.22
Loans to Cities, Towns, Municipalities, etc.	1,306,177.77
Real Estate and Mortgages	290,165.71
Bank Premises	4,660,620.16
Liabilities of Customers under Letters of Credit (as per contra)	1,022,895.00
Other Assets	155,892.34
TOTAL	$110,967,839.05

271 Branches in Canada extending from the Atlantic to the Pacific

(See list on page 74)

A General Banking Business Transacted

SAVINGS DEPARTMENT at all Branches. Deposits received and interest allowed at best current rates

UNION BANK OF CANADA

Head Office - - WINNIPEG

ESTABLISHED 1865

Paid-up Capital and Reserve, $8,400,000 — Total Assets, over $90,000,000

Hon. President—SIR WM. PRICE. President—JOHN GALT, Esq.

Vice-Presidents—R. T. RILEY, Esq. G. H. THOMSON, Esq.

DIRECTORS—W. R. Allan, Esq.; Hume Blake, Esq.; M. Bull, Esq.; Major-Gen. John W. Carson, C.B.; B. B. Cronyn, Esq.; E. L. Drewry, Esq.; S. Haas, Esq.; J. S. Hough, K.C.; F. E. Kenaston, Esq; R. O. McCulloch, Esq.; Wm. Shaw, Esq.

Gen. Manager—G. H. BALFOUR. Asst. Gen. Manager—H. B. SHAW.

F. W. S. CRISPO, Superintendent of Branches and Chief Inspector.

The **Union Bank of Canada**, having over 320 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business. It has correspondents in all cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe and the British Colonies. Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Travellers' Cheques and Letters of Credit issued available in all parts of the world.

London, Eng., Branches—6 Princes St., E.C. and West End Branch, Haymarket, S.W.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, office, and merchants and manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch.

NOVA SCOTIA
Halifax

NEW BRUNSWICK
St. John

QUEBEC
Aylmer
Dalhousie Station
Fasset
Jonquieres
Kenogami
Montreal—3 offices
Papineauville
Quebec—2 offices
St. Polycarpe

ONTARIO
Alexandria
Barrie
Belleville
Brampton
Canboro
Canfield
Carleton Place
Cookstown
Cooksville
Crysler
Curran
Dundalk
Dunnville
Easton's Corners
Edwards
Englehart
Erin
Essex
Fenwick
Fisherville
Fort William
Galt
Goderich
Grimsby
Guelph
Haileybury
Hagersville
Hamilton —3 offices
Hastings
Hepworth
Hillsburg
Islington
Kemptville
Kinburn
Kingsville
Kitchener
Leamington
Manotick
Melbourne
Merrickville
Metcalfe
Mimico
Mount Brydges
Newboro
New Dundee
New Liskeard
North Gower
Norwood
Orillia
Orton
Osgoode Stn.
Ottawa —4 offices
Owen Sound
Pakenham
Pendleton
Peterboro
Picton
Plantagenet
Portland
Roseneath
St Catharines
Shelburne
Smith's Falls
Smithville
Springbrook
Stirling
Stittsville
Sydenham
Thornton
Toledo
Toronto —9 offices
Warkworth
West Lorne
Westport
Wheatley
Wiarton
Winchester

MANITOBA
Baldur
Birtle
Boissevain
Brandon
Carberry
Carman
Carroll
Crystal City
Cypress River
Dauphin
Deloraine
Glenboro
Hamiota
Hartney
Holland
Killarney
McCreary
Manitou
Melita
Minnedosa
Minto
Morden
Neepawa
Newdale
Ninga
Rapid City
Roblin
Roland
Russell
Shoal Lake
Somerset
Souris
Strathclair
The Pas
Virden
Waskada
Wawanesa
Wellwood
Winnipeg —8 offices

SASKATCHEWAN
Abbey
Adanac
Alsask
Arcola
Asquith
Assiniboia
Bounty
Bruno
Buchanan
Cabri
Canora
Carlyle
Craik
Cupar
Cut Knife
Dinsmore
Dummer
Eastend
Esterhazy
Estevan
Eyebrow
Fillmore
Gravelbourg
Guernsey
Gull Lake
Herbert
Hughton
Humboldt
Indian Head
Jansen
Kelfield
Kerrobert
Kindersley
Landis
Lang
Lanigan
Lawson
Lemberg
Loverna
Lumsden
Luseland
Macklin
Macrorie
Major
Maple Creek
Maryfield
Melfort
Milestone
Moose Jaw
Moosomin
Morse
Netherhill
Neudorf
Ogema
Outlook
Oxbow
Pennant
Pense
Perdue
Piapot
Plenty
Prince Albert
Qu'Appelle
Regina
Robsart
Rocanville
Rosetown
Saskatoon
Sceptre
Scott
Shaunavon
Simpson
Sintaluta
Southey
Strassburg
Swift Current
Tessier
Theodore
Togo
Tompkins
Vanguard
Viceroy
Vidora
Wapella
Watrous
Wawota
Webb
Weyburn
Wilkie
Windthorst
Wolseley
Yorkton
Zealandia

ALBERTA
Airdrie
Alderson
Alix
Barons
Bashaw
Bassano
Bellevue
Blackie
Blairmore
Bowden
Bow Island
Brooks
Bruderheim
Calgary
Cardston
Carstairs
Cereal
Chinook
Clairmont
Claresholm
Cochrane
Consort
Cowley
Didsbury
Edmonton
Empress
Foremost
Fort Saskatchewan
Grand Prairie
Grassy Lake
Hanna
High River
Hillcrest
Innisfail
Irvine
Jenner
Lacombe
Langdon
Lethbridge
MacLeod
Medicine Hat
Okotoks
Pincher Creek
Seven Persons
Spirit River
Standard
Strathmore
Swalwell
Three Hills
Wainwright
Winnifred

BRITISH COLUMBIA
Glacier
Hazelton
Prince George
Prince Rupert
Smithers
Squamish
Vancouver — 5 offices
Vanderhoof
Vernon
Victoria

means of which an increase or decrease may be obtained. It may be also observed that no account of earning power is taken. It seems obviously unfair to tax a bank's branch located in a small village to the same extent as a branch in a flourishing town or city. Under the present system no account is taken of the ability on the part of the tax payer to pay, and a glance at the figures as to each bank if worked out will show that the young and smaller banks are in an unfavorable position when compared with the larger.

In some of the provinces there is no tax on bank branches but instead, there is taxation on the capital stock of the bank represented, whether its head office is in the province or not. It is difficult to see any justification for this system because the banks represented in such provinces are called upon to submit to double taxation, e.g., in Ontario and Quebec, a bank with a capital of $7,000,000, having one branch only, is called upon to pay seven times the amount another bank having $1,000,000 capital would pay which had, say, fifteen branches.

The confusion of Dominion, provincial, and municipal taxation, and the certainty of double taxation under the existing systems, suggests a thorough enquiry into the whole subject with a view to securing a definite basis upon which to tax.

PROFITS OF BANKS IN CANADA, 1914

Name	Profits	Per cent. on average capital	Per cent. on average capital and rest
	$	%	%
The Standard Bank of Canada	555,095	21.05	9.10
The Bank of Nova Scotia	1,196,116	19.66	6.93
La Banque Provinciale du Canada	187,866	18.78	11.56
Imperial Bank of Canada	1,236,985	17.80	8.87
The Canadian Bank of Commerce	2,668,234	17.78	9.36
The Merchants' Bank of Canada	1,218,694	17.72	9.09
The Bank of Toronto	829,538	16.59	7.54
The Royal Bank of Canada	1,886.143	16.32	7.82
Bank of Hamilton	485,265	16.18	7.35
The Bank of Montreal	2,496,452	15.60	7.80
The Bank of Ottawa	620,691	15.51	7.09
Carried forward	00,000,000		

Name	Profits	Per cent. on average capital	Per cent. on average capital and rest
	$	%	%
Brought forward	00,000,000		
The Dominion Bank	925,364	15.50	7.15
The Molsons Bank	608,196	15.24	6.91
The Union Bank of Canada	712,440	14.25	8.48
La Banque d'Hochelaga	566,614	14.17	7.43
The Bank of British North America	685,691	14.09	8.77
La Banque Nationale	319,903	11.00	9.00
The Home Bank of Canada	192,442	9.91	7.42
The Sterling Bank of Canada	107,042	9.28	7.37
The Weyburn Security Bank	48,354	15.30	11.62
The Northern Crown Bank	201,288	7.09	6.31
The Quebec Bank	275,761	10.09	6.83
	18,024,174	15.96	8.05

PROFITS OF BANKS IN ENGLAND AND SCOTLAND, 1914

Name of Bank	Paid Up Capital	Reserve	Profits	Per cent. on capital	Per cent. on capital and reserve
	£	£	£	%	%
London County & Westminster	3,500,000	4,250,000	1,083,818	31.0	14.0
Clydesdale Bank, Limited	1,000,000	1,070,000	250,654	25.1	12.1
Commercial Bank of Scotland	1,000,000	800,000	249,537	25.0	13.9
National Bank of Scotland	1,000,000	900,000	237,044	23.7	12.5
Lloyds	5,008,672	3,600,000	1,175,588	23.4	13.7
Barclay & Company	3,600,000	1,600,000	823,400	22.9	15.8
London & Provincial	1,000.000	2,000,000	226,552	22.7	7.6
London City & Midland	4,780,793	4,000,000	1,079,086	22.6	12.3
Parr's	2,423,530	2,100,000	543,716	22.4	12.0
Bank of Scotland	1,325,000	1,200,000	294,099	22.2	11.6
British Linen	1,250,000	1,250,000	266,318	21.3	10.7
Capital & Counties Bank	1,750,000	800,000	341,408	19.5	13.4
Manchester & Liverpool	1,896,000	1,610,000	354,182	18.7	10.1
Bank of Liverpool	1,412,500	875,000	259,524	18.3	11.3
Williams Deacon	1,250,000	650,000	221,480	17.7	11.7
United Counties	1,193,332	765,000	184,492	15.5	9.4
London Joint Stock Bank	2,970,000	1,125,000	453,174	15.3	11.1
Union of London & Smiths	3,554,785	1,150,000	533,647	15.0	11.3
Royal Bank of Scotland	2,000,000	960,630	266,308	13.3	9.0
National Provincial Bank of England	3,000,000	2,000,000	681,042	22.7	13.6
Union Bank of Scotland	1,000,000	800,000	225,873	22.6	12.5
London & South Western	1,200,000	1,350,000	263,024	21.9	10.3
Total	47,114,612	34,855,630	10,013,966	21.0	12.2

PROFITS OF BANKS IN THE UNITED STATES OF AMERICA, 1914

Name of Bank	Capital	Reserve	Profits	Per cent. on capital	Per cent. on capital and reserve
	$	$	$	%	%
Security National Bank, Minneapolis	1,000,000	2,000,000	470,130	47.0	15.6
Philadelphia National	1,500,000	4,000,000	556,250	37.8	10.3
Corn Exchange National Bank, Chicago	3,000,000	5,000,000	846,135	28.2	10.6
First Trust & Savings Bank, Chicago	5,000,000	5,000,000	1,306,740	26.1	13.1
First National Bank, Chicago	10,000,000	10,000,000	2,000,625	20.0	10.0
Fourth National Bank, Philadelphia	3,000,000	6,000,000	600,000	20.0	6.6
People's State Bank, Detroit	1,875,000	1,875,000	372,444	19.9	9.9
First National Bank, Boston	5,000,000	5,000,000	992,285	19.8	9.9
The Bank of North America, Philadelphia	1,000,000	2,500,000	193,000	19.3	5.5
Fourth Atlantic National Bank, Boston	1,500,000	1,000,000	273,854	18.3	10.9
Merchants' National Bank, Boston	3,000,000	2,000,000	513,600	17.1	10.3
First National Bank, Minneapolis	2,500,000	2,000,000	422,239	16.9	9.4
Mechanics & Metal National Bank, New York	6,000,000	6,000,000	856,149	14.3	7.1
Continental & Commercial National Bank, Chicago	21,500,000	8,500,000	2,716,522	12.6	9.0
National City Bank, Chicago	2,000,000	750,000	240,572	12.0	8.7
Total	67,875,000	61,625,000	12,360,545	18.2	9.7

BANK OF HAMILTON

HEAD OFFICE - - HAMILTON

CAPITAL AUTHORIZED - - - - -	$ 5,000,000
CAPITAL PAID-UP - - - - -	3,000,000
SURPLUS - - - - - - - -	3,500,000
TOTAL ASSETS - - - - -	57,163,000

BOARD OF DIRECTORS

SIR JOHN S. HENDRIE, K.C.M.G., *President* CYRUS A. BIRGE, *Vice-President*
C. C. DALTON, ROBERT HOBSON, J. TURNBULL, W. A. WOOD

J. P. BELL - - General Manager

Branches throughout Ontario, the Northwest and British Columbia

Correspondents in Great Britain—National Provincial Bank of England, Limited

CORRESPONDENTS IN UNITED STATES.

New York—Hanover National Bank.
" " —Mechanics & Metals National Bank.
" " —Irving National Bank.
Boston—National Shawmut Bank.
Buffalo—Marine National Bank.
Chicago—Continental and Commercial National Bank.
Cleveland—First National Bank.
Detroit—First and Old Detroit National Bank.
Minneapolis—First and Security National Bank.
Kansas City—Southwest National Bank of Commerce.
Philadelphia—First National Bank.
Pittsburg—Exchange National Bank.
St. Louis—National Bank of Commerce.
San Francisco—Crocker National Bank.
Seattle—Bank of California.

Collections effected in all parts of Canada promptly and cheaply. Correspondence Solicited

SAVINGS DEPARTMENT AT ALL BRANCHES

THE TRADERS TRUST COMPANY

HEAD OFFICE, WINNIPEG

Authorized Capital - $500,000.00
Subscribed and Paid Up $131,000.00

C. H. NEWTON, President, Official Assignee for Province of Manitoba.
J. B. NICHOLSON, Vice-President.
J. W. CAMPBELL, Secretary. W. S. NEWTON, Treasurer.

Assignees, Executors, Administrators and Financial Agents

BANKERS: BANK OF HAMILTON

(Empowered by Executive Council of Saskatchewan to act as an Assignee in that Province)

BANK OF ENGLAND RATE

It Has Changed Only Once Since War Began—List of Changes Since 1899

The Bank of England rate was changed only once last year from 5 to 6 per cent. This change was made on July 13th, and was the first since August 8th, 1914, when the rate was reduced from 6 to 5 per cent. The reasons for the change last year were the advancing monetary rates in New York, the prospects of the autumn drain from London to pay for grain, and the need to consider the general financial pinch arising out of the war. The New York situation especially is said to have led to the precautionary movement in London indicated by the rise of the Bank of England rate.

The following table compiled for *The Monetary Times*, gives the number of changes in the Bank of England rate for a series of years:—

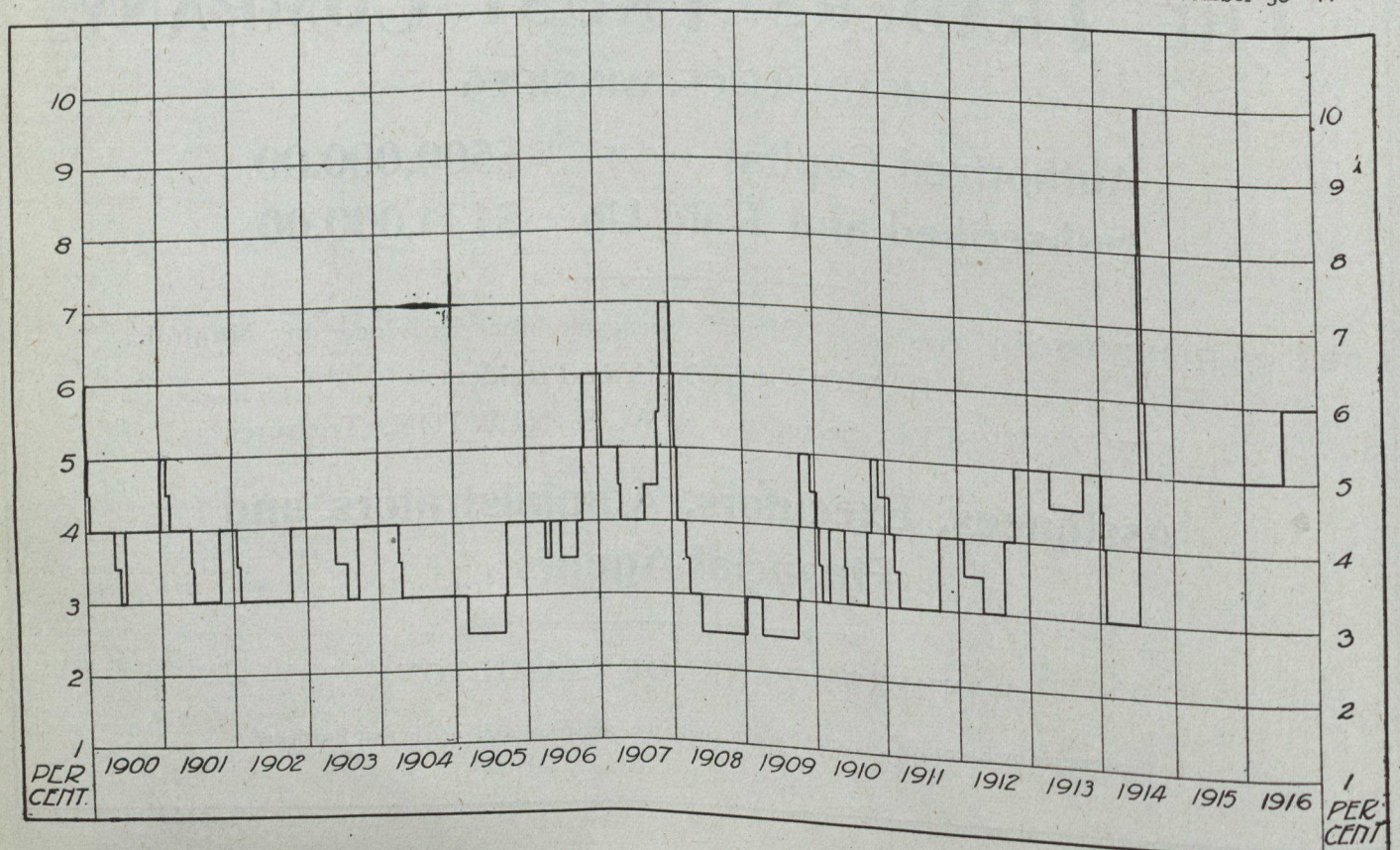
Year.	Times lowered.	Times raised.	Total changes.
1916	.	1	1
1915	.	.	.
1914	4	3	7
1913	1	1	2
1912	2	2	4
1911	1	3	4
1910	6	3	9
1909	2	4	6
1908	6	.	6
1907	3	4	7
1906	2	4	6
1905	1	2	3
1904	2	.	2
1903	2	1	3
1902	2	1	3
1901	5	1	6
1900	5	1	6

The Bank of England discount rate was raised in 1914 to 10 per cent. on Saturday, August 1st, three days before the war, having been raised from 4 to 8 on Friday, and from 3 to 4 on Thursday. The rate had stood at 3 since January 29th, 1914. These increases were made to conserve the gold holdings of the bank. The 10 per cent. rate had been equalled previously only on two occasions—in 1857 and 1866.

The fluctuations in order of severity from 7 per cent. to 5 per cent. at the Bank of England, have been as follows, the figures being in order, year, lowest rate per cent., highest rate and fluctuation: 1914, 3, 10, 7; 1866, 3½, 10, 6½; 1873, 3, 9, 6; 1858, 2½, 8, 5½; 1847, 3, 8, 5; 1861, 3, 8, 5; 1863, 3, 8, 5.

The following table gives details of the changes in the rate from 1899 to date:—

	Per cent.
1916—July 13	6
1915—No changes.	
1914—August 8	5
August 6	6
August 1	10
July 31	8
July 30	4
January 29	3
January 22	4
January 8	4½
1913—October 2	5
April 17	4½
1912—October 17	5
August 29	4
May 9	3
February 8	3½
1911—September 21	4
March 9	3
February 16	3½
January 26	4
1910—December 1	4½
October 20	5
September 29	4
June 9	3
June 2	3½
March 17	4
February 10	3
January 20	3½
January 6	4
1909—December 9	4½
October 21	5
October 14	4
October 7	3
April 1	2½
January 14	3
1908—May 28	2½
March 19	3
March 5	3½
January 23	4
January 16	5
January 2	6
1907—November 7	7
November 4	6
October 31	5½
August 15	4½
April 25	4
April 11	4½
January 17	5
1906—October 19	6
October 11	5
September 13	4
June 21	3½
May 3	4
April 5	3½
1905—September 28	4
September 7	3
March 9	2½
1904—April 21	3
April 14	3½
1903—September 3	4
June 18	3
May 21	3½
1902—October 22	4
February 3	3
January 23	3½
1901—October 31	4
June 13	3
June 6	3½
February 21	4
February 7	4½
January 3	5
1900—July 19	4
June 14	3
May 24	3½
January 25	4
January 18	4½
January 11	5
1899—November 30	6



THE CROWN TRUST COMPANY

145 ST. JAMES STREET, MONTREAL

Capital Paid-up $500,000

Transacts a General Trust Company Business

BOARD OF DIRECTORS

COLONEL WM. I. GEAR, President
MAJOR-GEN. JOHN W. CARSON, C.B., Vice-President
S. H. EWING, Vice-President

Tancrede Bienvenu	Colonel F. S. Meighen
H. B. Henwood	R. W. Reford
W. W. Hutchison	Lieut-Col. James G. Ross
Thomas F. How	B. B. Stevenson
Alex. MacLaurin	F. N. Southam
Col. John McKergow	Major-Gen. E. W. Wilson

LIEUT-COL. IRVING P. REXFORD, - *Manager*
J. E. ARMOUR - - - - *Secretary*
W. HESPELER JACKSON - - *Asst.-Secretary*

Private Executors

who find that the duties which they have assumed under wills take up too much of their time are invited to consult this company. The fees charged for acting as Attorney or Agent for Executors, holding the securities of the estate for safe-keeping, collection of interest, etc., are very moderate.

We shall be pleased to quote fees upon request, and solicit your correspondence.

Montreal Trust Company

142 Notre Dame Street West
MONTREAL

Vancouver Winnipeg Toronto Halifax

Prudential Trust

Company Limited

With reliable and influential Representatives in all the Provinces of the Dominion, an Office in 14 Cornhill, London, E.C., England, this Company is equipped to act as

TRUSTEE FOR BONDHOLDERS REGISTRAR
TRANSFER AGENT ASSIGNEE
And as a Competent Adviser in all Trust Matters

OFFICERS:

B. HAL BROWN, President and General Manager
W. G. ROSS, Vice-President
FARQUHAR ROBERTSON, Chairman of the Board
JAMES ELMSLY, Secretary
C. D. CORNELL, Treasurer

Head Office:
COMPANY'S BUILDING
9 ST. JOHN STREET, MONTREAL

Branches at Toronto, Winnipeg, Regina, Vancouver and London, Eng.

THE
Royal Trust Co.

Executors and Trustees

CAPITAL

Capital Fully Paid - $1,000,000
Reserve Fund - - 1,000,000

Board of Directors—
SIR VINCENT MEREDITH, Bart., President
SIR H. MONTAGU ALLAN, C.V.O., Vice-President

R. B. Angus	E. B. Greenshields
A. Baumgarten	C. R. Hosmer
A. D. Braithwaite	Sir William Macdonald
E. J. Chamberlin	Capt. Herbert Molson
H. R. Drummond	Lord Shaughnessy, K.C.V.O.
C. B. Gordon	Sir Frederick Williams-Taylor, LL.D.
Hon. Sir Lomer Gouin, K.C.M.G.	

A. E. HOLT, Manager

Head Office - MONTREAL

Branches: Calgary, Edmonton, Ottawa, Quebec, Regina, St. John, N.B., St. John's, Nfld., Toronto, Vancouver, Victoria, Winnipeg

TORONTO BRANCH
Bank of Montreal Building, Yonge and Queen Streets
BRUCE L. SMITH, Manager at Toronto

WHAT DOES F.O.B. MEAN?

How English Houses Interpret Commercial Terms and Which Are Carelessly Used Here

Careless interpretations are frequently given here to such shipping terms as f.o.b. and c.i.f. The English interpretations of these terms are generally taken as correct. Here are some of the most common terms with the interpretations usually put upon them by English houses. The list is furnished to *The Monetary Times* by an official of the British government.

"F.O.B."	Free on board vessel. It is understood "buyers" take all responsibility for the condition of the goods at time of shipment; no responsibility lying with the shippers or sellers, unless expressly provided for at the time transaction is concluded.
"F.O.R." or "F.O.B. Truck, Rail," etc.	Free on rail, that is, delivered "free" into a railway company's trucks or cars by sellers.
"Ex-ship."	The seller or shipper pays freight and insurance, and takes the responsibility of the condition of the goods up to the moment that the goods leave the ship by cranes, slings, or otherwise at port of discharge.
"C.I.F."	The cost includes insurance and freight on goods to the port designated.
"Ex-rail" or "Ex-car."	This term is generally used to denote that a shipper or seller pays freight to the destination indicated, the buyer bearing the expense of removal by cartage or otherwise.
"Landed."	The shipper or seller pays all charges, freight, insurance, duties and landing charges, to the dock, wharf, quay or locality designated.

The Canadian use of the term "f.o.b." as commonly used, often covers delivery of merchandise "in" as well as shipment "out," by rail, vessel or other means of transportation, both from inland points and lake or ocean ports. That is not sufficiently explicit. Indeed it leaves open a way to errors being made.

FISHERMEN CAUGHT $35,000,000 WORTH

Salmon Gives British Columbia Lead as Fish Producer Among Canada's Provinces

Capital invested in the fisheries of the Dominion amounts to $25,855,575. This covers the value of vessels, nets, traps, etc., used in the production of food worth $35,860,708. This production shows an increase of $4,596,077 over the 1915 return. British Columbia added $3,023,234 of this increase. The Rivers Inlet, Skeena and Naas River districts contributed over $2,000,000 of the increase, due to a larger salmon pack and higher prices. The halibut landed in the Pacific Coast province was 19,000 hundredweight less than in the previous year, although the value was greater. The chief inspector for the province in this connection states that unless an international close season is agreed upon, of sufficient length to be of benefit, the commercial life of the halibut industry must necessarily be short. Nova Scotia had a substantial increase, amounting to $1,436,660. Ontario's output increased by over half a million. New Brunswick had a decrease of $202,938. There was an increase by this province of $600,000 in the previous year. The poor smelt fishery was the reason for Prince Edward Island's decrease of 300,000, due to the mild winter. The lobster season was also $152,421. The value of Manitoba's fisheries declined $106,497, the chief cause being the heavy enlistment of men for the war in Europe and severe winter weather. The Yukon fisheries showed a slight decrease.

Provincial Fishing Returns.

The sea fisheries produced $31,241,502 and the inland fisheries $4,619,206, the values by provinces being:—

British Columbia	$14,538,320
Nova Scotia	9,166,851
New Brunswick	4,737,145
Ontario	3,341,182
Quebec	2,076,851
Prince Edward Island	933,682
Manitoba	742,925
Saskatchewan	165,888
Alberta	94,134
Yukon	63,730
	$35,860,708

WHERE OUR BANK BRANCHES ARE SITUATED

BANK	Ontario	Quebec	Nova Scotia	New Brunswick	P. E. I.	British Columbia	Manitoba	Saskatchewan	Alberta	Yukon	U. S. A.	England	France	Newfoundl'd	Mexico	West Indies	B. Honduras	British Guiana	Costa Rica	Venezuela	TOTAL
British North America	21	9	1	5	....	17	9	22	4	1	2	1	....	....	....	....	....	....	....	....	92
*Commerce	89	80	14	4	5	41	23	61	49	2	4	1	....	1	1	....	....	....	....	....	375
Dominion	61	4	....	....	....	2	10	4	4	....	....	1	....	....	....	....	....	....	....	....	86
Hamilton	57	....	....	....	....	8	25	20	9	....	....	....	....	....	....	....	....	....	....	....	119
Hochelaga	14	87	....	....	....	....	3	2	3	....	....	....	....	....	....	....	....	....	....	....	109
Home	29	4	....	....	....	1	6	6	1	....	....	....	....	....	....	....	....	....	....	....	47
Imperial	75	2	....	....	....	14	4	15	12	....	....	....	....	....	....	....	....	....	....	....	122
Merchants	93	29	1	1	....	8	19	21	43	....	1	....	....	....	....	....	....	....	....	....	216
Molsons, The	49	38	....	....	....	3	2	....	4	....	....	....	....	....	....	....	....	....	....	..	96
Montreal	60	35	13	10	1	27	7	10	9	....	3	2	....	3	....	....	....	....	....	....	180
Nationale	3	223	....	....	....	....	....	....	....	....	....	....	1	....	....	....	....	....	....	....	227
Northern Crown	25	....	....	....	....	7	21	52	4	....	....	....	....	....	....	....	....	....	....	....	109
Nova Scotia	63	10	30	33	7	3	2	5	4	....	3	....	....	17	....	12	....	....	....	....	189
Ottawa	61	13	....	....	....	1	7	9	1	....	....	....	....	....	....	....	....	....	....	....	92
Provinciale	12	64	....	6	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	82
Royal	122	52	50	19	5	39	4	31	28	....	1	1	....	6	....	40	1	3	2	1	405
Standard	99	1	....	....	....	1	2	9	11	....	....	....	....	....	....	....	....	....	....	....	123
Sterling	42	1	....	....	....	....	4	2	....	....	....	....	....	....	....	....	....	....	....	....	49
Toronto	68	9	....	....	....	4	8	21	6	....	....	....	....	....	....	....	....	....	....	....	116
Union	90	10	1	1	....	9	46	97	52	....	....	2	....	....	....	....	....	....	....	....	308
Weyburn Security	....	....	....	....	....	....	....	19	....	....	....	....	....	....	....	....	....	....	....	....	19
TOTAL	1133	671	110	79	18	185	202	406	244	3	14	8		27	1	52	1	3	2	1	3161

*The Manitoba total of The Canadian Bank of Commerce includes that bank's branch at Pas Mission.

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FINANCING THE CANADIAN CROPS

Big Tasks Presented No Difficulties—How the Banks Are Helped

The financing of the crops last year did not place any unusual strain upon the banks. The crop was approximately 50 per cent. less than the results of the record year, 1915. The value of wheat, oats and barley, however, was estimated in September to be about 37 per cent. higher than the average of the years 1910 to 1915. The value of those crops, therefore, were about $455,000,000, and involved important financing.

Notes in Circulation.

The crop movement is reflected in the bank's circulation figures. The record of the greatest amount of notes in circulation at any time during the month, last year, to the date for which the latest statistics are available was as follows:—

Year 1916.	Greatest amount of notes in circulation during month.
January	$123,224,868
February	115,301,997
March	119,037,046
April	123,457,733
May	121,932,399
June	124,850,455
July	129,225,475
August	129,824,206
September	135,438,550
October	147,132,673

Excess Circulation Allowed.

An increase in circulation occurs automatically every fall. For this movement excess circulation has been allowed from September 1st to the end of February. Special war legislation now allows additional issue from March 1st to August 31st. Additional circulation, therefore, is at present available all the year round. A bank may issue its notes to an amount not exceeding 15 per cent. of the combined unimpaired paid-up capital and reserve fund. Interest not exceeding 5 per cent. per annum has to be paid to the government on the excess circulation. Comparatively little use has been made of this provision.

Under the provisions of the Finance Act of 1914 advances may be obtained by the banks from the government in Dominion notes upon approved collateral. When the crops are large and war conditions prevail in the money markets, the crop movement is likely to be slow and the financial demands in that connection more prolonged. While the Canadian banks last year were still in an unusually liquid condition and probably able without assistance to handle the situation, as the demands of grain customers might result in curtailed banking accommodation to other sections of the community, the banks are asked not to hesitate to avail themselves of the privileges of the act. As Dominion notes issued against grain bills are retired from time to time as the crop is sold there is no reason to apprehend a redundancy of note circulation should the banks freely avail themselves of this provision. With abundance of funds available for the crop movement, there is less likelihood of its being pressed for sale, at least against the desire of producers and dealers.

Length of Crop Movement.

The Dominion government issued in August $30,000,000 three-months bills. These were taken by the banks in anticipation of the domestic loan in September. A payment of 70 per cent. on account of these bills was made on August 1st and the balance was paid on September 1st. As this loan was repaid November 1st, the loaning banks were not inconvenienced through a diminution of crop-moving funds.

The tendency is for the Canadian crop movement to be spread over a longer time each year. A still greater change in that direction in the marketing system may come into force in the next few years. On June 7th, 1916, 278,240,000 bushels of wheat had been inspected, 30,090,000 bushels being in transit and in store, while 25,000,000 were still in the farmers' hands. By August 31st, 338,468,400 bushels had been inspected, only 2,800,000 bushels being in transit and in store and 8,250,000 bushels still in the farmers' hands.

GRAND TRUNK PACIFIC TANGLE

Government is Shouldering the Enterprise — Cost of Construction to Date

The affairs of the Grand Trunk Pacific Railway, in which the Dominion government is considerably interested, came to a crisis about a year ago. In a letter addressed to Premier Borden on December 10th, 1915, Mr. Alfred W. Smithers, chairman of the Grand Trunk Railway, stated that that company was at the end of the tether with regard to Grand Trunk Pacific financing. The first Grand Trunk Pacific payment of interest after January 1st, 1916, became due on March 1st last, and amounted to just under $1,000,000. Mr. Smithers then stated there was no prospect of the company being able to meet that payment, and added that it was an "inexpressibly bitter disappointment" to the directorate and himself to have to think of giving up the Grand Trunk Pacific Railway.

Government and Railroad.

The Grand Trunk Pacific is divided into two parts, the western and eastern divisions. The western division runs from Winnipeg through the prairie provinces of Manitoba, Saskatchewan, and Alberta, through British Columbia to the port of Prince Rupert on the Pacific Coast, and the Grand Trunk Pacific is responsible for the construction of that division. The eastern division runs from Winnipeg to Moncton, New Brunswick, on the Atlantic Coast, and is being constructed by the Dominion government.

The section of the main line built by the Dominion government was to have been leased to and operated by the Grand Trunk Pacific, when completed, for a period of fifty years, at a rental payable as follows:—

For the first seven years the company will operate the line subject only to payment of working expenses, and for the remaining forty-three years will pay annually a sum equal to 3 per cent. on the cost of construction. If, however, during the first three years of the latter period the earnings over and above the working expenses are not sufficient to provide for the full 3 per cent., the deficiency will be capitalized and form part of the cost of construction. After the tenth year, 3 per cent. has to be paid upon the entire cost of construction.

Leased to Government.

The Lake Superior division of the Grand Trunk Pacific was taken over by the government on July 1st, 1916, under lease, and was being operated as part of the National Transcontinental Railway. The rental is $600,000.

The Grand Trunk Pacific Railway system now stops at Winnipeg. Hitherto it extended virtually to Fort William, via the Lake Superior division, the intervening National Transcontinental link between Graham and Winnipeg having been used by the Grand Trunk Pacific under a lease from the government. All the lines east of Winnipeg are now being operated by the government, the Grand Trunk Pacific eastbound traffic at Winnipeg being taken over by the Transcontinental.

The Grand Trunk Railway has no construction work in hand at the present time, so Mr. E. J. Chamberlin, president, informs *The Monetary Times*, with the exception of the grade separation at Toronto, and the company does not expect to do any construction work of any magnitude for the next twelve months.

Over Three Thousand Miles.

The total length of this transcontinental line will be about 3,544 miles, exclusive of branches. The eastern division, built by the Dominion government, accounts for 1,800 miles.

Expenditure by the government on the National Transcontinental Railway (by which its part of the road is known) up to March 31st last was $159,881,197. Capital outlay by the Grand Trunk Pacific up to June 30th last was $119,704,065. This is a little perplexing in view of an outstanding indebtedness on bond account of $173,000,000, in round figures; but discounts and interest charges may account for the difference.

The amount of Grand Trunk Pacific interest guaranteed by the Grand Trunk Company is about $2,750,000 annually, to which must be added the interest on the amount spent on branch lines, over and above the amount for which bonds have been, or will be, guaranteed by the provincial govern-

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ments. The provincial governments will probably issue additional bonds to cover some of this amount, leaving probably about $8,000,000 due to the Grand Trunk Railway Company. The amount of interest guaranteed by the government, including that on the government loan of $25,000,000, amounts to $4,000,000 per annum. In any case, the government would have to find interest charges to the amount of $4,000,000, which amount, however, includes $1,700,000 which the government has to pay on the mountain section bonds.

The liabilities of the Grand Trunk Pacific Railway Company have been accumulating since January 1st, 1916, against net revenue, and any deficiencies will have to be met by the Dominion government and the Grand Trunk Railway, but, as explained by Mr. Smithers, "it is quite impossible" for the Grand Trunk to meet the extra liabilities arising from the Grand Trunk Pacific.

This situation is being investigated by the special commission appointed by the Dominion government last year to inquire into the railroad situation in Canada generally.

CANADIAN CREDITS FOR BRITAIN

Since the War They Have Totalled $220,000,000, of Which $170,000,000 was Advanced Last Year

Since the war commenced, Canada has advanced to Great Britain $220,000,000 as credits here for the purchase of supplies by the imperial authorities in Canada. As Sir Thomas White, finance minister, has explained, it is of the utmost importance both from the standpoint of the successful prosecution of the war and of Canadian business as well, that Canada should lend to the imperial government as much as possible towards meeting the large expenditure which it is making here, amounting to over $1,000,000 a day, for shells, explosives and other munitions. All the outlay has to be made in dollars from credits established on this side of the Atlantic. It cannot be paid in pounds sterling.

"The Canadian people," said the minister, "are now deriving the full benefit of the enormous expenditure, and it is our duty to see that as much as possible of the profits are made available for the creation of further credits from which further purchases may be made. In exercising rigid economy and making the national savings thus available the Canadian people will be serving the twofold purpose of high patriotism and good business. The amount of orders which Canada will receive will depend upon the amount of dollar credits which Canada can establish for the imperial government."

List of the Credits.

The following are the credits advanced to date, the first for four munitions purchases, and the fifth for wheat purchases:—

Date.	Source of credit.	Amount of credit.
Dec., 1915	Oversubscription of first war loan	$ 50,000,000
April, 1916	Arrangement with banks	75,000,000
July, 1916	Arrangement with banks	25,000,000
Sept., 1916	Arrangement with banks, possible by oversubscription of second war loan	50,000,000
Nov., 1916	Canadian banks	20,000,000
	Total	$220,000,000

New munition orders amounting to $20,000,000 had reached the imperial munitions board in Canada in anticipation of the $75,000,000 credit arranged in April. The banks advance the money required from time to time for the purchase of munitions and are repaid in due course out of the imperial treasury.

Terms of Advances.

The terms of these advances are favorable to Canada, as the banks reap not only the interest on the money advanced but exact in addition that contracts for an amount exceeding the sum of the advance shall be placed in Canada.

The $25,000,000 transaction in July last was facilitated by the offer of the minister of finance to rediscount at any time the imperial treasury bills held as collateral for the advances. Available bank funds are so large that it is not probable that such rediscounting will be at all necessary, but the fact that facilities for rediscounting have been provided made possible the transaction on so large a scale.

The contract made between the finance minister and the Canadian Bankers' Association in regard to these credits, is a confidential matter and details are not available. The bank subscriptions to the credits are not made on a pro rata basis. It is left to the discretion of each bank as to what subscription it will give.

In November, a syndicate of Canadian banks completed arrangements to extend a revolving credit of $20,000,000 for six months, to the Royal Wheat Commission of Great Britain for the purchase of wheat in Canada.

DOMINION NOTES ISSUES

How They Stand at Present—Record of Outstanding Notes

The legislation regarding Dominion notes and the various issues of Dominion notes have constituted one of the most important financial matters in Canada since the outbreak of war. Much misconception has arisen in respect to these matters and *The Monetary Times* therefore briefly outlines below the history of the subject.

In the war session of parliament of August, 1914, the power of issue of Dominion notes was increased by providing that the finance minister should hold gold to the amount of 25 per cent. of the Dominion notes issued up to a total issue of $50,000,000, and in regard to Dominion notes issued in excess of that amount, gold to be held equal to such excess. This legislation, which authorized an increase of Dominion notes from $30,000,000 to $50,000,000 without limitation or condition, left it open to the government to avail itself of the legislation at the time it was passed or at any later time. In other words, there was an integral change made in the Dominion Notes Act.

Denomination of Notes.

As regards denomination, notes of any denomination may be issued to make up the amount named. It may be wholly in ones, twos, or in fives or large legals, but it will be a combination of all. It is desirable that the total amount of free Dominion notes that should be outstanding at any time should not be materially in excess of the amount of notes of small denominations in the hands of the public. In other words, in order that the Dominion may be able to retire its notes in gold there should not be outstanding a larger amount than is required from time to time by the community for its purposes. There is, however, a safeguard against any difficulty on that score. In the Bank Act there is a provision that the chartered banks of Canada must hold 40 per cent. of their cash reserves in Dominion notes. That being so, the amounts which the banks must hold under that legislation cannot of course come in for redemption.

Gold to Dominion Notes.

Much loose criticism was heard regarding these issues and critics did not receive any satisfactory information until Sir Thomas White, finance minister, made a lengthy statement in the house at Ottawa in March, 1915, when the issues received parliamentary sanction. This statement was printed in detail in *The Monetary Times* Annual of January, 1916.

Shortly after the beginning of the war, at the passing of the act in the August session, the margin of $15,000,000 which the act gave was used to finance parliamentary appropriations and various obligations of the country then maturing. For such purposes the whole amount was soon absorbed.

Certain issues of Dominion notes were made late in 1914 and 1915 by orders-in-council, but without special authority under the Dominion Notes Act or the Finance Act of 1914. These issues were sanctioned by parliament in February, 1915. The total amount of these issues was $26,000,000, of which $10,000,000 of notes were issued to the Canadian Northern Railway Company upon the security of $12,500,000 of Canadian Northern Railway Company debentures, guaranteed as to principal and interest by the Dominion of Canada; $6,000,000 to the Grand Trunk Pacific Railway Company upon the security of $7,500,000 par value of bonds of the Grand Trunk Pacific Railway Company, guaranteed as to principal and in-

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WRITE FOR INFORMATION.

terest by the Dominion of Canada; and $10,000,000 issued in November, 1914, for the general purposes of the Dominion.

The following table shows the course of the Dominion note circulation since a month before the outbreak of war. The amount of gold held for the redemption of the notes is also included:—

End of Month.	Dominion notes outstanding.	Gold held for redemption of Dominion notes.
1914.		
June	$116,679,333	$91,682,100
July	115,932,476	90,293,833
August	114,182,100	77,366,864
September	132,432,100	89,249,876
October	151,449,600	89,354,392
November	160,964,599	89,284,216
December	162,395,231	89,317,018
1915.		
January	158,191,099	89,313,966
February	158,247,501	89,356,206
March	157,028,477	89,400,705
April	157,118,864	89,446,038
May	152,118,864	89,408,804
June	152,120,734	89,573,041
July	152,116,726	89,734,638
August	152,133,310	89,840,440
September	153,039,153	90,803,649
October	164,714,231	102,540,796
November	172,010,113	108,020,156
December	178,780,682	115,118,861
1916.		
January	179,301,003	115,147,985
February	179,523,993	115,318,081
March	177,943,131	115,743,094
April	175,679,782	114,243,788
May	175,679,782	114,172,696
June	175,497,175	114,071,032
July	174,807,743	113,877,073
August	174,533,077	113,759,019
September	174,302,958	113,690,728
October	174,863,077	113,687,359

OUR GOVERNMENT'S BANKING BUSINESS

New Factors Have Appeared Since the War—Imperial Government Balances Here

For the first time, last year, the monthly statement of the chartered banks to the Dominion government contained a new heading, "Balances due to the Imperial Government." This column first appeared in the April statement, when all the banks, with two exceptions, reported balances at the credit of the British government. These balances varied in that month from $29,750 in case of the Weyburn Security Bank to $4,108,500 in the case of the Bank of Montreal. In May every chartered bank was carrying such balances, when the amounts ranged from $29,625 to $1,841,250. These balances were created through crediting the proceeds of the loans granted by the banks to the Imperial Munitions Board for the purpose of facilitating purchases in Canada. Apparently the banks purchased outright the British treasury bills on which the loans were based.

The following table compiled by *The Monetary Times*, shows the total balances due to the imperial government and carried by the Canadian banks, each month last year, so far as official figures published to date permit:—

	Balances due to Imperial Government.
April	$24,035,500
May	12,657,977
June	1,029,250
July	1,419,500
August	Nil
September	Nil
October	Nil

As Mr. H. M. P. Eckardt, who contributes to the current issue of *The Monetary Times*, has pointed out in a previous article, this business with the imperial government is entirely new for most of the banks. With reference to the enlargement of the Dominion government's banking transactions, the case is somewhat different. The monthly government returns prior to 1914 show that nearly all of the banks have been accustomed to carry a certain amount of deposits at credit of the Dominion treasury, but with the exception of four or five banks the amounts involved were small.

In ordinary times these balances are created through the receipt of Dominion revenue in the various parts of the country. The bank branches most conveniently located receive the moneys collected by the Dominion officials, and transfer them to Ottawa for credit of account. As a rule, disbursements are made from the government's main accounts in the Bank of Montreal. Thus, from time to time, as the balances accumulate, the funds are transferred by the different departments from the other banks to the Bank of Montreal. The principle generally followed is to transact the government business in each province through the bank or bankers first established. The Bank of Montreal has much of the Dominion government's business in Ontario, Quebec, New Brunswick, Nova Scotia and Saskatchewan. In Nova Scotia the Royal and the Bank of Nova Scotia participate extensively; and in Prince Edward Island the Bank of Nova Scotia is principal banker for the Dominion government. In Manitoba the Merchants' Bank of Canada acts principally; in Alberta the Imperial has a very considerable share; and in British Columbia the Canadian Bank of Commerce does most of the Dominion government business.

Business with Provincial Governments.

The Canadian banks' business with our provincial governments has not been greatly increased since the outbreak of war. The following table, compiled by *The Monetary Times*, shows the provincial balances and the loans to the provinces each month since the war commenced to the latest date for which official figures are available:—

Balances Due to Provincial Governments.

	1914.	1915.	1916.
January	.....	$23,527,065	$23,372,710
February	.....	22,785,399	23,888,363
March	.....	24,000,000	22,295,871
April	.....	21,950,123	20,556,783
May	.....	25,160,869	22,371,046
June	.....	29,996,092	24,153,175
July	.....	30,595,297	26,878,387
August	$33,375,510	26,638,045	24,869,532
September	29,952,863	24,004,245	23,745,661
October	22,943,156	23,129,277	21,051,899
November	20,362,116	21,104,580	.....
December	20,091,309	18,670,317	.....

Loans to Provincial Governments.

	1914.	1915.	1916.
January	.....	$12,961,263	$3,231,040
February	.....	12,985,902	2,954,050
March	.....	8,984,892	3,540,937
April	.....	11,290,393	4,141,960
May	.....	6,356,311	3,761,697
June	.....	4,127,359	1,359,145
July	.....	4,076,579	1,079,765
August	$ 4,706,904	4,436,568	1,088,738
September	6,042,854	4,566,677	1,103,740
October	9,326,486	4,853,520	1,476,240
November	11,391,698	4,633,472	.....
December	14,104,820	5,461,553	.....

How Banks Share Business.

As the provincial governments were able to seli large blocks of their securities in the United States last year, the bank loans to the provinces became smaller. The banking business of the nine provincial governments of Canada is shared by seven or eight of the banks. Taking the May bank statement as an example, the Union held the largest amount—$6,300,000. Its connection is with governments of Manitoba and Saskatchewan. The Merchants' and the Imperial follow with $2,800,000 each. The former now has a considerable participation in Manitoba banking business, while the Imperial, besides having a share of the Manitoba business, carries considerable balances for Alberta. The Commerce acts as banker for British Columbia; the Montreal acts for Quebec, Prince Edward Island and New Brunswick, sharing the business of the last-named province with the British. Nova Scotia's account is divided between the Royal and the Commerce; Ontario's is divided among a number of banks; and the Northern Crown participates with the Union in Saskachewan's business.

INVESTMENT

CANADIAN BONDS and DEBENTURES

We are at all times ready to place at the disposal of investors our files of general information concerning CANADIAN SECURITIES of all kinds, and shall be glad to answer promptly any inquiries and to give the benefit of our research and advice.

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Analysis of Conditions in the Mortgage Loan Field

Competition for Funds Has Become an Important Factor—Moratorium Laws Have Worked Considerable Injustice—Foreclosures Last Year were Not Unusually Numerous—Property Values—Demand and Outlook for Funds—Will the United States Invest in Our Mortgage Debentures?

A special investigation has been conducted by The Monetary Times in regard to conditions in the Canadian mortgage loan field. The results are summarized in the following articles

PRINCIPAL AND INTEREST PAYMENTS

Results Were Fairly Good in View of Abnormal Factors

Considering existing conditions, mortgage and loan companies had a fairly satisfactory year in 1916 in the matter of payments of principal and interest.

So far as Ontario is concerned payments of interest have been made promptly, and it is probable that arrears at the end of the year will compare favorably with past experiences. As to principal, the result may not be quite so good, as there are a certain number of borrowers who took advantage of war-time legislation and declined to meet payments of principal falling due. These individuals were the exception rather than the rule, nor has their default occasioned uneasiness.

The situation in the western provinces so far as interest is concerned, was not so favorable as that in Ontario, although the magnificent crop of 1915 has resulted in a marked improvement in this respect. The western farmer has peculiar difficulties to overcome,—congested railway lines, roads rendered impassable by continued wet weather, outside debts for farm equipment (including machinery and horses), and the unpaid balances of liabilities incurred during the boom years.

So far as principal payments are concerned, the contrast with Ontario is more marked, due partly to the conditions noted, but more to western legislation.

The payments of principal and interest in Quebec do not show any indication of irregularity.

Different Results in Saskatchewan.

Interest has been paid with unusual regularity in Saskatchewan during the first nine months of 1916, but was seriously delayed through rain and snow storms, and this may affect the last quarter's returns. Principal payments were satisfactory.

From Saskatchewan another experience with reference to the payments of interest and principal on farm loans, is that conditions have been very unsatisfactory. Farmers have suffered heavily from hail, rust, frost and other causes, and many who did succeed in harvesting an average crop, have been delayed from threshing by inclement weather. It will be January before interest payments are made on farm mortgages. Mortgagors of city property have been more punctual in meeting their payments.

Manitoba's Crop Affected.

Payments of interest in Manitoba during the present year have been fairly well met. One company's arrears of interest being smaller than a year ago. This company says it cannot expect that interest on our farm loans will be met as well this winter as last, owing to the great damage to the Manitoba crop by rust and intense heat. The high price for the crops will help out, to some extent. Payments of interest on city loans will be equal to last year.

Payments on principal on farm loans were about the same as in normal years. Probably more principal will be paid this season on farm loans than last year as money is available for loaning and the price of wheat is high.

On city loans, though some borrowers met their instalments regularly, many took advantage of the moratorium, and many were unable to pay on account of prevailing conditions.

One company reports from British Columbia that payments of principal and interest last year were better by about 15 per cent. than 1915.

WILL UNITED STATES BUY?

Canadian and American Investors May Supply Mortgage Funds

The outlook for British funds for mortgage loans in Canada after the war depends, in the first place, on the interest rate prevailing in Great Britain; and, in the second place, upon the mortgage rate which can be obtained in Canada. At the present moment the farmer of Ontario can borrow on mortgage at a lower rate than the British government is willing to pay; if, then, that government finds it necessary after the war to maintain high rates of interest, it would be unlikely that any large amount of money will cross to this side of the ocean.

With the high rates prevailing in British loaning circles, the question then arises, will the United States supply Canada with funds for mortgage loans?

Home Investors Will be Required.

The answer which an Ontario mortgage company gives and coincides with *The Monetary Times'* opinion is as follows:—

"Should interest rates in Great Britain continue high, and yet remain low in the United States and Canada, there will without doubt be an increase in both those countries in Canadian mortgage securities. So far as the United States is concerned, we do not believe that increase will be marked, as the debentures of mortgage companies are unknown to the mass of United States investors, and much work along educational lines will have to take place before these securities are welcomed as their merits deserve. There are few institutions in the United States which operate upon the same basis as Canadian mortgage companies, and those most nearly approaching to that ideal have found it in the past necessary to pay distinctly higher rates than did the Canadian companies in Great Britain or in Canada. Early in the present year an issue in New York, by a fairly old and well-established mortgage company, was made of 20-year bonds to return 5½ per cent. It is hardly necessary to point out that at that time no strong Canadian institution would have considered offering so high a return on their debentures.

"Throughout the western states the practice prevailing appears to be the sale outright of mortgages themselves, rather than the issue of bonds secured upon such mortgages."

Capital After War's Close.

The opinion appears to prevail in New York that the warring nations of Europe, so soon as peace is declared, will require enormous supplies of capital, for which they will be prepared to pay attractive rates of interest. If this view be correct, the greater part of that capital will be supplied from the United States, and the low rates there prevailing will cease.

Against this view is the statement of English bankers that there is even now a reservoir of uninvested capital which, upon the declaration of peace, will flow out to the British dominions: that the Englishman will, for a time at least, decline to put his money into foreign enterprises; and that Canada will perhaps be the most favored of all the dominions in this respect.

But before financial matters can return to a normal condition, there will be a variety of cross-currents, the effect of which cannot at this time be foreseen.

DEMAND FOR FUNDS

Quiet Year is General Report of Mortgage Loan Companies—Advice to Western Legislators

Farmers and builders in Canada last year were not seeking loans in any large volume on their farm properties or city buildings. In the maritime provinces there was a good demand for loans, but the opposite seems to have been the case elsewhere in the Dominion.

In Ontario the demand was limited on first-class securities, but in certain loaning districts a fairly active demand was in evidence. In Saskatchewan the mortgage companies have money to lend, but as the demand is not strong, there is a noticeable tendency toward reduction in rates of interest. In Manitoba the demand for loans was extremely limited. Farmers were not borrowing much and they expected to obtain loans at 7 per cent.

Renewals and Depreciation.

In Quebec the applications for loans were limited, a decreased valuation of property being the principal cause. One of the results of the decrease in desirable applications is an increase in available funds. Only a small number of borrowers anticipate repaying their loans at maturity. The general idea is to renew, or borrow from other sources. The depreciation in value has increased the demand for renewals as by lessening the security, borrowers in many cases are not able to secure new loans for a sum sufficient to pay existing loans.

The past year was marked by an extraordinary lack of demand for mortgage loans. In the west the exceptional crop of 1915, the extended practice of economy by farmers, the decrease in the number of immigrants, and the few sales of farm lands, are all causes of this lack of demand. Both in the east and the west the cessation of building in the cities has lessened one of the main supplies of mortgage loans.

Had it not been for the outlet open alike to mortgage, trust and insurance companies, of investment in war loans, there must have accumulated a large mass of idle money. The partial failure of the western crop, and the industrial activity in the larger cities, hold out some hope of an increased demand in the future, but it is unlikely that any radical improvement will occur until immigration again commences and Canada once more resumes her forward march.

Chances for Investment.

In connection with the investment of funds, a company operating in the maritime provinces says: The last Canadian war loan took a good deal of their deposits and quite a number of their debentures.

A western institution says that while there is not a great demand for money on farm and city property at the present time, with the decline of values, we believe companies and the investing public are warranted in placing more money in debentures, war bonds and other class of securities.

Lower Rates of Security Given.

A prominent Ontario manager gives the following interesting advice to western legislators:—"Because of the lack of demand for mortgage loans and the consequent pressure of uninvested money, interest rates have throughout the country been weak and crumbling. In Ontario the rate seems to swing between 6 per cent. and 7 per cent., and were it not for the competitive rates of the Allied belligerents, one would look for a still further drop in this province.

"In the west 8 per cent. is quoted as the nominal prevailing rate, but in Manitoba and certain other especially favored districts loans have been made 1 per cent. below the rate quoted.

"It is not unfair to suggest that the present is a most favorable opportunity for the west to obtain a reduction in mortgage rates if her legislatures would only make it clear that the position of a first mortgagee would no longer be liable to be undermined; the long list of measures culminating in the seed grain relief act, whereby the legal rights of the holder of a first mortgage were deliberately taken from him, have had and are still having a detrimental effect upon the honest borrower.

"In Ontario, where sale proceedings under a mortgage are infinitely more expeditious and distinctly less expensive than foreclosure suits in the west, the lender is able to extend to his borrower the largest possible margin of leniency: in the west, with a list of claims ranking prior to his own, and with the knowledge that lengthy and expensive legal proceedings must first be taken, the lender is absolutely obliged by common prudence to take action very shortly after default comes.

"For these reasons, too, some of the companies have withdrawn from one or more of the western provinces: others have been deterred from entering therein, and in the total result rates of interest are maintained at a higher figure than otherwise might prevail."

MORATORIUM LAWS IN OPERATION

Unwise Western Legislation Has Many Critics—Situation in Ontario

Moratorium laws were in force in Ontario, Manitoba, Saskatchewan and British Columbia previous to 1916, while in Alberta an act which is a partial moratorium was passed last April. Authority to proclaim a moratorium was obtained by the Dominion government shortly after the outbreak of war but the legislation has not been put into force and is not likely to be. Similar powers have been obtained in New Brunswick, but have not been applied.

"An act for the relief of volunteers and reservists" is the name given to the Alberta law. It protects from action for any debt, liability or obligation incurred previous to its passing April 19th, 1916), any volunteer or reservist as defined in it and has been held to cover even the local militia. It also protects from extra-judicial seizure the goods and chattels in the possession of such volunteer or reservist or of his wife or of any dependant of his family. This protection is to exist until one year after the termination of the war, or after the discharge of the volunteer or reservist, whichever shall first happen.

Of moratorium legislation, two mortgage companies say:—

(1) "Fortunately we have no moratorium laws in our province, and we would not care to do business in any province which adopt them," writes one company manager to *The Monetary Times*.

(2) "We think they have done more harm than good and cannot see that there was any necessity for such enactments."

The Monetary Times finds that there is, perhaps, more complaint against the laws of Alberta and Manitoba than against those of any others, but it is a hopeful sign that the farmers' organizations are beginning to realize that unwise legislation, although initiated for the express purpose of protecting the borrower, in the end militates against the country at large, and piles up an unfavorable balance of interest rates which, in the end, comes out of the pockets of the borrowers themselves.

The limitation of actions upon the covenant of a mortgage, and the relief offered to the fraudulent debtor, who, no matter what his age, may join the home guard, are causes for the strongest adverse comment. There is yet some hope that the legislature at its next session may modify the unfavorable features of these acts.

Opinions of Governments.

In a statement to *The Monetary Times* on the Manitoba law, Hon. A. B. Hudson, provincial attorney-general, said:—"The war relief act was passed in April, 1915, for the protection of soldiers, and prevents action being taken against soldiers or their wives or dependents for the enforcement of payment of debts or obligations until after the termination of the war. This act has not worked satisfactorily. Some improvements were made during the session of 1916, but there is a great difficulty in altering a law of this kind where a considerable number of men have gone to the front relying on its provisions for the protection of their families. It has been used as an instrument for the perpetration of fraud in a number of cases, and I expect that another attempt will be made at the coming session of the legislature to make some improvement."

An Alberta government official writing to *The Monetary Times* regarding this legislation said: "I believe this protection has largely stimulated recruiting. You will notice the place Alberta holds in the percentage of recruits per population. Of course any partial moratorium is bound to work some hardships, but little dissatisfaction has been evinced.

Some of the trade organizations have objected to the application of the act to those of the militia not on active service but complaint seems to be largely confined to that phase of the act."

In Saskatchewan the courts, even in the case of the soldier, are authorized to permit foreclosure proceedings where circumstances warrant it. This sane provision has to a large extent prevented the abuse of a protection which was in reality intended only for genuine soldiers, is the experience of an Ontario organization.

In many cases, a western manager says, the effects of the provincial moratorium act has been felt. Protection is given only to volunteers enlisting for active service. There have been instances of mortgagors transferring their property to a soldier with the hope of securing protection. But a number of illegal transfers have been proved and set aside by the courts. In a number of cases borrowers have intimated that if action was commenced in order to realize on arrears they would immediately enlist. This gives to the borrowers a club to hold over the heads of the companies, and is, in the opinion of a mortgage company manager, legislation that is detrimental to the success of loaning companies and the credit of the province.

War Relief Act is Serious.

In Manitoba the provincial moratorium has prevented an eastern company making collections in some cases on farm loans, and it has several farm loans where, owing to the absence of the mortgagor at the war, it is unable to obtain payment of interest. On city loans the effect has been much more serious. No doubt the moratorium legislation has caused a general slackening in the effort to meet payments.

From another viewpoint, the moratorium act, which was at first looked upon as a serious matter, now, while it creates more work in guarding mortgage accounts, is found does not work great hardship, the lender being given the right to collect the rents or recover rentable value of the property.

But the war relief act is a more serious matter, because its provisions are used by the unscrupulous for their own protection. In the experience of one company, in several cases they found that the tricky borrower, on being pressed for payment, will either convey or mortgage his property to some enlisted soldier and thus obtain a stay of all proceedings. It was not the intention of the framers of the act to aid the dishonest, but, unfortunately, such is its effect.

In Ontario, some borrowers have taken advantage of the situation to refuse to meet maturing payments of principal: they could not do this unless there was a margin of security, and for that reason their actions do not cause anxiety.

PROPERTY VALUES STEADY

Conditions Were Somewhat Better Than a Year Ago —Crops Are a Factor

Maximum values were reached in Canada about the end of 1912, and since then the decline has been general. Farm land values, however, have held up pretty well. In eastern Canada values of farm properties would appear to have more than held their own, and while sales are comparatively few, yet in the good districts there were always buyers for any lands which may come on the market. In the western provinces forced sales have occasionally been made at figures much below the prevailing market prices. While there is no active dealing in farm lands, yet in the better-settled districts prices have held their own. As to city property, the situation varies in almost every individual case. Some western points will have aggravated problems to solve when the war ends and the protection afforded debtors is withdrawn. One company reports that in Ontario little decline occurred in good farms or centrally located properties, while another states that its loans were practically confined to the larger cities in Ontario, and in some of these cities real estate values have depreciated from 15 to 25 per cent., and a corresponding decrease in rental values.

In Saskatchewan there was not much if any decline in value of good farm lands. In the large towns residential property has a slightly greater value than it had a year ago. In the business districts the values are probably about the same.

There was no further decline in farm property in Manitoba, and if the province's crop was good, with the present high prices, values would probably have risen slightly. It is hard to estimate what further decline there may have been in city values as sales were very few and were mostly of properties forced upon the market, which could be picked up at bargain prices. There are fewer vacant houses. Suites in apartment buildings are difficult to obtain.

Considerations Affecting Prices.

Farms in Quebec are not likely to decrease in value, while farm products command war prices. City property does not find ready purchasers at former prices. The following considerations have an influence in depressing the price:—(a) Increased rates of interest. (b) Decrease in population which means a decrease in demand for renting and a tendency to reduce rentals. (c) High prices of all materials necessary for repairs.

In Nova Scotia it would appear that there has been no decline in the value of city property, though there was a slight decline in the value of the farm properties.

In British Columbia property values seem to have reached the limit of their decline, but an upward movement can scarcely be looked for while the war lasts, owing to the removal from the cities of great numbers of the male population.

WAR LOANS DIVERTED MORTGAGE FUNDS

Competition of Government Issues at High Rates Kept Money in Great Britain

In surveying the mortgage loaning field at the close of last year, *The Monetary Times* found that competition for funds in all markets was strong. One company expressed the view:—"Standard rates of interest for borrowers no longer apply, for with the unlimited demand for money by governments who are willing to pay high rates, it seems difficult to hope that many private corporations or individuals will be able to obtain loans at what has hitherto been considered normal rates of interest."

Redeeming Sterling Debentures.

This sums up the experience generally of Canadian mortgage companies. One well-known manager suggests that present indications are that Canadian loan companies will have to be prepared to redeem their sterling debentures held in Great Britain as they mature because satisfactory investments cannot be secured on mortgage securities in Canada at a sufficient high rate of interest to cover the increased rate on borrowed capital. In one instance already a company has been called upon to repay about 40 per cent. of its maturing debentures in Great Britain, and is preparing itself for a heavier demand for repayment.

Since the British government raised its rates up to or beyond those paid by Canadian mortgage companies, there has never been any surplus of new money beyond the amounts required to meet maturing debentures. At the present moment, with treasury bills and exchequer bonds obtainable to yield 6 per cent. or better, and with the leading Canadian companies holding their rates firm at 5 per cent., the offerings of new money are negligible, and the return of large sums from Canada to Great Britain unavoidable.

Rates Not Treasury Ruling.

This state of affairs has caused Canadian companies more inconvenience than the British treasury ruling which prevents applications for British capital during the war, without special consent of the British treasury. Since January, 1915, the British treasury regulations have permitted our loan and mortgage companies to retain the total of their debenture funds obtained from the United Kingdom, (and chiefly from Scotland), at the level of that month. Sufficient Scotch money, one authority states, has come into the country to permit of this being done.

Instances were related to *The Monetary Times* where domestic funds were diverted from mortgage debentures into the Canadian and other war loans.

ORDINARY YEAR FOR FORECLOSURES

Unusual Activity Along This Line Was Not in Evidence Throughout the Dominion

Foreclosures last year were not exceptional. One Ontario company says: "Throughout all our loaning fields the number of sales or foreclosures has not been excessive, that is to say, we have not had cause to take action against a greater number of delinquents, although we note that a greater percentage of such proceedings, once begun, have been carried through to a conclusion than in former years. In Western Canada our hands have been tied in certain cases by the legislation, otherwise foreclosures might have swelled the volume.

"We have found it possible, in practically every case, to dispose of the properties on hand, although in the west it has been a difficult matter to attract purchasers with a sufficient surplus of cash to make an adequate payment down.

"As our business has been confined to the better-settled districts of Manitoba and Saskatchewan, our experience under this head is, perhaps, more favorable than is the case with those companies who went further afield and made small loans in sparsely-settled districts.

"We are given to understand that the number of foreclosure cases in the aggregate is distinctly heavy this year, and that, particularly in the cities and towns west of Winnipeg, there has accumulated much unsold property."

The number of sales by sheriff in Quebec has been exceptionally large, and this was also the case last year, and the prices have not been satisfactory. In most cases the property has passed into the hands of creditors.

No Active Demand for Properties.

Operating in Saskatchewan, one company says of that province, the number of foreclosures were not above the average. In some cases properties were left on our hands, but we expect that foreclosure proceedings will be more frequent after the first of the new year.

Another company with connections throughout Canada says:—"We have had an unusually small number of foreclosures and sales this year, and in most cases the properties have sold successfully. At the time of writing we have only nine or ten active suits in Saskatchewan and Alberta. To date we have renewed about 60 per cent. of all loans maturing to the end of December, 1916, and we hope to secure renewals of about one-third of the remainder.

"In Manitoba we have made only two or three foreclosures. The number of cases in which we have brought property to sale has been about the same as in the previous year. There are a good many cases where we are held up by the provincial moratorium acts. We have been successful in making a fair number of sales. The demand for farm land is not active, but the demand for residence property in the city of Winnipeg is better. A few people are taking advantage of the opportunity to obtain homes at bargain prices. We have been fairly successful in obtaining renewals, though as it is generally well known now that money can be borrowed at 7 per cent. it will be difficult to obtain renewal of our choice farm loans at 8 per cent."

In British Columbia.

From the Pacific coast a manager writes: "We were never fond of foreclosures, and since the war began we have adopted a policy of compromise, with the result that although property has been acquired, it has been principally through the medium of a quit claim deed from the owner after he had exhausted his resources and could no longer protect his equity. Several sales have been put through which have yielded our full claim."

In Nova Scotia there were few foreclosures, and majority of these were owing to special conditions at a particular point.

Newfoundland floated $5,000,000 3-year 5 per cent. bonds in New York in June. The issue was oversubscribed. The bonds were offered to the public at 99½, New York terms. This was Newfoundland's first appearance as a borrower in any financial centre other than London.

WESTERN CANADA'S TAX ARREARS

Experiences of the Cities—Advantages of Compulsory Tax Sales

BY W. A. MACKENZIE.

There have been few subjects receiving more attention during the past three years from municipal authorities and banking interests than the question of arrears of taxes as relating to the cities and towns in western Canada. These conditions, while not desirable, were at the same time not wholly unexpected, and are the result of both controllable and uncontrollable reasons.

The real estate boom which took place in Canada from the Atlantic to the Pacific was more pronounced in the western provinces, and reached its height in 1911 and 1912 and completely collapsed in 1913. During a period of real estate activity, such as was experienced, it was only to be expected that a large amount of unproductive property at high prices would be owned by people unable, or unwilling, to carry it and pay the taxes. Prior to 1914 there had been several years of poor or ordinary crops, and this, with the collapse of the boom, brought about conditions that resulted in acute commercial depression.

In August, 1914, war was declared and for a time business was entirely disorganized and all credits disappeared, so that in many instances persons who had available cash required this to provide the necessities of life, and those who had neither cash nor credit had difficulty in maintaining themselves.

Payable November or May?

It has been almost a uniform practice with most of our western cities to make taxes due and payable in the late fall, October or November, in order that the ratepayers might have the benefit of the returns from the crops instead of making the current year's taxes payable early in the year and thus avoiding the necessity of financing on overdrafts for the greater portion of the year. We thus find that in the fall of 1914 there was a most exceptional combination of adverse circumstances, including the collapse of the real estate boom, commercial depression and the outbreak of war, any one of which was sufficient to make tax payments slow, but all combined were more than ample to test the stability of our municipal system and the credit of our municipalities. The result was that in the case of every city the balance of the taxes due in 1912 and 1913 and most of the taxes due in 1914 remained unpaid at the close of that year.

Had it been the practice of the cities and towns in western Canada to make their taxes fall due in April or May, as they properly should, then in 1914 a much larger amount of taxes would have been paid before the outbreak of war than was paid after the outbreak of war and the financial position of all municipalities would have been much improved.

Accomplished In Two Years.

Let us now consider what has been accomplished during the years 1915 and 1916. With the beginning of 1915 came a restoration of confidence and the re-establishment of credits with revised business, then in the fall the west had the most bountiful and most valuable harvest in its history. The benefits from the 1915 crop were soon visible in the splendid revival of commercial business, and the satisfactory payment of taxes in the fall of 1915. This payment of taxes continued into 1916 until we find that at the end of September in the past year in the case of most cities, or those well managed, the amount of taxes in arrears was much less than was the case at the end of 1914 and 1915. This means that not only did the taxes collected during the 12 months from September 30th, 1915, to September 30th, 1916, amount to the total levy for 1915, but a large amount of arrears of 1913 and 1914 had also been paid. Nearly all the western cities to-day find themselves in a position of having most capital expenditures financed, few bonds unsold, no new works in contemplation and with no floating liabilities other than the advance by the banks against current accounts for the years we have been discussing.

The present favorable position of the majority of our cities cannot be entirely attributed to the good crops and revival of prosperity, but a large portion of the result is

due to the exceptionally strong and capable management and ability of the city council, in many cases, to adjust the affairs of the city to new conditions. One or two cases. however, will serve to show the care and business methods that are being exercised in connection with the management of most of these cities.

In one city the assessment in 1914 was $36,000,000 and by 1916 it had been reduced to $37,000,000. The annual levy had been reduced from $1,200,000 to $800,000, and the taxes in arrears had been reduced from $936,000 to $658,000. These are round figures, but serve to show the result. In another case the assessment in 1914 was $25,000,000 and in 1916 $18,000,000. The levy in 1914 was $540,000 and in 1916 $390,000. In this case the operating expenses of the city for 1914 and 1915 amounted to $130,000 less than the estimates. This saving was the result of careful and prudent management and means that the outstanding taxes, which amounted at September 30th to only $220,000, are not a very serious burden. In another case the arrears of taxes at the end of 1914 were $321,000. At September 30th, 1916, this amount had been reduced to $238,000. The cases quoted are cities on the prairies.

We also find encouraging figures in connection with some British Columbia cities. For instance, one city has reduced its tax arrears from $3,100,000 in 1915 to $2,600,000 as at September 30th, 1916, a period of nine months and there were still further reductions before the close of the year. Another city on the Pacific coast has reduced its assessment from $17,000,000 in 1914 to $15,000,000 in 1916 and at the same time has reduced the tax arrears from $305,000 in 1915 to $237,000 at September 30th, 1916.

These cases show conclusively that our western cities are financially sound and that with the exercise of proper care in the management of their affairs no trouble need be expected.

Ninety per Cent. Mortgaged.

It is a safe estimate to say that 90 per cent. of the improved property and a great deal of the unimproved property in our western cities is mortgaged, and if the owner does not pay his taxes the mortgagee must do so for self-protection. This insures that ultimately the city will receive the taxes due, but unfortunately the moratorium laws enacted in these western provinces have been of such a character as to prevent action by mortgagees and thus temporarily preventing the city from obtaining a large amount of taxes.

Various plans have been suggested for the remedy of these conditions and possibly prevent a recurrence. For instance, one city having tax arrears of $3,500,000 proposes to issue tax certificates bearing 10 per cent. in the hope that local investors may take these certificates and thus provide the city with the arrears that would be otherwise outstanding. Had this plan been adopted before there was a large amount of arrears, and been continued year after year so that the owners would know that unless taxes were paid a tax certificate lien would be issued to some person against his property, then the scheme might have prevented such an accumulation of arrears. As it is, it is not likely that the city will be able to sell tax certificates locally to any large amount, and outside investors will certainly not be interested.

Compulsory Tax Sales.

Another city that has been prevented from having a tax sale has a large amount of tax arrears and in some cases the taxes have accumulated on property for eight or ten years and now amount to more than the value of the land. Fortunately, such cases are rare, but nevertheless, they show that there is a wrong system in operation.

Tax sales should not be optional events, but compulsory with all cities, and all properties on which taxes are overdue for one year should be offered for sale two or three months after the second year's taxes are due. If a tax sale along this line was compulsory and conducted year after year, the people would realize it was just as important that their taxes should be paid as their grocer or butcher. Every property owner is receiving just as much benefits from the city as from the merchant, and the practice of financing at the expense of the municipality should be discouraged. In the case of property sold for taxes the owner might have the privilege of redemption at any time within two or three years by paying a certain penalty, and it is safe to assume that if he cannot redeem his property within that time he will never be able to do so. In the meantime the city would not be carrying the burden, but the person who bought in the property and met the subsequent years' taxes and the city would have received its annual revenue.

Taking all circumstances and facts into consideration, one cannot but feel satisfied that, working under a system such as has been in vogue, our cities have done remarkably well. There is no other country whose cities could have withstood the difficulties and adverse conditions that we have experienced during the past three years and been able to say, as we can to-day, that not one city is in default, and there is little likelihood of danger or trouble now occurring. Our cities have a splendid record as regards the past and it only remains for proper business methods and a proper system of tax sales to be inaugurated so that an equally good record will be established for all future time.

CANADIAN BONDS IN UNITED STATES

Interest and Principal Should Be Payable in Large Centre —Serials Preferred

Commenting on the growing market for Canadian bonds in the United States, Messrs. Sweet, Causey, Foster and Company, of Denver, in a statement to *The Monetary Times*, say that on the whole they are very favorable to Canadian issues, although believing there are a few ways in which they could be improved, especially in reference to the bonds of the smaller municipalities.

"One thing," says this firm, "would be to have the interest and principal payable at some of the large banks in Montreal, Toronto, and preferably also New York. Also, instead of making extremely long bonds, make them mature serially.

Payable in Large Centre.

"However, the first question on having interest and principal payable at some larger centre, rather than in the municipality issuing the bonds, would help the sale of the bonds of the smaller municipalities in many ways."

During a six months' period last year, the Provident Savings Bank and Trust Company of Cincinnati purchased outright and sold to United States investors and investment bankers about $10,000,000 Canadian government and municipal bonds.

In the spring of 1913, a year and a half before the war began, this firm purchased their initial issue of Canadian bonds—namely, $800,000 city of Saskatoon bonds. At that time, Canadian municipal bonds were sparingly offered by investment bankers in the Middle Western States, and consequently, being an unknown security, were difficult to sell.

"We sent a committee of prominent dealers from Cincinnati on a tour of investigation to western Canada," writes this house, "who returned with good reports and full of confidence anent Canada's future. Since the beginning of the war we have been beset with inquiries from our clients, whether or not Canadian municipalities will ultimately pay. We now, more than ever, believe that the taxpayers will never condescend to allow a default in the payment of interest or principal of the bonded debt of the municipalities in which they reside.

Should Curtail Expenditures.

"During these troublesome times we are of the opinion that municipal authorities should endeavor to curtail municipal expenditures as much as possible, tax sales should be held to enforce payment of tax arrears and replenish an overdrawn exchequer, should it exist. Sinking funds should never be permitted to be diverted and if this procedure is followed no investor need fear the ultimate payment of municipal or government bonds."

The seed grain lien has worked considerable harm to lending interests and to borrowers in Canada. Discussing the government's assistance to the farmers, a western banker said to *The Monetary Times*: "Most of the parties needing assistance were new men and not entitled to bank credit under any consideration. The security on crop being so poor, we would not consider furnishing seed, as the only security that we could get would be on this year's crop, and if there was a failure, the parties not being responsible, our security would be wiped out entirely."

CAPITAL SUBSCRIPTIONS IN THE UNITED KINGDOM, 1908-1916

(Figures specially compiled for *The Monetary Times* by "The London Statist.")

(a)—*Purposes for which Capital has been Subscribed by Great Britain since 1908.*

Class of Security	*1916	1915	1914	1913	1912	1911	1910	1909	1908
Government—	£	£	£	£	£	£	£	£	£
United Kingdom.....	1,183,911,000b	1158049,250b	191,802,500b	6,098,020	4,200,708	3,927,960	8,669,375	7,728,667	6,258,599
Indian	Nil	Nil	990,000	Nil	2,790,000	3,360,000	7,237,500	8,752,500	4,950,000
Colonial.....	8,480,000	16,273,750	42,435,583	26,888,924	12,106,534	7,430,000	13,495,775	24,273,124	14,942,614
Foreign.....	15,597,000	48,950,000	24,672,082	28,027,165	11,114,495	21,587,209	17,275,856	18,836,284	18,251,125
Total.....	1,207,988,000	1,223,273,000	259,900,165	61,014,109	30,211,737	36,305,169	46,678,506	59,590,575	44,402,338
Municipalities—									
United Kingdom.....	495,000	Nil	3,045,810	920,000	373,750	2,542,070	748,282	4,509, 02	7,436,859
Indian	Nil	Nil	Nil	Nil	Nil	Nil	487,500	2,048, 95	985,000
Colonial.....	Nil	350,000	7,818,511	14,810,371	6,290,386	4,414,278	3,929,200	3,487,15[1]	4,652,905
Foreign.....	Nil	Nil	10,606,169	8,536,570	10,643,495	2,584,000	6,809,514	10,234,01[1]	4,485,512
Total.....	495,000	350,000	21,470,490	24,266,941	17,307,631	9,540,348	11,974,496	20,279,140	17,560,276
Railways—									
United Kingdom.....	1,678,956	4,290,517	8,019,340	5,486,328	4,892,376	4,109,781	4,579,736	3,594,756	17,752,540
Indian	Nil	3,465,000	5,873,750	3,010,000	495,000	772,000	3,100,000	3,183,875	6,894,250
Colonial.....	Nil	2,475,000	19,425,894	35,293,563	19,012,057	15,492,766	11,687,905	19,378,402	14,851,466
Foreign.....	240,000	2,940,000	17,240,931	30,815,848	25,685,298	46,160,863	41,977,408	39,400,633	43,457,446
Total.....	1,918,956	13,170,517	50,559,915	74,605,737	50,084,731	66,535,410	61,345,049	65,557,666	82,955,712
Banks.....	10,000	106,996	1,415,395	3,393,715	8,253,337	3,502,000	1,681,039	775,000	2,952,500
Breweries.....	Nil	Nil	911,500	24,500	1,387,040	240,000	675,000	Nil	120,000
Canals and Docks	Nil	Nil	Nil	727,000	400,000	135,000	532,000	450,000	332,500
Commercial, Ind., etc..	1,309,854	2,592,829	16,175,425	33,255,435	26,701,538	25,711,735	21,944,839	16,904,389	17,893,638
Electric Light & Power	25,500	677,950	4,803,997	4,427,581	6,096,590	5,127,222	3,522,534	3,344,680	2,983,214
Fin., Land, Inv. & Trust	Nil	47,500	8,128,183	11,129,882	14,923,327	15,776,301	20,809,584	5,296,455	10,442,493
Gas and Water.....	86,513	122,736	1,590,650	1,633,910	2,431,687	2,210,391	747,406	2,270,989	2,207,416
Insurance.....	75,000	40,000	297,161	454,430	418,750	670,573	2,339,898	898,250	1,702,369
Iron, Coal, Steel & Eng.	1,748,750	245,930	4,038,390	7,587,489	8,526,463	3,786,747	5,856,945	3,470,852	4,723,853
Mines.....	32,500	41,250	2,367,362	4,011,257	5,892,923	9,085,227	10,810,102	8,410,688	5,292,034
Motor Traction.....	395,000	120,000	2,009,160	1,581,250	556,812	319,236	350,149	1,619,250	1,883,016
Nitrate	Nil	Nil	285,000	359,300	Nil	Nil	Nil	145,500	215,700
Oil.....	51,251	25,000	3,189,309	5,683,700	6,384,742	3,771,375	10,508,086	1,918,250	795,540
Rubber	20,057	195,954	759,466	1,387,945	2,720,195	4,316,186	20,774,055	5,774,870	810,012
Shipping.....	1,224,419	588,900	6,694,750	4,857,474	10,023,812	662,000	4,300,055	1,959,500	2,526,026
Tea and Coffee.....	Nil	Nil	142,330	255,342	239,400	582,500	104,500	40,000	10,000
Telegraphs and 'Phones	Nil	Nil	244,000	2,455,210	2,812,303	1,706,919	2,637,500	3,363,000	400,000
Tramways	Nil	432,000	6,448,236	5,125,000	13,954,962	6,232,153	4,550,988	11,029,714	4,458,899
Grand Total.....	1,215,380,800	1,242,030,562	391,430,884	248,237,207	211,336,980	196,216,492	232,142,731	213,098,768	204,667,536

(a) Calculated at prices of issue, and excluding all conversion loans and shares issued to vendors. (b) Includes sums raised by British Government and loaned to Allies and Dominions. Detailed figures not available. * To Mid-November.

(b)—*Countries to which Great Britain has Supplied Capital and Amounts Subscribed since 1908.*

	*1916	1915	1914	1913	1912	1911	1910	1909	1908
	£	£	£	£	£	£	£	£	£
UNITED KINGDOM	1,189,824,992b	1210154,250b	232,509.818b	50,709,560	51,294,436	32,244,037	43,089,026	30,690,718	58,789,236
INDIA AND COLONIES-									
Canada & Newf'ndland.	1,000,000	8,403,750	46,363,905	67,114,581	37,400,488	36,793,419	33,039,566	37,687,464	31,309,558
Other American	5,000	Nil	772,448	186,600	30,000	263,958	2,167,000	567,100	124,144
New South Wales.....	4,480,000	4,975,000	5,850,000	4,757,500	5,778,000	375,000	829,000	4,730,559	1,766,908
New Zealand.....	Nil	190,000	4,872,000	3,658,900	1,969,405	176,742	5,258,717	849,135	645,717
Queensland.....	Nil	16,250	2,130,000	2,216,500	2,490,485	2,064,000	75,000	1,990,000	Nil
South Australia.....	Nil	Nil	2,000,000	970,000	50,000	100,000	897,294	117,600	Nil
Tasmania	Nil	Nil	685,000	251,250	277,750	Nil	6,249	295,500	247,000
Victoria.	Nil	2,300,000	1,286,650	2,056,900	12,549	109,206	5,000	1,663,000	135,500
West Australia.....	7,500	Nil	2,627,000	3,460,000	2,866,678	757,343	2,884,686	1,618,925	1,047,833
Other Australasian.....	4,000,000	Nil	60,000	1,936,000	Nil	60,000	224,485	750,000	50,000
British West Africa....	Nil	2,500	1,625,975	1,073,412	1,166,262	5,568,352	2,490,906	1,899,003	3,382,992
Rhodesia.....	Nil	Nil	892,000	175,000	1,158,421	1,339,697	6,686,176	2,422,050	1,526,323
Transvaal.....	Nil	Nil	932,844	1,284,630	4,008,368	3,503,003	2,767,828	5,858,093	2,487,435
Egypt	Nil	4,000	Nil	250,000	708,750	200,900	1,002,407	796,670	1,755,400
Other African	Nil	3,411,996	8,170,250	5,138,450	220,005	1,997,661	1,005,312	1,161,150	3,833,854
India and Ceylon.....	Nil	3,796,830	7,407,494	3,752,909	4,391,320	5,278,488	14,675,503	15,884,581	13,469,787
Straits Settlements.....	20,057	121,000	638,256	1,136,070	1,972,638	2,186,598	9,246,237	3,092,513	233,502
British North Borneo ..	Nil	754	440,000	Nil	490,000	198,927	848,948	1,159,126	164,000
Unenumerated	Nil	Nil	Nil	400,000	125,000	160,000	300,000	250,000	171,000
Total India & Colonies	9,512,557	23,222,080	86,753,822	99,818,702	65,116,119	61,133,294	84,410,314	85,792,469	62,350,953

CAPITAL SUBSCRIPTIONS IN THE UNITED KINGDOM, 1908-1916

(b)—*Continued*

	*1916	1915	1914	1913	1912	1911	1910	1909	1908
	£	£	£	£	£	£	£	£	£
FOREIGN COUNTRIES—									
Argentina	240,000	7,890,000	15,272,482	18,641,366	15,664,159	15,451,892	16,595,020	23,987,070	15,905,706
Brazil	125,000	Nil	7,269,100	20,870,449	13,342,872	19 313,821	10,988,686	7,497,928	10,945,280
Chile	Nil	Nil	2,533,094	2,584,487	3,911,995	8,270,712	4,684,661	4,158,750	1,379,985
Cuba	Nil	25,000	40,000	2,114,496	842,500	6,331,632	1,916,153	2,312,404	Nil
Mexico	Nil	25,000	632,000	5,562,483	2,818,475	3,303,923	4,946,139	9,109,694	7,250,528
Peru	Nil	Nil	197,000	90,000	100,000	1,996,921	2,465,770	Nil	2,037,000
United States	Nil	Nil	8,403,425	22,752,318	23,004,803	20,781,665	31,544,554	21,778,159	19,949,174
Other American	35,000	Nil	1,309,250	1,439,200	1,201,666	1,249,288	1,595,693	2,131,530	2,626,979
Austria	Nil	Nil	2,045,000	820,500	935,753	1,993,643	2,368,000	130,000	Nil
Bulgaria	Nil	Nil	Nil	Nil	Nil	215,899	3,603,600	Nil	Nil
Denmark	Nil	Nil	Nil	Nil	2,925,000	Nil	1,089,000	487,500	2,343,200
Finland	Nil	Nil	Nil	Nil	Nil	970,000	143,050	2,328,400	Nil
Greece	Nil	Nil	1,656,488	Nil	35,000	686,810	2,345,834	Nil	194,000
Hungary	Nil	Nil	3,612,500	57,240	Nil	70,000	1,950,000	Nil	Nil
Norway	Nil	Nil	422,875	1,286,250	482,500	3,008,500	Nil	Nil	Nil
Roumania	Nil	Nil	47,500	2,113,800	260,500	270,125	1,202,000	381,150	155,000
Russia	Nil	10,000,000	11,374,437	9,476,071	12,681,243	6,082,123	3,936,655	9,672,485	3,810,496
Sweden	Nil	Nil	488,422	485,000	50,000	200,000	Nil	881,000	2,940,000
Turkey	Nil	Nil	820,000	Nil	Nil	350,000	1,431,688	2,759,381	204,800
Other European	15,643,251c	34,465,000c	12,396,775c	105,750	3,321,035	962,064	1,353,500	990,167	1,041,893
China	Nil	Nil	750,000	6,675,012	8,845,000	1,554,500	1,610,100	740,000	5,031,125
Dutch Indies	Nil	62,500	179,797	1,885,528	657,987	1,573,750	6,328,916	1,195,690	145,300
Japan	Nil	Nil	Nil	Nil	3,230,937	5,880,000	31,950	4,230,523	4,880,000
Persia	Nil	Nil	Nil	Nil	Nil	1,506,250	Nil	1,200,000	Nil
Philippines	Nil	Nil	370,000	15,000	Nil	Nil	403,890	Nil	1,819,393
Siam	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Siberia	Nil	Nil	Nil	Nil	Nil	497,493	257,500	Nil	Nil
Other Asian	Nil	Nil	Nil	100,000	75,000	Nil	Nil	Nil	Nil
Africa	Nil	Nil	247,099	506,460	240,000	318,150	1,188,493	135,000	101,000
Unenumerated	Nil	Nil	100,000	127,535	300,000	Nil	712,539	508,750	766,488
Total Foreign	1,043,251	52,462,500	72,167,244	97,708,945	94,926,425	102,839,161	104,643,391	96,615,581	83,527,347
Total Indian, Colonial and Foreign	25,555,808	75,684,580	158,921,066	197,527,647	160,042,544	163,972,455	189,053,705	182,408,050	145,878,300
Grand Total	1,215,380,800	1,242,030,562	391,430,884	248,237,207	211,336,980	196,216,492	232,142,731	213,098,768	204,667,536

(a) Calculated at prices of issue, and excluding all conversion loans and shares issued to vendors.
(b) Includes sums raised by British Government and loaned to Allies and Dominions. Detailed figures not available.
(c) France accounts for £15,597,000 in 1916, £10,000,000 in 1915, and £2,000,000 in 1914. * To Mid-November.

(c)—*Borrowings for War Purposes.*

Borrowings by British Government for War Purposes included in Tables A and B. The following figures, it should be noted, exclude temporary indebtedness such as Ways and Means Advances, the American Loan of 1915 and "other" debt which includes loans raised this year in the United States and elsewhere, and consists, therefore, entirely of loans raised in the United Kingdom.

FOR WAR PURPOSES	1916 To Nov. 11th	1915	1914
	£	£	£
Treasury Bills	707,085,000	297,087,000	82,850,000
3½% War Loan	.....	229,798,000	102,000,000
4½% War Loan	6,029,000	576,601,000	.....
3% Exchequer Bonds	.....	31,547,000	.....
5% Exchequer Bonds	316,315,000	18,200,000	.....
6% Exchequer Bonds	89,342,000	.....	.....
War Expenditure Certificates	27,910,000	.....	.....
War Savings Certificates	35,800,000	.....	.....
Total	1,182,481,000	1,153,233,000	184,850,000

It should be mentioned that, included in the above loans aggregating £2,520,564,000, are the sums raised by the United Kingdom and loaned to the Allies and Dominions. Such loans, up to March 31st, 1916, amounted to about £368,000,000. Between April 1st, 1916, and October 7th a further £253,000,000 was so advanced. Probably advances to Allies and Dominions are not far short of £700,000,000.

Another point to be taken into account with regard to the above figures of £2,500,000,000 odd, is that it is in part neutralized by purchases of British Government securities having been made out of proceeds of sale of American bonds and stocks. The sums realized from these sales have not been published.

In connection with war loans it is impossible to say what is the net amount of these loans taken by British investors for, in the first place, a good many Exchequer bonds have been subscribed for, and other classes of security also, out of proceeds of sales of American securities. Secondly, the whole of the Treasury Bills are not held by Britishers.

BOND VALUES AND INVESTMENT ACCOUNTS

Mysteries of the Proper Valuation and Other Factors, Clearly Explained for the Investor

BY RALPH M. BIRD.

During the past few years numbers of Canadians have purchased for the first time an investment bond. The Dominion war loans, the scarcity of good mortgages, the persistency of bond salesmen and the high interest returns have attracted funds from other investment and speculative fields. To the average investor the proper valuation and keeping of investment accounts is a subject of complete mystery, and it is the purpose of this article to discuss briefly a few of the main points to be kept in mind in handling these securities.

The bond is a terminable security with fixed maturity value and interest rate. The principle of valuation and bookkeeping therefore differs materially from a perpetual security. By value I mean, not the intrinsic worth, but cash value for values are significantly expressed in terms of income which frequently differs from the facial return of the security.

The principle on which all calculations are based is simply present worth or discount of future payments. The face amount of the bond and of the interest payments are each discounted to the last interest date at the desired yield, and the total of these values represents the value of the bond.

Fortunately, however, bond tables are available, covering most classes of bonds, in which have been worked out by expert mathematicians extensive tables of values, thus saving an immense amount of labor. It is seldom that an error is found in these books and the figures may be accepted as correct.

Straight Term Bonds.

In the case of a straight term or sinking fund bond, except when the bond is valued at par, the net return is different from the cash return. This difference must be applied to bring the bond value to par at maturity as par is the amount which is repaid. With a discount bond the cash payment is less than the required interest return and this shortage must be each time written up as an additional amount of capital invested to be repaid by the payment of par at maturity. When a bond is valued at a premium, the reverse is the case and more is repaid than is required to meet the interest obligation. This surplus must gradually reduce the capital invested to par at maturity.

To illustrate, I have prepared a statement or broker's note according to the Canadian method and a schedule of capital and income for an investment in $10,000. City of Toronto, Ontario, 4½ per cent. debentures due first of July, 1920, with interest payable half-yearly, the first of January and July, valued at a price rate to yield 5 per cent., figured as at a delivery date of fifteenth day of October, 1916. The securities and price are mentioned merely as a concrete example and are not intended to represent any current offering or market price.

To value $10,000 debentures of the City of Toronto, Ontario, bearing interest at the rate of 4½ per cent. per annum, payable half-yearly, 1st of January and July, and maturing 1st July, 1920. To yield 5 per cent. (discount value)		$9,820.75
To accrued interest on $9,820.75 at 5 per cent. from 1st July, 1916, to 15th October, 1916, (106 days)	$142.60	
Less interest on interest from 15th October, 1916, to 1st January, 1917, (78 days)..	1.52	
		141.08
		$9,961.83

Date.	(a) Interest due.	(b) Total payment.	(c) Write-up.	(d) Write-off.
Purchase.			$9,820.75	
1 Jan., 1917 ...	$245.52	$ 225.00	20.52	
1 July, 1917 ...	246.03	225.00	21.03	
1 Jan., 1918 ...	246.56	225.00	21.56	
1 July, 1918 ...	247.09	225.00	22.09	
1 Jan., 1919 ...	247.65	225.00	22.65	
1 July, 1919 ...	248.21	225.00	23.21	
1 Jan., 1920 ...	248.80	225.00	23.80	
1 July, 1920 ...	249.39	10,225.00	.....	$9,975.61
			$9,975.61	$9,975.61

The statement or broker's note is the purchaser's bill and represents the amount to be paid in purchasing the security as at the 15th of October. The amount of $9,820.75 is arrived at by discounting at 5 per cent. to July 1st, 1916 (the last interest date) the amounts as set out in column (b) of the capital and income schedules.

The method of calculating the interest is one that may raise question. In the States it is the custom to figure interest on the face amount of the security at the face rate with no allowance for interest on interest. Some dealers in this country follow the American custom and value bonds in this way, at times in favor and at times at the expense of the customer. I contend that if a bond is sold on a yield rate basis, the correct method is that of figuring the interest on the discount or premium value at the rate to yield and allowing interest on interest from the date until the next interest date when the amount charged for accrued interest is repaid.

If, however, these bonds had been quoted at 98.2075 and interest, the other method would apply, but the yield would not be exactly 5 per cent. If bonds are handled at a big discount or premium the difference is considerable, and it is to be hoped that some uniform method will be adopted as the present uncertainty has caused much discussion and trouble.

The capital and income statement is almost self-explanatory. Column (2) sets out the amounts of interest earned on the capital outstanding. Column (b) the cash payments. Column (c) the amount to be charged to capital and column (d) the amount to be credited to capital. The exact balance of the last two columns proves absolutely the correctness of the discounted value. The accrued interest should be considered as a separate item. The interest on interest takes care of the interest on this amount until it is repaid with the first coupon.

At Rate on the Dollar.

If bonds are purchased at a rate on the dollar it is necessary to work out by a complicated method the exact yield and prepare from this the schedules showing what is capital and what is interest in order that proper accounts may be kept. For all practical purposes it is sufficient to take an approximate yield from the bond table and make use of this figure in the preparation of the capital and income schedules. Except where large amounts are involved this approximate rate will produce a schedule which balances within a few odd cents. The instalments bond, repayable by an annual payment which covers both principal and interest, is valued on the same general principle of discounted payments. In this case the cash payment is sufficient to cover interest due and the balance is written off of capital invested. This class of bond is issued extensively by the smaller Canadian municipalities and the larger cities are also coming into line. In addition to the fact of a saving in interest to the borrower the principle of annually reducing outstanding obligations is favorably received by investors generally.

In valuing bonds which are repayable on different dates or under specific conditions at the option of the borrower, it is customary to make the valuation as at the date of redemption least favorable to the lender. Bonds which are subject to drawings by lot should be valued on the basis of an average maturity. Here again we find room for argument, but the opinion expressed is that of many leading bond men.

Occasionally we come across an issue of bonds on which the first interest payment covers a period longer or shorter than the balance of interest periods. This fact must be taken into consideration in the valuation of the bonds. The proper method is to value the security as at the next interest date, adding to this the cash payment due at this time, and discounting the total back to the date of the bond.

For Valuation Purposes.

Bonds are frequently dated with a date subsequent to the date of commencement of interest. For valuation purposes the date on which they start to bear interest is the date to be considered. At times we find it necessary to value securities different in form of issue from the regular classes which we have mentioned, but as we come across these so seldom it would not be practicable to discuss their valuation in this article. If the investor will keep in mind the general principles already mentioned of discounting actual payments there will be no trouble in arriving at a value and a proper keeping of accounts of any securities with a fixed maturity value and interest rate. It must be remembered that in all cases bonds which bear interest payable half-yearly must be discounted with interest compounded half-yearly, and bonds which bear interest payable yearly must be discounted with interest compounded yearly.

BRITISH COLUMBIA'S TRUST COMPANIES

Record of the Past Year—Changes Effected by Recent Act—Permanent Trustees Are Necessity

BY LIEUTENANT-COLONEL C. H. DORRELL.

The past year has seen little change in the number of trust companies authorized to do business in British Columbia. By January 1st, 1916, nine provincial and 22 extra-provincial companies had obtained registration under the British Columbia trust companies act of 1914, and the extra-provincial group was increased by one company during the year. Consequently there are now 32 companies of both classes. This, however, contrasted with the 480 companies and upwards which had been incorporated with trust objects prior to 1914, shows a remarkable change for the better. Even now the field, with the 32 companies mentioned, may be regarded as well filled—for in a comparatively new province like British Columbia there is not the same large volume of testamentary and trust business to draw upon as in the older provinces.

Changes Due to Act.

The public has even yet not fully grasped the momentous change that was effected by the trust companies act, and how fully their interests are now safeguarded. Prior thereto, except for the mild and unheeded regulations imposed by the trust companies regulation act of 1911, which was used mainly by unscrupulous adventurers to prove the existence of government supervision, a trust company stood in much the same position as any other limited company. Any five men could incorporate it; five dollars, or five cents for the matter of that, was all the capital necessarily subscribed. It could take deposits to an unlimited amount, and employ them in any manner that suited itself; and it could do all the testamentary, winding up, and assignment business that it could induce others to entrust to it, without providing any general bond or security.

If that state of affairs is contrasted with the present restrictions within which trust business is closely hedged, it will be seen how completely the conditions have been changed. A trust company can now operate only within strictly defined lines. It must have a minimum subscribed capital of $250,000 with not less than $100,000 paid up. No new company can be incorporated with less than 25 members subscribing for, at least, $1,000 each. Its directors must have substantial holdings. and the majority must be British subjects; and it must show that its incorporation is necessary for the convenience and advantage of the public, and that its management is qualified to deal with the business it wishes to undertake.

Many Restrictions Imposed.

If it takes deposits, 25 per cent. of them must be kept in cash, and the remainder invested in trust securities. It cannot lend to its own directors, or subsidiary companies. It can invest its funds, even its own capital and undivided profits, only in very restricted classes of securities; and it must deposit with the government security varying in amount from $25,000 to $200,000 before it can do any business at all. Only trust companies can use the word "trust," "trustee" or "trusts"; and it is obligatory on them to do so. These are the main changes; but the act did not stop at that. It threw the responsibility for the conduct of the company's affairs more fully on the directors by providing for an annual investigation and report of its affairs by at least three directors in person, from which must be excluded any managing director or similarly placed director-official. The inspector of trust companies was given wide powers to examine and investigate, and the penalties for breaches of the provisions of the act are substantial and deterrent.

Dominion Trust Failure.

Following closely on the passing of this act, came the failure of the Dominion Trust Company, which dealt a heavy blow to the business of properly organized and regulated trust companies in the west, from which it has not yet fully recovered. That company's fall, due to the rash and unbridled speculation of those entrusted with its funds, was accelerated by the trust companies act, the passing of which it found itself unable logically to resist, with the odd result that, in order to maintain its credit and standing at the moment, it affected to welcome warmly the instrument that was to cause directly its downfall. Its management perhaps cherished the hope that through its being a Dominion instead of a provincial incorporation, some loophole might be found by which it could escape the restrictive provisions that would be placed on its business competitors. That hope, if hope it was, proved fallacious. Yet extra-provincial companies have undoubtedly been placed in a more favorable position than those of provincial incorporation. For instance, provincial trust companies are rigidly restricted to certain objects in the memorandum of association. They can do no other business outside these objects. An extra-provincial trust company can be anything outside the province its general charter permits, the restriction that applies to it being that within the province it shall carry on trust business only.

Permanent Trustees Are Necessity.

It would be too much to expect any sudden burst of prosperity for British Columbia trust companies. On the basis on which the business is now placed, it has to be built up slowly step by step. While the business has now been placed on a sure foundation, progress has also been rendered slow by the same enactment. There are no great number of very large private estates in the province likely to require administration within the immediate future, and, as regards receiverships arising out of trusts for debenture holders, or liquidations, that is a double-edged class of business, any abnormal increase of which would not in the public interest be welcomed with unmixed feelings. Nevertheless, there exist large volumes of business which can most suitably be handled by trust companies and should naturally come to them. Included in such are the administration of the estates of deceased private citizens of moderate means, and trusteeships, in particular, in favor of minors and under marriage and other settlements. Essentially, a permanent trustee, always available, is required for such trusts.

STOCK EXCHANGE BUSINESS GOOD

Exchanges Are Valuable Part of the Country's Machinery —Faith in the Outlook

BY C. TOWER FERGUSSON.

The volume of business on the stock exchanges last year is generally conceded to have exceeded expectations. There was a broad market for the more active shares, and every day a satisfactory turnover.

With regard to the working of the minimum quotation system, it seems to me that minimum prices are only warranted in the event of some extraordinary crisis. The outbreak of the war in 1914, which caused the closing of the exchanges, made it a desirable thing that on re-opening, measures should be taken to provide against the slaughtering of stocks. The minimum prices established on the Canadian exchanges served this purpose well, and whether they were continued longer than was necessary or not is a matter of opinion. The almost unanimous view of brokers and bankers was that the action taken by the exchange authorities was a wise and safe one. The only persons who offered any real criticism seemed to be those interested in the market and to whose benefit it would be to have "panic" quotations.

The stock exchanges have gone through a trying two years, but all the prophecies of the fall of 1914 to the effect that such institutions were unnecessary and in fact a fifth wheel in the financial coach, have been belied by subsequent events. It has been proved now beyond a doubt that the stock exchange is a very valuable part of the financial machinery of the country and it would be a distinct loss were its efficiency impaired or confidence in it lessened.

Loaning relations between bankers and brokers and between brokers and clients are satisfactory and assuming again normal conditions.

I venture no prophecy as to the future, except to say this, that institutions which have weathered the gale so far are very likely to meet successfully any new conditions which either the continuance of the war or reorganization after the war are almost sure to bring about.

"Our main business is not to see what lies dimly in the distance, but to do what lies clearly at hand," and Thomas Carlyle's philosophy is applicable to present-day conditions.

CORPORATION FINANCING ACTIVITIES IN 1916

COMPANY	FINANCING ACCOMPLISHED	DATE
Acadia Sugar Refinery Co.	Four £100,000 interim bonds, dated Oct. 1st, 1915, hypothecated with Royal Bank as securities for moneys advanced the company to build their Woodside refinery. An issue of $1,956,666 6% 20-year bonds has been authorized.	April
Algoma Central Terminals and Hudson Bay Railway	The holders of the £1,000,000 terminal bonds in existence were given a prior charge of 3% per annum before any interest is paid on the Algoma Central and Hudson Bay Railway bonds. The earnings are to be shared *pari passu* until 5% is paid to the terminals; thereafter the railway will receive up to 5% and the surplus will be devoted to any arrears, and then to ½% additional to the terminals and 1% to the railway. The unexpended proceeds of the terminals' last issue—viz., £200,000—was to become available for the purposes of the two companies, and 60% of the preference shares of the railway company was to be divided, so that $75 of preference shares could be allotted to each £100 of terminal bonds and $110 of preference shares to each £100 railway bond.	
Ames-Holden-McCready Co.	Shareholders ratified a proposal to issue $1,000,000 6% 5-year bonds, 50% of which was issued at par.	March
Barcelona Traction & Power Co.	The company sold securities in Spain to the amount of 6,000,000 pesetas, which yielded $1,200,000 new capital.	August
Canadian Cereal & Milling Co.	Certificates of deposits exchanged for securities of the Canadian Cereal & Flour Mills Co. Basis of exchange was 35% bonds and 65% stock for 100% of original bonds.	May
Canadian Consolidated Rubber Co.	Control of Columbus Rubber Co. was acquired by purchase of 2,250 of the company's shares	January
Canadian Mining & Exploration Co.	Directors authorized final payment by way of distribution of the assets of the company, of $651,722, equal to over 26% on capitalization of $2,500,000	May
Canadian Niagara Power Co.	The Niagara Falls Power Co. was authorized by the New York Public Service Commission to receive and hold $2,500,000 of the capital stock of the Canadian company in payment of advances made	February
Canadian Steel Foundries, Ltd.	The company redeemed its issue of $1,000,000 par value one-year debenture notes	May
City Dairy Co.	Company increased capital stock from $1,265,000 to $2,000,000 by creation of 7,350 new shares	October
Civic Investment & Industrial Co.	This company consolidated the Montreal Light, Heat and Power Co. and the Cedars Rapids Manufacturing and Power Co., with Quebec charter, and increased its capital stock from $100,000 to $75,000,000	April
Consolidated Mining & Smelting Co.	Purchased common stock of West Kootenay Light & Power Co. The basis was $75 par value Smelting stock for $100 par value of West Kootenay. The amount of common stock was $2,000,000	July
Dominion Bridge Co.	This company acquired $569,500 of the outstanding bonds of the National Bridge Company of Canada, Ltd. The total par value of the bonds issued by that company was $585,000; there is, therefore, a balance outstanding of $15,500.	February
Dominion Steel Corporation	The balance of its short-term obligations, consisting of $3,400,000 five-year 6% notes, due December 1st, 1918, were redeemed on December 1st	December
Hewson's Pure Wool Textile, Ltd.	Mr. E. F. Stevens, acting for bondholders, gave option on Amherst plant for $105,000, and the sum of $10,000 was paid as deposit. Balance of funds from sale of property was divided pro rata amongst the bondholders	December
Hollinger Consolidated Gold Mines, Ltd	The agreement by which the Hollinger, Acme, Millerton and other properties and plants were merged into Hollinger Consolidated Gold Mines, Limited, with a capital of $25,000,000 was ratified	March and April
International Nickel Co.	Reduction of par value of common stock from $100 to $25 per share	May
Lake of the Woods Milling Co.	The company paid off $750,000 6% bonds of the Keewatin Flour Mills Co.	January
A. Macdonald Co.	A plan was arranged for the reduction of the company's common stock from $3,000,000 to $1,000,000, but this was not carried out.	September
	$200,000 mortgage notes were paid off	May
Montreal Tramways Co.	That the company, under its trust indenture, can issue bonds to the extent of $963,485 was mentioned in the annual report of President E. A. Rebert	November
Murray-Kay, Ltd.	In connection with the reorganization of the company's finances, it was stated that the $1,500,000 first preference would be sold for cash. Any of the shareholders who so wished could take a share in the underwriting of the new preference shares under the same terms and conditions as the underwriters. The second preference issued was to be for $2,000,000; $1,500,000 of this was to be issued to the present preference shareholders. Not more than $100,000 of the balance would be used in connection with the acquisition of the James A. Ogilvy & Sons' business in Montreal. The balance to be kept in the treasury for future use. The $4,000,000 of common stock was to be used as follows:—1. For the exchange of common stock of the present shareholders. 2. For the bonus of 25% of common stock to the present preference shareholders. 3. $1,250,000 to be kept in the treasury for future use, and the balance to be used in connection with the issue of first preference, for additional capital, and a small amount for bonus to some of the employees.	August
National Steel Car Co.	In connection with orders amounting to $10,000,000, special financing arrangements were made	May
North Atlantic Fisheries Co.	To obtain the funds with which to pay off bank loans, the directors recommended that the preferred shareholders, holding stock of a par value of $500,000, be asked to subscribe to an issue of 6% bonds of a par value of $250,000 at 75. They were asked to take bonds to an extent of half their preferred stock. This company later sold its Port Hawkesbury plant for $100,000, and was thus enabled to pay off the bank loan.	April
Northern Crown Bank	Capital stock reduced from $2,859,272 to $1,431,200	October January

CORPORATION FINANCING ACTIVITIES IN 1916—*Continued*

COMPANY	FINANCING ACCOMPLISHED	DATE
Nova Scotia Car Works, Ltd	The property of the company was sold to the Canada Corporations for $167,500. The sale was subject to a mortgage held by the City of Halifax for $120,000. The reorganization of Nova Scotia Car Co. was proposed on a basis of the issue of $1,000,000 capital stock for subscription by note certificate holders and shareholders at the rate or price ef $50 per share. The proceeds of these shares was intended to provide cash to the amount of $500,000, less the actual cost of property	July October
Nova Scotia Steel & Coal Co	Paid off outstanding notes with the Bank of Nova Scotia for $1,500,000, Royal Bank of Canada $900,000, and New York institutions $600,000	October
Pacific Great Eastern Railway Co	The sum of $6,500,000 was said to be required to complete the road to Prince George. A part of this was raised by the issue of a loan by the Province of British Columbia	April
St. Lawrence & Chicago Navigation Co	Shareholders, who deposited stock, received $185 per share for their holdings from Canada Steamship Lines, Ltd	May
Sawyer-Massey Co	The annual report showed that The Canadian Bank of Commerce were holders of $2,000,000 debentures as collateral security for advances	April
Standard Chemical, Iron & Lumber Co.	President L. M. Wood announced that the company would be on a dividend paying basis provided that the note issue of £60,000, due May 1st, 1917, and bank indebtedness of £60,000 were retired from profits ; £10,000 of the notes were to be cancelled in September	September
Steel Co. of Canada	The sinking fund for bonds became operative, the company paying the trustees 2% of the amount of bonds outstanding on July 1st, and each subsequent year hereafter 2% An increase of $3,000,000 in capital stock was ratified	May May
Toronto Railway Co Western Canada Power Co.	A reconstruction plan was agreed upon by the bondholders and the noteholders, by which shareholders were to provide some of the money required to re-organize the company's finances. The plan proposed a new issue of $850,000 preferred stock to be created, and of that the shareholders were expected to subscribe $467,800 at 80, representing $374,240 in cash. The balance of the cash required, apparently, to be furnished by the noteholders, for the entire issue of $850,000 preferred stock was underwritten by a New York syndicate formed through the noteholders' protective committee	June

INSTITUTIONAL INVESTMENTS IN WEST

Large Sums Invested in Provinces of Alberta and Saskatchewan

The accompanying table shows that at the end of 1915, the latest date for which official statistics are available, the investments of trust, loan and land and insurance companies in the prairie provinces totalled $303,563,648.

In discussing these investments with *The Monetary Times*, Mr. E. J. Wright, deputy provincial secretary of Saskatchewan, called particular attention to the amount invested by land companies. "Under our act," he said, "land companies are taxed on the amount invested by way of mortgage and other investments, and also on the amount remaining unpaid on December 31st on the sale of lands. Our returns for the past year only require these two amounts be given. These returns are supposed to be made in two distinct statements, but it is difficult to get some of the smaller class of land companies to keep these distinct, and many of them include the amount owing for sales of land in their total investments and then give the amount due for sales of lands as a separate item; and it is for this reason that I have been loath to give these figures in my annual return, and I am convinced that any returns attempting to show the total amount invested in Saskatchewan would under these conditions not be strictly accurate. The acts of Manitoba and Saskatchewan and possibly Alberta on which these returns are based differ in some respects. Consequently the returns gathered must also differ.

"With respect to investments of life insurance companies, my returns includes all investments, and it is impossible for me to extract the investments in mortgages and loan agreements from certain investments that are not taxed such as municipal and school bonds."

Unfortunately, the three provinces compile their figures on different bases. The Manitoba and Alberta official returns of trust companies' investments do not include funds handled for clients other than corporations. Manitoba's totals include all companies' holdings in bonds and debentures, and life insurance companies' policy loans. Saskatchewan's figures contain none of these, but mortgage investments only. Alberta's statistics exclude policy loans but include bonds and debentures in the year 1914, though apparently a number of the companies followed the practice of earlier years in the 1913 summary, reporting only mortgage investments. Estimating for the three provinces all investments placed through trust companies, loan and insurance companies, the totals for 1914 and 1913 would likely be $350,000,000 and $320,000,000 respectively.

The record of institutional investments in the three western provinces during recent years is as follows:—

Manitoba.

Investments of companies.	1913.	1914.	1915.
Trust	$ 16,250,000	$ 17,750,000	$ 17,352,343
Loan	59,820,097	62,928,219	63,368,248
Land	2,500,000	2,750,000	3,000,000
Life insurance	40,022,577	43,878,655	46,262,455
Fire insurance	10,918,253	11,722,018	12,821,194
Miscellaneous insurance	371,417	471,248	427,351
	$129,882,344	$139,500,140	$143,231,591

Alberta.

Investments of companies.	1913.	1914.	1915.
Trust	$ 6,496,845	$ 7,883,857	$ 5,700,335
Loan and land	23,324,284	32,620,213	19,477,617
Life	20,234,460	24,938,592	21,286,622
Fire	1,669,890	1,298,707	2,098,668
Accident, etc.	436,108	590,392	532,110
	$ 51,161,587	$ 67,331,761	$ 49,095,352

Saskatchewan.

Investments of companies.	1913.	1914.	1915.
Trust	$ 20,264,111	$ 20,263,329	$ 21,028,530
Loan and land	56,506,623	58,902,303	50,696,893
Life	27,340,340	28,807,120	34,913,108
Fire, etc.	3,414,870	4,338,748	4,599,172
	$109,525,944	$112,311,502	$111,236,705

RELATIONS OF LENDERS AND BORROWERS

They Will Be Strengthened by Work of the Dominion Mortgage and Investments Association

BY E. M. SAUNDERS.

The Dominion Mortgage and Investments Association was formed last year by the officers of representative loan, trust and insurance companies, for the purpose of creating and maintaining a mutual confidence between the lending corporations and the borrowing public, and also for the purpose of co-operating with the Dominion and provincial governments in connection with legislation affecting loans and investments. The association has set out in its constitution that it is not formed for the purpose of interfering with rates of interest, nor to enable its members to form or effect combines opposed to the best interests of the borrowing public.

One of the serious mistakes that we think has been made in the past by the lending corporations and the borrowing public, is that they have not got closer together to discuss their common interests. Had this been done a great deal of unnecessary, unwise and harmful legislation might have been avoided. There have been many acts passed by both the Dominion and provincial governments, more especially since the war broke out, which while framed and supposed to protect the borrower, have reacted against him and made it more difficult for him to place his loans, and also have had a tendency to discourage the investment of British and foreign funds in this country and the withdrawal of a number of good loaning companies from some of the larger investment fields.

Repeal of Acts Needed.

First mortgage investments were, previous to the war which we are now engaged in, regarded as the highest class of investments, but in view of the moratorium legislation that has since been passed in the western provinces, and the seed grain lien legislation passed by the Dominion government, a question has arisen in the mind of the investor as to whether he would be wise to continue to place his funds in mortgage loans. It is a matter which we think cannot be considered too seriously by our Dominion and provincial legislators. After the war is over, it is natural for us to suppose that British and foreign funds will be looking for investment in Canada, but in the meantime if some of the acts referred to, which are seriously affecting mortgage investments, are not repealed, it is a question whether the foreign investors will be willing to furnish the funds they otherwise would for this class of investments.

In this connection, as our trust and loan companies are the medium through which a large amount of British and foreign capital is brought to this country for investment, we think on account of these companies being so well represented in this association and the provincial associations, that both the Dominion and provincial governments should be willing to discuss quite freely with these associations any legislation contemplated which would affect first mortgage and other investments which might be attractive to outside investors.

It can be quite truly claimed that there is a very close relationship between the settlement of this country and first mortgage investments, and this is another reason why too great care cannot be exercised with regard to any legislation adversely affecting first mortgages.

Lenders and Borrowers.

As previously stated, we think one of the mistakes that has been made in the past is that the lenders have not got into closer touch with the borrowers, and one of the chief objects of this Dominion Mortgage and Investments Association is to overcome this difficulty. A good move in the direction of remedying this mistake was made when a conference was held in Winnipeg in March last year, composed of a joint committee of commerce and agriculture. At this conference were gathered a large number of representatives from the farmers and grain growers' associations, boards of trade, bankers, manufacturers and mortgage loan associations, and from the principal railway companies, and also from many other associations. Matters of common interest were discussed and many strong resolutions were passed, from which good is bound to result.

The Dominion Mortgage and Investments Association will be prepared to join in such conferences as these, and do all in its power to create a closer relationship between the borrower and the lender, for by so doing we feel certain there should be no legislation asked for which would have a tendency to depreciate first mortgages or other investments in Canada.

To Help Governments.

Another object of the Dominion Mortgage and Investments Association will be to lend its organization to the Dominion or provincial governments for the consideration of any matters affecting the general interests and development of our country.

One of our financial papers in a recent editorial, claimed that "the conference that would be of most practical use to the country would be one composed of the great executives of the Dominion, the heads of the railway, industrial and financial institutions, these being men who have worked their way up and have spent their lives in dealing with big problems such as confront us to-day." Such a conference might become an authoritative body in dealing with national problems.

HAS PUBLIC DISCOUNTED PROSPERITY?

Suggestion of Too Generous a Discount in High Stock Market Prices

BY J. J. M. PANGMAN.

Looking back to the early days of the war, when the stock exchanges were closed, when no one knew when they would open, nor what would happen when they did, and when altogether the outlook was very dark from a financial standpoint, the present prosperity, which is reflected in the prices of securities, seems hardly credible.

The stock exchanges pursued a very wise course in closing when they did, thereby averting what promised to be the most severe panic this generation has seen and giving people time to get a better perspective, and to realize that, serious as the consequences of the war were bound to be, everything was not going to utter ruin. Then the fixing of minimum prices at which securities could be traded in on the exchanges was a wise move, and the general benefit far outweighed any hardships which it might have entailed in a few individual cases.

The volume of business transacted on the Montreal stock exchange during the past year has far exceeded expectations and the advance in prices generally has been so great as to make one wonder if the public has not been discounting the continuance of the prevailing prosperity a little too generously —in some cases at least. Guesses are futile as to what will happen in the financial world when the war ends, when the greatest financial authorities hold such varied opinions on the subject, but it does seem as if such enormous destruction of life and material must have its effect, in some way, and at some time.

The huge issues of bonds by the different belligerent nations will continue while the war lasts and probably for some time after and will, presumably, have to be issued at more and more attractive prices. This surely will have the effect of keeping down the prices of all high-class bonds. Stocks which have a fixed dividend would be affected in the same way, while the stocks of companies which will receive additional business in order to repair the wastage caused by the war may be much in demand. It must not be forgotten on the other hand that the industries of this country will have then to meet competition from those of European countries on a much larger scale than they have to at present.

It is calculated that the amount paid out in war claims by the life insurance companies of the British Empire is approximately $40,000,000. A small proportion has gone in claims of large amounts. One claim was for $500,000, and there have been several for half that sum, but the claims paid by the English companies have averaged about $5,000, excluding the industrial claims, in which the average was about $90.

FARMERS ARE BUYING BONDS

Striking Change in Investment of Funds in Alberta—Analysis of the Position

BY W. R. ALGER.

It has been interesting to watch the wonderful change in the financial situation in Alberta since the commencement of the war, and particularly during the past year, after we had adjusted ourselves to our new conditions and had started to make progress under them.

The situation is a better one than we had even anticipated. Only during the last few months have we really awakened to it and again launched out along safe lines in new enterprises. The citizens of the municipalities have taken time to give an interest to civic affairs with a result that much abler officials have been appointed to responsible positions. Although they have not been able to take progressive measures, they have made a thorough housecleaning and gotten the affairs of these municipalities on a much better foundation, and are operating the different utilities at a greatly reduced cost.

Few Treasury Notes.

Speaking generally, the cities of Alberta have, during the past year, considerably reduced their assessment so as to bring it nearer to the proper value of the property assessed. They have, however, kept their expenditures reduced to a minimum, with a result that the total tax levy will not require to be as great as in previous years. The public utilities have also been handled much more cheaply and yet efficiently, and have proportionally shown greater profits. There has also been a marked change in opinions regarding the handling of the sinking funds. Previously, it was the tendency to invest practically all these moneys in city mortgages, on a great deal of which they have since, unfortunately, received only partial returns on the amounts falling due. Now, however, all investments are in first-class bonds, and it is placing the cities in a much better position with the investing public, and therefore has resulted in there being a better demand for city debentures. They have also made their new bond issues, other than those against arrears of taxes, for a long term of years, thus avoiding treasury notes, which often are apt to later get them into difficulties.

Matter of Taxation.

A great number of our towns have had trouble in financing, through their having previously depended on their collecting taxes from subdivisions, which, unfortunately, have since proved of little value except as farm lands, and the owners were prepared to lose their property rather than pay the taxes on it. It caused these towns to levy last year a rate of taxation, which will assure them of sufficient revenue from the property on which these taxes can be collected, to meet their current requirements and also clear up their obligations which had previously accumulated. This has resulted in a heavy burden for the owners of property on which taxes are collectable. The provincial department of municipal affairs has given each individual case that has arisen their best attention, and with their assistance, it will be only a matter of time until the difficulty has been entirely overcome and these towns will again be able to operate with a reasonable tax rate.

The villages, generally speaking, are in a particularly good financial condition, as they had never justified their outlying land being subdivided, and they are all carrying a very light bonded indebtedness. Moreover, they receive more quickly the benefits that accrue from the large crops of the farming districts adjoining them.

Our municipalities have only been formed a few years, and at the beginning there was a certain amount of difficulty through incompetent management of their affairs, but this has now been practically overcome and they are all in good condition, having in few cases any bond obligations. As the farmers have been getting large returns from their stock and cereals, no difficulty has occurred in collecting taxes to meet their current requirements.

It has been a tendency of the civic officials to make further borrowings only when absolutely necessary, and the department of municipal affairs and the board of public utility commissioners have discouraged as much as possible the issuing of bonds by the towns and villages, with a result that their total borrowings to the end of October amounted to only $14,550. The cities have, for the same period last year, borrowed $7,214,025 in comparison to $5,950,000 for the first ten months of 1915. However, $2,000,000 of this was against arrears of taxes due in 1914 and 1915, which should be retired from their collections before the end of 1918, so that the further amount of bonded obligations really assumed by these cities during the past year is very small.

Practically all the school districts are in good shape financially, as the officials of the municipalities have supplied them with their demands in a fairly satisfactory manner. The condition has been greatly assisted in the rural and village districts by the taxes coming in so promptly on the farm lands included within their boundaries. There is also an improvement in the management of their affairs, and with the department of education giving special attention to their taking care of their maturing bonds when due, their securities have considerably appreciated in value.

Municipal and School Bonds.

The demand for municipal and school securities of Alberta have, partly through the improvement in the manner in which the maturing coupons have been looked after and partly to the large amount of money available for investment, considerably increased the price. As an example, the prevailing price for rural school district issues at the beginning of the past year was about par at 7½ per cent., whereas today they are selling at a basis of 6⅜ per cent., and the larger issues have appreciated in value in a like manner. There has been a further decline in the amount of their bond issues as compared with previous years. The total for the first ten months of 1915 was $480,000, whereas for the same period last year it amounted to only $124,075. Among those for 1915, however, was a city issue for $175,000, whereas last year they were only those of towns, villages and rural districts.

Change in Investment of Funds.

A change has occurred in Alberta regarding the investment of funds. Up to two years ago, any money invested in this province was mostly in speculative ventures or real estate. Since then there has been a gradual change; farm mortgages were primarily in demand, the local people looking mostly for the second-class securities which would give them a yield of 10 per cent. They now, however, are not satisfied with an investment of this nature, but desire first-class mortgages with an 8 per cent. yield, or bonds, although, in the latter case, they will probably earn not more than 6 per cent. They are not prepared to invest in any enterprises that are at all speculative. The farmers have also become heavy purchasers of bonds. The Dominion government issues have interested them in this class of security, and with the large profits that they will receive from last year's crops, they will become substantial buyers. A number of the school districts and villages last fall sold their debentures to local parties at satisfactory prices, and inquiries for bond offerings from them are becoming numerous.

Taking the situation generally, we are establishing a financial foundation on which to again properly advance after the conclusion of this war, when we shall have to handle a large number of new settlers who will principally be the cause of the commencement of a new era in this western country.

ONTARIO'S WAR TAX

The provincial war tax act of Ontario, passed in 1915, called for the levy of a rate of one mill on the dollar on the total value of all the rateable property in the province. The municipal and county authorities were made responsible for the collection of the tax and its subsequent payment to the province. The money thus collected is to form part of the consolidated revenue fund of Ontario. The tax will not continue after the war.

The provincial government was given authority at the same time to raise a loan of $2,000,000, to be repayable within five years, upon the credit of the consolidated revenue fund. In May, 1915, this loan was issued in the United States, the rate being 3⅞ per cent. and the term nine months. A similar loan was issued in New York in May last.

SEEING CANADA IN NEW YORK

Our Investment Field Through United States Eyes—Government Activities as a Borrower Have Helped Others

BY MAJOR DINNICK.

One place to see Canada is New York. There is always the danger of seeing a picture too closely to get a perspective and that is what often happens to us Canadians when we study Canada from within.

False, or exaggerated impressions of home conditions are bound to arise in the mind of those limited to one environment. Particularly is this true of ever varying business conditions in their relation to those of other countries. When travelling in strange lands, the criticisms and compliments of foreigners we hear on this subject, may be right or wrong. They illustrate at any rate, a different point of view and compel us to think a little more deeply; thereby enabling us to make more intelligent comparisons when occasion arises.

Travelling extensively in the United States during the past year, I have found a much enhanced interest amongst American business men on Canadian investments; but beyond this is an almost anxious enquiry as to the probability of a tariff entente between the Allies and Canada.

Matter of Tariffs.

American agricultural implement makers are especially apprehensive of Canadian-made implements competing in Russia, France and the other allied countries, on more favorable terms than similar goods manufactured in the United States. Implement makers, however, are not the only ones concerned about this possible tariff entente, for I have received on this subject a surprisingly large number of enquiries from many different sources.

One of the companies, too, in which I am interested in Toronto, has received enquiries from American manufacturers as to the cost of factory sites in Ontario, but especially in Toronto, and for other data as to labor and manufacturing conditions here.

Naturally we hope to see Canadian manufacturers taking full advantage of any future tariff arrangements amongst the Allies; but it will be immensely important to Canada, if those arrangements are such as to lead American factories to locate in Canada, in order to take care of their export trade.

Question of Taxation.

On the other hand, quite a number of Americans assure you, and each other, that Canada is bound to be so heavily taxed after the war that we shall be seriously handicapped, even in our home enterprises.

These pessimistic views are not held, however, in high financial circles in New York, any more than they are in Canada. Their origin is probably amongst the smaller dealers, who resent the tendency of Americans to favor Canadian securities.

Money is almost uncomfortably cheap to-day in some parts of the United States, and there speculators are offering from the housetops, securities of all degrees of doubtful value.

War, though it nas made funds plentiful in the United States, has made investors cautious, however, and one hears of conservative Canadian offerings being taken in preference to even American securities of apparently equal worth.

The effect of the Canadian government's domestic loans on the operations of large financial concerns who depend for their success largely upon the market for their own securities, was also a subject of enquiry.

Government as a Borrower.

The experience of a mortgage corporation, with which I am connected, shows that the competition of the government as a borrower from Canadian lenders, has improved rather than reduced the prospects of the older and more conservative borrowing companies. Canadian domestic loans have not made money scarcer. They have not taken opportunities away from the old-established houses. Rather, they have increased the available capital of the country, by inducing men and women to save money and to invest it. There is even now much more to be invested than the government has absorbed in its borrowings.

The rate of interest paid by the government has shown the old-fashioned, timid investor that 5 per cent. is not a return only to be expected upon a "wild cat" scheme; but on the contrary, is a fairer and more reasonable return on a safe investment, than the three or three and a half per cent. which has contented this class of investor in the past.

The increased activity in securities such as mortgage debentures is undoubtedly due to the government advertising campaigns. They have taught our people to save money and to invest it. They have taught our people and especially our farmers the meaning of the words bond and debenture. In fact, the government campaigns have done wonders to teach our people the A. B. C. of investment, and to put the brake on speculation.

The stay-at-home American when you tell him this, shakes his head; but he is slowly being convinced, as many of his more experienced countrymen already are, that Canada is to-day in many respects one of the finest fields for investment an American can find,—a conservative country, a next-door neighbor, with good laws, clean law courts, honest business methods and plenty of raw material left to feed new mills.

LOANS TO ONTARIO SETTLERS

Under New Act of Last Year, Applications for $200,000 Have Been Made

BY F. DANE.

Since the announcement of the appointment of a settlers' loan commissioner by the Ontario government last year, applications had been received, up to the end of the year, for over $200,000. It is quite evident from this that the loan act of the provincial government is meeting with the approval of bona fide settlers. It is noticeable that settlers are not over anxious to secure more than they can immediately put to good use.

The act providing for these loans was passed at the spring session of the Ontario legislature last year and is known as the "Northern and Northwestern Ontario Development Act." It authorizes the lieutenant-governor in council, from time to time to set apart out of the appropriation made by the Northern and Northwestern Development Act, such sums as may be deemed requisite for the purpose of making loans and advances to settlers in the northern and northwestern districts of Ontario.

Appointment of Commissioner.

The act called for the appointment of a commissioner for the purpose of carrying out the provisions of the act and any regulations made in connection with it. The act permits a loan to be made to any settler by the commissioner, to an amount not exceeding the sum of $500, upon such terms and conditions as the commissioner may think proper. These loans constitute a lien against the property; in the case of unpatented lands they are registered in the department of lands, and in the case of patented lands, in the registry office of the district in which the settler resides. These liens contain particulars as to the amount of the loan and the terms of repayment thereon, and also mention the rate of interest, which is 6 per cent., and describe the lands to be charged.

The notice constitutes a first lien and charge upon the unpatented lands, subject only to any payments which may be due to the Crown on account of the purchase money of the land, or for timber dues or otherwise, whether the person from whom the amount is due is the owner of the land, or is the purchaser or locatee, or merely an occupant thereof. In the case of patented lands they constitute a lien or charge upon such land, according to the general law of Ontario. In the case of any land charged with a lien that is sold for taxes, the title of the purchaser is subject to such lien and charge.

Outline of Loan System.

The system adopted by the commissioner for submission of applications for loans is a form where the applicant gives his name, and the lot on which he is located, also the name of the township, giving particulars of improvements made, stating the amount that he requires, and for what term of years, also stating the purpose of the loan. He agrees to

repay all advances made by the way of loan in such amounts and at such times as the commissioner shall, by his ruling, direct. His application is also a form authorizing the commissioner to file the lien, and he distinctly agrees that the money will not be spent for any other purpose than that applied for, without the consent of the commissioner, in writing. The property accepted by the commissioner as security, is simply the land and the buildings thereon. The applicant may be the owner of property other than that offered as security, such as household effects, stock and farming implements. These are not taken into consideration in the matter. He gives his age, nationality and his religion, length of residence in the province, and his former occupation and residence, and particulars as to his family, whether married or single. This application is handed in to the Crown lands agent of the district, who certifies as to the statements of the applicant and gives any further information that may be in his possession to the commissioner. The form of application is then sent to the supervisor, who visits the lot on which the applicant resides, and has an interview with him, checks his claim as to cultivation of land and the general conditions, and makes a report to the commissioner, of all buildings, and their value, and of the amount of clearance on the lot, with his recommendation in connection with the loan.

The commissioner checks from this information, the details in the land department of the government and makes a ruling in connection with the application, as to the extent of loan and conditions of repayment.

TRUST COMPANIES AND ADMINISTRATION

Value of Companies' Services—Their Relation to Bond and Stock Issues

Scarcely any development in Canadian finance of the last quarter century has been more rapid and striking than that of trust companies. For this two causes are responsible; one is the universal trend toward greater specialization in the business field; the other is the clearness with which those interested in trust company growth have seen the opportunity for a special organization acting in capacities of trust and the energy with which Canadian trust companies have improved their opportunity.

The chief business of Canadian trust companies is the administration of the affairs of deceased persons; and the public generally is coming to recognize the fact that a trust company is preferable in every respect to an individual in the capacity of executor, administrator or trustee. Indeed, the opinion is frequently heard that it should be compulsory for public officials, both federal and provincial—such as public administrators, official assignees, et al.—to be reputable trust companies.

Volume of Estates Business.

The volume of estates business which each of the companies obtains depends largely upon its experience. Time is one of the factors necessary to gain the confidence of the public. When, for instance, a man decides to make his will, leaving the administration of his estate to a trust company, he must be absolutely sure how that estate will be handled. He looks, therefore, for a trust compny of experience and good reputation. The growth of this business takes time also for the reason that, while a man may to-day name a trust company his executor, it may be many years before the company is required to assume its duties.

In connection with the administration of estates attention may be directed here to the advantage which results from the many-sided character of trust company organization. Under a private executor an estate may have to be charged with special expense for expert advice and service in real estate, insurance or other matters—and this in addition to the regular fee of the executor. Trust companies, on the other hand, retain on their staff experts in these, as in the other fields bearing on the management of property. When a trust company has been appointed executor or administrator, the estate benefits by all the expert guidance necessary, and at no greater expense than would have been incurred had the executor been an individual with an individual's limitations of experience.

To the advantages of trust company administration, *The Monetary Times* has often referred in its columns. One point which shows a company's superiority over an individual as a business agent is the continuity of administration which it brings to matters in its charge. A person may die or become incapacitated while administering an estate. Trust companies, on the other hand, owe their rise to the need for an executor not subject to these limitations; in their every department more than one person is acquainted with the details of that department's work; the death or incapacitation of one or even of more of its staff does not result in delay in the business they administer,—the work goes on as usual.

Similarly an individual may be absent and estates matters must necessarily await his return; so he may be subject to the demands of his own affairs, and then estates matters must naturally await his convenience. Through its representatives, a company is always to be found in the same place. Business is dealt with promptly; and the companies avoid press of too much work because their future standing depends upon their keeping staffs large enough to perform as much work as is entrusted to them. Personal executors, whatever their qualifications, are not likely often to act as executors, and in that sense they have no future to guard; but trust companies, by their very continuity of existence must face the future; and the future for them depends upon their surpassing personal executors in more than mere existence. To be sure, it is part of the strength of the trust companies' position as executor that they cannot be ill or absent when their services are unexpectedly required; but the trust companies must surpass personal executors also in ability, in industry, in experience, and particularly in fidelity to their clients' interests and to the interests of their clients' estates.

Requirements of Testator.

The mention of fidelity suggests another point in which the position of trust companies is superior to that of personal executors; the latter, usually chosen from next of kin or from close friends of the deceased, are subject inevitably to the influences of his survivors or beneficiaries. So that too often administration by a personal executor tends to become an expression of the desires of the living rather than of the requirements of the testator. This is usually the fault not of the executor but of his position,—one in which, in the face of urgent claimants, it is often extremely difficult for him to govern himself by the wishes of the man who appointed him. The trust companies' attitude, on the contrary, is entirely impartial. They cannot discriminate among the beneficiaries and their position outside the immediate circle of the survivors makes it not only possible, but naturally qualifies them, to follow the instructions of their clients in entirety, without fear or favor.

The most frequent question about trust company service relates to its cost. The answer to this question is that all executors are equal before the law. Trust companies receive never more, sometimes less, than a person would receive for performing similar duties; the fees in either case are fixed by the judge of the surrogate court and are governed by the amount of work involved.

Trust Companies and Modern Finance.

Two other functions of trust companies arise and have been developed by the present-day method of financing. Most corporations now find it convenient to finance their business through the assistance of the public. This assistance is secured either by the issue of bonds or by the sale of capital stock. When bonds are issued, in order to protect the public against any over-issue of the bonds to hold the property which is the basis of the security for the bonds, and to provide the bondholders with a medium through which concerted action may be taken, mortgages to secure bond issues are made in favor of trust companies.

The second of the trust company functions referred to above arises as a result of the fact that a part of the financing of corporations is accomplished by the issuance of capital stock. In the majority of corporations, whose stock is held by the public, it has become the custom to have all details in connection with the transferring of stock, certification of stock certificates, etc., attended to by a trust company; and in fact the principal stock exchanges in Canada and the United States require that this work should be in the hands of a reputable trust company.

Trust companies have become an essential part of the life of the community, and as a result their growth to date, including last year, has been correspondingly great.

CANADIAN FLOTATIONS IN LONDON

Only One Was Made Last Year—Sales Since 1905 Total £303,000,000

Only one Canadian public flotation was made in London last year. This was an issue in August of £1,000,000 6 per cent. 20-year debentures of Canadian Vickers, Limited. This company is engaged in important work for the British Admiralty. The Canadian public borrowings in that market were therefore the lowest on record.

In connection with the Shawinigan Water and Power Company's issue of $1,361,250 common stock at 115, the British treasury allowed existing shareholders of the company, resident in Great Britain, to subscribe to the new stock, if they desired. It was allotted one share of new to ten of old. Right was given to British shareholders to defer payment to May 1st, 1917, at which time the price per share will be 120. Mr. James Wilson, the company's secretary, tells *The Monetary Times* that the English shareholders took full advantage of the offering.

Canadian public borrowings in London in 1915 amounted to £8,235,000, the lowest total on record, with two exceptions, since 1905. In 1914, our public borrowings in London were £37,777,271, and in 1913 £47,363,425. The total for the latter year was the highest on record.

The low totals in 1915 and last year are accounted for by the continued closing of the London market to practically all flotations except war loans. The bulk of Canadian funds in 1916 were raised in the United States. Temporary advances, however, have been made to Canada by the Imperial government for war purposes, since October, 1914. The total of these loans, to February last, was $135,000,000, of which $100,000,000 was repaid in August by the issue of Dominion bonds to the Imperial treasury.

Twelve Years' Record.

According to *The Monetary Times'* records, Canada's public borrowings in the past ten years have been as follow:—

1905	£ 13,530,287
1906	6,427,500
1907	11,203,711
1908	29,354,721
1909	37,411,723
1910	38,453,808
1911	39,855,517
1912	32,456,603
1913	47,363,425
1914	37,777,271
1915	8,235,000
1916	1,000,000
Total	£303,069,566

The three Canadian flotations in London in 1915 were as follow:—

Dominion government, £5,000,000 4½ per cent. five or ten-year bonds issued at 99½. This loan was over-subscribed.

Grand Trunk Railway, £2,500,000 5½ per cent. five-year notes at 99. Forty-four per cent, of this issue was left with the underwriters.

Canadian Northern Railway £735,000 5½ per cent. one-year notes. This issue was made to replace notes maturing in July, 1915.

Details of Five Years' Loans.

The following table gives details of the purposes of our loans in London for the past five years:—

Purpose.	1911. £	1912. £	1913. £	1914. £	1915. £	1916. £
Government	1,900,000	5,500,000	9,800,600	16,260,000	5,000,000	.....
Municipal	5,323,749	5,472,049	13,926,470	6,469,487	.....	.....
Railroads	17,122,253	9,002,585	13,179,170	11,943,800	3,235,000	.....
Mining	600,000	650,000	225,000	175,000	.....	.....
Financial	2,508,250	2,772,000	.....	.....	.....	.....
Mortgage, land and lumber	4,122,500	1,704,975	2,451,332	705,329	.....	.....
Industrial	7,868,765	7,354,994	7,780,847	2,223,655	.....	1,000,000
Totals	39,855,517	32,456,603	47,363,425	37,777,271	8,235,000	1,000,000

Complete records of Canadian bond sales in all markets last year appear on other pages.

SEED GRAIN LIENS

Borrowers Will Have Up to June 30th Next to Make Repayment

The Dominion government in 1915 advanced relief to those in western Canada who lost their crops through drought, etc., in 1914. This relief was for furnishing food for settlers, feed for stock, and seed grain for land thoroughly cultivated. The object of the administration in making these advances was twofold.

1.—To alleviate the destitute settler, thereby preventing starvation or emigration—the only alternative.

2.—To enable farmers to seed every available acre, it being realized that the future of our country depended in a great measure upon the crop.

There was advanced for seed grain $7,600,000, and for other goods by way of relief and fodder for animals $4,400,000, making a total of $12,000,000.

In September, 1915, the Dominion government issued a statement announcing easier conditions for the repayment of these loans. The repayment in full was actually due on January 1st, 1916.

At a conference in Calgary in September last it was recommended that those farmers who had not discharged their indebtedness should be given until June 30th, 1917, to pay up, and that after that date the holder of a mortgage on their property may pay off the lien and add the amount to the mortgage at the named rate of interest.

Official Statistics of Lien.

According to a statement issued in September by Hon. W. J. Roche, minister of the interior, Ottawa, applications for seed grain received, granted and refused by the government were as follows:—

	Alberta.	Saskatchewan.	Manitoba.	British Columbia.	Total.
Received	16,099	40,759	2,399	52	59,309
Granted	14,907	36,074	1,894	52	52,927
Refused and withdrawn	1,192	4,685	505	..	6,382

Seed grain was furnished to the above mentioned to the following extent:—

Wheat—2,978,973 bushels at $1.50 per bushel.
Oats—3,503,068 bushels at 85 cents per bushel.
Barley—116,489½ bushels at $1 per bushel.

The number of distribution points was: Alberta, 181; Saskatchewan, 342; Manitoba, 60; total, 583.

The maximum granted to any one settler was 400 bushels covering all kinds of seed. Per acre to be placed under cultivation the maximum grant was: Wheat, 2 bushels; oats, 3 bushels; barley, 2½ bushels

In Saskatchewan 19,004 farmers on unpatented land received seed to the value of $2,521,197.75, and 17,070 farmers on patented land received seed to the value of $3,084,747.09.

In Alberta 8,437 farmers on unpatented land received seed to the value of $922,382.40, and 6,470 farmers on patented land received seed to the value of $999,379.81.

The number of settlers on unpatented and patented lands who received relief other than seed grain in the provinces of Alberta, Saskatchewan, Manitoba and British Columbia was:—

Alberta	15,699
Saskatchewan	31,207
Manitoba	2,457
British Columbia	20
	49,383

Collections to Date.

While the total amount voted for seed grain and relief distribution was about $13,000,000, from this must be deducted refunds of freight which the government were enabled to secure as a result of a favorable arrangement with the railway companies, the proceeds of the sale of surplus grain, bags, etc., and lastly the cost of administration. The net amount of security taken probably does not exceed $12,000,000, divided about as follows:—

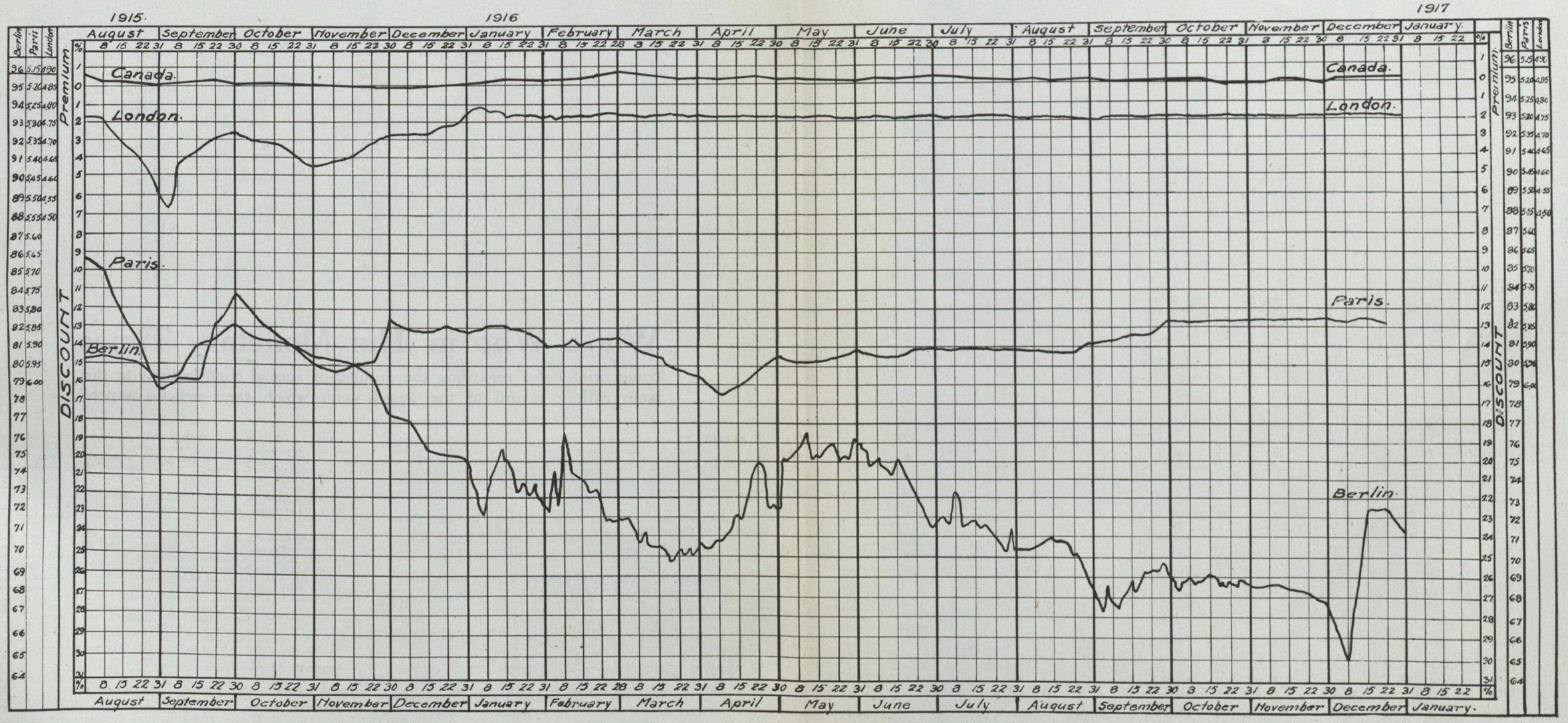
Seed grain	
Relief	$ 7,600,000
	4,400,000
Total	$12,000,000

The government's collections to September 24 last, which represent mostly payments on account of seed grain, amount to about $2,500,000.

Sterling and International Exchange Quotations from July, 1915, to December, 1916, with Monthly Comparisons for Four Years

(Compiled and prepared for The Monetary Times by Mr. E. L. STEWART PATTERSON, Sherbrooke.)

Graph Showing the Percentage Premium or Discount on the Gold Par of Exchange of the Rates Quoted in New York for Cheques on London, Paris and Berlin respectively, during the Periods Ending on the 8th, 15th, 22nd and the Last Day of Each Month since July, 1915.



RECORD OF INTERNATIONAL EXCHANGE QUOTATIONS, 1910-1916

The following table shows the course of English, French and German exchange in New York, for sight drafts during the past five years, as well as that of some other countries. New York funds are expressed in 64ths. For instance, in January, 1910, the highest rate for New York funds was a $\frac{4}{64}$ premium, and the lowest a $\frac{3}{64}$ discount.

Months and Years		New York Funds in Canada (in 64ths)		Sterling		Francs		Marks	
		High	Low	High	Low	High	Low	High	Low
January	1910	4 P	3 D	486.90	486.15	516⅞	518⅛	95 13/16	95 1/16
	1913	6 P	Par	487.75	485.75	516⅞	518¾	95¼	94 15/16
	1914	6 P	2 P	486.95	485.55	518⅛	521¼	94 1/16	94 1/16
	1915	64 P	20 P	485.05	483.95	516¾	519¾	88¼	86½
	1916	22 P	4 P	478.00	473.63	583½	588	76⅞	72⅞
February	1910	4 P	4 D	487.15	486.00	516⅞	518⅛	95 13/16	94 15/16
	1913	5 P	Par	487.80	487.30	516⅞	517½	95¼	95⅛
	1914	5 P	Par	485.95	485.35	518⅛	518¾	95 1/16	94 15/16
	1915	52 P	28 P	484.70	479.15	518¼	528	87⅜	82
	1916	53 P	22 P	476.50	475.81	586	590½	77½	73
March	1910	1 P	3 D	487.70	486.70	516⅞	517½	95¼	95 13/16
	1913	4 P	Par	487.95	486.90	517½	518¾	94⅜	94⅛
	1914	6 P	3 P	486.65	485.85	517½	518¾	95¼	95 1/16
	1915	52 P	40 P	481.15	478.55	525⅛	532¼	84¼	81¾
	1916	52 P	9 P	476.94	475.87	587¾	598	73¼	71¼
April	1910	Par	4 D	487.95	487.60	516⅞	517½	95¼	95 13/16
	1913	3 P	5 D	487.20	486.35	518⅛	518¾	95⅞	95 1/16
	1914	4 P	4 D	487.65	486.30	515⅝	517½	95¼	95⅛
	1915	44 P	36 P	479.80	478.90	531⅝	532¾	83¼	81⅝
	1916	31 P	18 P	476.56	476.31	592½	607	76¾	71 15/16
May	1910	Par	5 D	487.80	486.35	517½	518¾	95⅛	95
	1913	3 P	Par	486.75	486.05	517½	518¾	95 3/16	95 1/16
	1914	3 P	3 D	488.75	487.60	515⅝	515⅝	95 5/16	95¼
	1915	40 P	32 P	479.80	478.25	531⅞	543	83¼	82½
	1916	26 P	12 P	476.31	475.50	591¼	594½	77¼	76¼
June	1910	Par	5 D	487.05	485.85	518⅛	519⅜	95⅛	95
	1913	2 P	3 D	486.90	486.50	518⅛	518¾	95 5/16	95⅛
	1914	1 P	2 D	489.00	487.65	515	516¼	95⅞	95⅛
	1915	52 P	40 P	478.45	475.85	543	570	82 1/16	80⅞
	1916	30 P	14 P	476.94	475.06	590¾	592¼	77	72 15/16
July	1910	3 P	3 D	485.80	485.20	518⅛	519⅜	95⅛	94⅞
	1913	5 P	3 P	487.05	486.45	518⅛	518¾	95 3/16	95⅛
	1914	1 P	5 D	492.00	485.30	505	516⅞	96	95 1/16
	1915	48 P	16 P	476.75	476.00	553	570¾	82⅛	81¼
	1916	31 P	5 P	475.87	475.69	590¾	591⅛	74⅜	71¾
August	1910	2 P	5 D	486.75	485.25	518⅛	519⅜	95⅛	94⅞
	1913	5 P	5 D	486·65	485.80	518¾	519⅜	95⅛	95 1/16
	1914	4 P	80 D	507.50	506.00	No quotations		No quotations	
	1915	20 P	2 P	476.25	455.00	564	602	82⅜	80¼
	1916	16 P	6 P	475.87	475.75	589	592	72¼	71 5/16
September	1910	Par	5 D	486.75	486.05	518¾	518¾	95 3/16	95 1/16
	1913	1 P	5 D	485.90	485.30	519⅜	520	95⅛	94⅞
	1914	20 D	80 D	506.00	495.25	506	510	96¾	94 5/16
	1915	22 P	6 P	471.87	454.00	576	601	80 5/16	84¼
	1916	10 P	1 D	475.75	475.69	583	589 5/16	70 1/16	69⅛
October	1910	Par	5 D	486.65	486.10	518¾	520	95⅛	94 15/16
	1913	3 P	5 D	486.10	484.95	520	521¼	94 15/16	94 5/16
	1914	Par	56 D	497.50	489.40	505	515	93½	88¾
	1915	8 P	Par	472.37	461.62	579	598½	81½	84¼
	1916	2 P	1 D	475.68	475.37	583¾	585¼	70⅜	70¼
November	1910	2 P	6 D	486·05	485.45	519⅜	520⅝	95	94⅞
	1913	3 P	5 D	485.50	484.85	520⅝	521¼	94 1/16	94 5/16
	1914	36 D	Par	490.65	486.85	510	515½	88½	85½
	1915	2 P	4 D	471.37	463.50	582½	599	79⅜	81¾
	1916	1 P	4 D	476.68	475.56	584¼	584¾	70⅛	67¼
December	1910	1 P	5 D	486.10	484.90	520	520⅝	95 1/16	94⅞
	1913	3 P	3 D	485.55	485.05	520⅝	521¼	94¾	94 5/16
	1914	56 P	6 P	489.15	485.00	511¼	517	92½	86 3/16
	1915	5 P	5 D	473.65	470.25	583½	588	79¼	76⅛
	1916			475.68	475.45	583⅝	586	75¼	66

RECORD OF INTERNATIONAL EXCHANGE—*Continued*

Years and Months		(Netherlands) Guilders		(Italy) Lire		(Scandinavia) Kroner	
		High	Low	High	Low	High	Low
July	1914	40¼	40 5/16	516⅞	518⅛	26.75	26.72
August	1914	No quotations		No quotations		No quotations	
September	1914	No quotations		No quotations		No quotations	
October	1914	No quotations		No quotations		No quotations	
November	1914	40⅞	40½	533	540	26.00	
December	1914	40⅝	40¼	524	536	25½	25.00
January	1915	40 9/16	40	533⅛	544		25.00
February	1915	40 5/16	39⅞	542½	580	25⅛	
March	1915	40	39½	563	595	25.00	24¾
April	1915	39⅝	39 5/16	576½	589	25.30	24⅜
May	1915	39 9/16	39⅜	575	592	25.90	24¼
June	1915	40	39 9/16	591	616	26.30	25.05
July	1915	40⅛	39⅞	609	640	26.55	25.75
August	1915	40 5/16	39½	620	652	26.35	26.20
September	1915	40½	39 1/16	615	652	26.25	25.60
October	1915	41½	40 1/16	622	646	26.25	25.40
November	1915	42	41¼	643	651	26.30	25.25
December	1915	43¼	41⅞	651⅛	660	29.00	25.65
January	1916	44⅞	42⅝	653	678	29.00	26.10
February	1916	42⅝	41 1/16	667½	676	28.10	27.00
March	1916	42 1/16	42 1/32	652	671½	28.30	27.35
April	1916	43⅛	42	631	662¾	28.95	27.55
May	1916	41 15/16	40⅞	647	621	30.35	28.10
June	1916	41¾	41 7/16	635	641⅛	31.25	29.00
July	1916	41 1/32	41⅜	637¾	649½	31.00	29.60
August	1916	41⅜	41⅛	642	648½	29.20	28.00
September	1916	41 1/16	40¾	641¾	648	28.80	28.05
October	1916	41 3/16	40 13/16	646	666	28.75	28.40
November	1916	41	40 1/16	664	674¾	28.35	28.10
December	1916	40⅞	40 3/16	673	691½	27.75	27.65
						28.15	27.66
							27.70

Who's Who in The Monetary Times

Some brief notes regarding the authors of special contributions to this issue with a record of the pages upon which their articles appear

ALFORD, E. R., Medicine Hat.—Superintendent, Metropolitan Life Insurance Company; was engaged in mercantile lines as salesman from 1898 to 1909; in February, 1909, entered service of the Metropolitan Life as agent of the Watertown, N.Y. district; was promoted to assistant superintendent, October, 1910; transferred to Plattsburg, N.Y. district, December, 1910; promoted to superintendent, Medicine Hat district, September, 1914. (Page 222).

ALGER, W. ROSS, Edmonton.—Of W. Ross Alger & Company, bond dealers; formerly manager debenture branch, Department of Education, province of Alberta; previously manager for the Canadian Bank of Commerce of one of their western branches; has had an extensive and varied banking experience. (Page 95).

ARMSTRONG, R. E., St. John.—Secretary board of trade; formerly newspaper man, beginning career on St. John Globe; founded and for over 20 years published St. Andrews Beacon; was mayor of St. Andrews for two years; Member of Fishery Commission, 1903, which investigated sardine fisheries of the Bay of Fundy and lobster fisheries of Magdalen Islands; honorary secretary of patriotic fund executive, of Citizen's recruiting committee, of British sailors' relief fund, and of N.B. Tourist Association. (Page 158).

BAIRD, R., Victoria.—Inspector of municipalities of British Columbia; entered service of the Traders' Bank, and after five years in Ontario was transferred to Saskatchewan; in 1914, following the passing of the new municipal act of British Columbia, which created a municipal department, was appointed to present position. (Page 138).

BARTON, R. W., A.I.A., Chicago.—An English actuary; resident in Toronto until recently; now associated with the Chicago office of Marwick, Mitchell, Peat & Company, chartered accountants; is an excellent statistician and writer on life insurance topics. (Page 208).

BASTEDO, S. T., Ottawa.—Superintendent of Canadian government annuities; for 27 years an official in the Ontario civil service; 16 years private secretary to Sir Oliver Mowat; seven years deputy commissioner of fisheries; recommended by the Dominion government to Ambassador Bryce as British commissioner under the International Fisheries Treaty between United States and Great Britain; one year Ontario manager for Annuities Company of Canada, which ceased business when government decided to sell annuities. (Page 204).

BELL, R. D., Montreal.—Member of Greenshields and Company, stock and bonk brokers; after graduation in arts from Lehigh University, was on staff of New York Sun for some years before joining above firm; is a well-known writer and contributor to Canadian and United States financial journals. (Page 118L).

BIRD, RALPH M., Toronto.—Member of bond house, Mulholland, Bird & Graham; previously with Brent, Noxon & Company, bond house, for many years; author of "Instalment Bond Valuation Tables." (Page 90).

BONIN, C. E., Montreal.—First secretary of embassy, consul general for France in Canada. Born Paris, June 26th, 1865. Educated at University of Paris. Chef de Cabinet de Prefet, France, 1888-1889; Officer of the Colonial Service, Indo-China, 1889-1901; Chief of Missions of Exploration, Central Asia and Malay Islands, 1894-1900; entered Diplomatic service, 1901; Secretary, French Legation, China, 1901-1902; Chief of the Political Office, Indo-China, 1902-1904; Charge d'affaires de France, Egypt, 1905; First Secretary, French Embassy, Turkey, 1906-1908; in mission, Paris, 1908-1911; received present appointment January, 1912. Author of "Les Royaumes des Nieges, Histoire des Etats Himalayens," Paris, 1911, and other historical and geographical studies. Took part in the Campaigns of Tonkin, 1890-1892; of Siam, 1893, and of China (Boxers), 1900-1901. (Page 266).

BURGESS, C. H., Toronto.—Of C. H. Burgess and Company, bond house; has contributed interesting bond price comparisons to several annual numbers of "The Monetary Times." (Page 112).

CHERRY, PERCY G., Toronto.—Secretary and sales manager, Might Directories, Limited; after graduating in civil engineering from the University of Toronto, became associated with "The Monetary Times" and "Canadian Engineer"; has been specializing on automobile statistics, tests and information. (Page 140).

COCKSHUTT, H., Brantford.—President Cockshutt Plow Company; chairman tariff committee C.M.A., 1908-09. (Page 229).

COWIE, F. W., B.A.Sc., M.Inst.C.E., Mem.Can.Soc.C.E., Montreal.—Chief engineer, Harbor Commissioners of Montreal, Montreal, and also consulting engineer, Halifax Ocean Terminals; author St. Lawrence River Ship Channel official reports; official reports on Montreal Harbor; report

(Continued on page 179.)

Notable Prospectuses of 1916

THE most notable prospectus issued last year, so far as amount is concerned, was that of the British loan of $300,000,000 in the United States. This was secured by pledge of securities of an aggregate value of at least $360,000,000, calculated on the basis of current market prices. In that total were included $100,000,000 of Canadian government and Canadian Pacific Railway securities. This was the largest offering made on this side of the Atlantic during the past year. The largest issue in 1915 was the British war loan of £600,000,000, and the largest issue in the same year in the United States was the Anglo-French loan of $500,000,000.

Eight of the notable prospectuses of 1916, which are printed on this and subsequent pages, represent borrowings of $925,900,000. The five prospectuses of two British, two Canadian and the Anglo-French loan, printed in *The Monetary Times* Annual a year ago, represented borrowings of $4,995,000,000. While the outstanding prospectuses last year have not been for such large amounts, the borrowing, generally speaking, was heavier in 1916. Two and a half years of war have cost at least $75,000,000,000., and loans have been made of approximately $50,000,000,000. Some detailed figures on these points are printed on other pages.

Another interesting offering last year was $94,500,000 3-year 5 per cent. gold notes in July of the American Foreign Securities Company. This company arranged to lend $100,000,000 to the French government, and for which loan it holds the obligation of that government to repay the principal in three years, together with interest at a rate more than sufficient to cover the interest on the company's note issue. In connection with this loan, the company received from the French government securities valued at $120,000,000, prevailing market prices. These consisted of government securities of Argentina, Sweden, Norway, Denmark, Switzerland and several other countries in addition to $11,600,000 Suez Canal Company's shares, $3,700,000 American corporate issues, and $275,000 of Quebec province securities.

The first British municipal issue in the United States was made last year in August, when the Metropolitan Water Board of London, England, and certain adjoining districts, offered $6,400,000 6 per cent. 1-year gold notes at par. These found an unusually ready market, and the issue is probably the first of many more offerings of high-grade British municipal securities to be made in the United States. The Metropolitan Water Board notes are exempt from British taxation, present or future, if held by Americans or Canadians residing in the United States or Canada. Another British municipal issue was that of Dublin city, Ireland, which raised $2,000,000 in the United States in October by means of a sinking fund 10-year loan issued at 95.

Another European municipal loan was floated in New York in October, when $50,000,000 5-year 6 per cent. gold bonds of the city of Paris, France, were offered at 98¾ and accrued interest. This issue was ten times oversubscribed. The chief purpose of the loan was to reimburse the city for important expenditures made for two years for the alleviation of suffering caused by the war. Similar loans of $20,000,000 each were made to Bordeaux, Lyons and Marseilles cities in November in the form of 3-year 6 per cent. bonds.

Included here also are the prospectuses of two Canadian government offerings, one in the United States in March and one in Canada in September.

An abridged prospectus of British exchequer bonds is also included in *The Monetary Times* folio of notable prospectuses of 1916. These bonds bear 5 per cent. interest and are repayable at par on December 1st, 1920. They are being sold at par. The British government has financed much of its war expenditure by means of exchequer bonds. On September 27th last the British government announced that there would be no further issue of exchequer bonds paying 5 per cent. and redeemable in 1919, but that a new issue of bonds would be announced. This decision evidently was arrived at by reason that the sales of the exchequer bonds had been decreasing owing to the superior attractions furnished by treasury bills. The rates for all treasury bills sold by the Bank of England were then 5½ per cent., against the previous rate of 5¾ per cent. for six months and 6 per cent. for twelve months. The total amount of such bills outstanding at the end of September was about £1,000,000,000 sterling. On September 29th, the prospectus of the new 6 per cent. exchequer bonds, to be sold at par and redeemable in February of 1920, was issued. Except for the higher rate of interest, which is payable every six months, the conditions were the same as those of the previous issues. The chief criticism of the new bonds came from holders of the old stock, on which the yield is lower. The first week's sales of these bonds were £20,691,000.

It is safe to assert that blocks of practically all the securities noted above have been purchased in Canada.

1. First British Municipal Issue in the United States. $6,400,000, one year 6% gold notes at par, August, 1916.

$6,400,000

Metropolitan Water Board

(Of London, England, and Certain Adjoining Districts)

One Year Discount Gold Notes

To be dated September 18, 1916. Denominations: $5,000 and $10,000. Due September 18, 1917.

Payable in New York City at the Guaranty Trust Company of New York in gold dollars of the United States of America of the present standard of weight and fineness.

The Metropolitan Water Board is the official authority constituted by Acts of Parliament operating the public water works supplying the Metropolitan District of London. This district comprises over five hundred square miles and includes the entire County of London and parts of five adjoining counties—Essex, Hertford, Kent, Middlesex and Surrey. The total population served is estimated at 6,700,000.

In the opinion of counsel these notes are valid and binding obligations of the Metropolitan Water Board, and are exempt from British taxation, present or future, if held by Americans or Canadians residing in the United States or Canada.

Price Six Per Cent. Per Annum Discount

This advertisement appears as a matter of record only, all of the notes having been sold.

Guaranty Trust Company of New York
New York

Bernhard, Scholle & Co.
New York

The above information is not guaranteed by us but is obtained from sources which we believe to be accurate

2. Canadian Loan in the United States of $75,000,000 five, ten and fifteen year 5% gold bonds at 99.56, 97.13, 94.94 and interest, March, 1916

$75,000,000

Government of the Dominion of Canada

5% GOLD BONDS

Dated April 1, 1916

Interest April 1 and October 1

Maturing in equal amounts of $25,000,000 each in five, ten and fifteen years respectively

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Both principal and interest payable at the Agency of the Bank of Montreal, in New York City, in United States gold coin

Coupon bonds in denomination of $1,000, registerable as to principal. Coupon bonds exchangeable in the principal amount of $1,000 or of some multiple thereof for registered bonds without coupons. Coupon and registered bonds interchangeable

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The obligations represented by the above bonds and all payments in discharge thereof are to be exempt from all present and future taxes imposed by the Government of the Dominion of Canada, including any Canadian income tax

We are advised that the Government of the Dominion of Canada will issue no further loan in the United States during the current calendar year

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We offer the above bonds for subscription at the following prices:

The	5-year	bonds,	maturing	April	1,	1921,	at	99.56	and	interest,	yielding about	5.10 per cent.
"	10- "	"	"	"	1,	1926,	"	97.13	"	"	"	5 3/8 " "
"	15- "	"	"	"	1,	1931,	"	94.94	"	"	"	5 1/2 " "

Subscription Books will be opened at the office of J. P. Morgan & Co., at 10 o'clock A.M. Friday, March 24, 1916, and will be closed at 10 o'clock A.M., Monday, March 27, 1916, or earlier, in the discretion of the undersigned.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS AND ALSO, IN ANY CASE, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR

AMOUNTS DUE ON ALLOTMENTS WILL BE PAYABLE AT THE OFFICE OF J. P. MORGAN & CO., IN NEW YORK FUNDS, TO THEIR ORDER, AND THE DATE OF PAYMENT WILL BE GIVEN IN THE NOTICES OF ALLOTMENT

Pursuant to instructions from the Minister of Finance of the Dominion of Canada, we are authorized to state that holders of Dominion of Canada twenty-year five per cent. bonds due August 1, 1935, issued in conversion of the Dominion of Canada one and two year five per cent. notes, may exchange their holdings of twenty-year bonds for the above fifteen-year bonds on the basis of receiving 100 and accrued interest for the twenty-year bonds in exchange for the new fifteen-year bonds at the issue price of 94.94 and interest. This offer is limited to bonds issued and outstanding as of this date and will terminate with the closing of the subscription books.

Temporary certificates will be delivered pending the engraving of the definitive bonds.

J. P. MORGAN & CO.

BROWN BROTHERS & CO. **BANK OF MONTREAL** **HARRIS, FORBES & CO.**

FIRST NATIONAL BANK **GUARANTY TRUST COMPANY** **NATIONAL CITY BANK**

New York, March 23, 1916.

3. Credit of $50,000,000 placed in the United States on behalf of the Russian Government, June, 1916

Imperial Russian Government

$50,000,000 Credit

Dear Sir: June 14, 1916.

The undersigned are arranging a credit in New York on behalf of the Imperial Russian Government. The amount of this credit, in which we will participate, will not exceed $50,000,000 and the proceeds are to be expended in the United States. The Government agrees to retire the credit at the end of three years unless sooner retired as hereinafter set forth, with interest at the rate of 6½% per annum, both principal and semi-annual interest being payable in New York City in dollars.

To provide for the possible retirement of the credit before maturity, the undersigned hold the two following privileges:

(a) We may, in our discretion, sell rubles, which are credited to us at the State Bank of Russia to an amount equal to three rubles for each dollar of credit. The Government is to receive 50% of the profits resulting from such transaction, and the net balance is to be distributed ratably among the participants upon final settlement of the account.

(b) We retain the privilege to purchase from the Government in lots of not less than $5,000,000, $55,402,000 par value Five-Year Five and One-Half Per Cent. Imperial Russian Government Gold Bonds, which are to be held subject to our order and which, if purchased, will be paid for out of the ruble credit at the rate of 33⅓ cents per ruble. Both principal and interest on these bonds will be payable in dollars in New York City.

The price at which we have the right to purchase these bonds from the Government is to be 94¾ and interest, less 4½%, and to the extent that such privilege is exercised, the proceeds of the bonds to the extent of $902.50 for each $1,000 bond will be applied to the liquidation of the credit. The net profit arising from the sale of any of the bonds will be distributed pro rata among the participants upon final settlement of the account.

Out of the proceeds of the sale of these bonds to any syndicate formed for their distribution, we shall be entitled to reimbursement for our expenses in forming the syndicate and in addition, compensation not exceeding 1%. Such syndicate shall be formed at a price not less than 94¾ unless a majority in interest of the participants herein shall consent to a lower price. We may participate in any syndicate formed to purchase any of such bonds.

We make no other charges to the participants, being compensated by the Imperial Russian Government for our services in arranging the credit.

In all cases where the exercise of our discretion is required, the decision of a majority of the undersigned shall be conclusive upon participants.

Obligations, transferable in form, will be delivered as soon after July 1st as possible.

Kindly advise any of the undersigned by wire as to the amount of participation, if any, that you may desire in this business. We reserve the right to reject applications in whole or in part or to allot an amount less than that applied for.

Yours very truly,

J. P. MORGAN & COMPANY **THE NATIONAL CITY BANK**

THE GUARANTY TRUST COMPANY

LEE, HIGGINSON & COMPANY **KIDDER, PEABODY & COMPANY**

4. French Government Loan of $100,000,000 involving issue in the United States of $94,500,000, three year 5% gold notes at 98 and interest, July, 1916.

$94,500,000

American Foreign Securities Company

THREE-YEAR 5% GOLD NOTES

Dated August 1, 1916 — **Interest payable February 1 and August 1** — **Due August 1, 1919**

Principal and interest payable in United States Gold Coin at the office of J. P. Morgan & Co. without deduction for any taxes, present or future, except any Federal Income Tax

Coupon notes in denominations of $100, $1,000, $5,000 and $10,000

Subject to redemption, in whole or in part, at the option of the Company on any interest date, as follows:—

On February 1, 1917,.....at 101½ and interest;
" August 1, 1917, or February 1, 1918,..... " 101 " "
" August 1, 1918, " February 1, 1919,..... " 100½ " "

The American Foreign Securities Company has been organized with a capital of $10,000,000 presently to be paid in at par in cash. It has arranged to lend $100,000,000 to the Government of the French Republic, for which it is to hold the obligation of the French Government to repay the principal in three years, together with interest at a rate more than sufficient to cover the interest on the Company's note issue.

In connection with this loan the Company is to receive from the French Government securities having a value, calculated at prevailing markets and existing exchange rates, of $120,000,000, and the French Government agrees from time to time to pledge additional securities so that the calculated value of the collateral shall be always 20 per cent. in excess of the principal of the loan. Of these securities the Company is to pledge with the Bankers Trust Company, in New York City, under a Collateral Indenture, as security for the above notes, obligations (either as maker or guarantor) of foreign governments, and other securities as follows:—

	Approximate Value in Dollars at Prevailing Markets and Existing Exchange Rate
Government of Argentina	$20,500,000
" " Sweden	8,725,000
" " Norway	3,290,000
" " Denmark	6,380,000
" " Switzerland	12,080,000
" " Holland	1,475,000
" " Uruguay	3,443,000
" " Egypt	20,200,000
" " Brazil (Funding Loan)	1,181,000
" " Spain	12,600,000
Government of Spain guaranteed Railroad Bonds	8,000,000
Province of Quebec	275,000
Suez Canal Company Shares	11,600,000
American Corporate Issues	3,700,000
	$113,449,000

The Company agrees also to pledge under the Collateral Indenture all additional securities received from the French Government under its agreement to maintain the 20 per cent. margin above referred to.

For the sake of convenience in collection, the coupons and rights for interest and dividends maturing on or before August 1, 1919, are to be detached and held for the account of the Company by depositaries in France. As provided in the Collateral Indenture, substitutions may be made in the above list of collateral by the deposit of securities determined to be of equal value, but (except with the joint consent of J. P. Morgan & Co., and Brown Brothers & Co.) in no case may the value of the obligations of any one of the above Governments be reduced more than 50 per cent., nor is the aggregate value of the obligations of any one Government or any other issue of securities to be increased through such substitution to more than 20 per cent. of the aggregate value of the collateral. Pending the deposit of the collateral, the Trustee will hold cash equal to the face amount of the notes, releasing the cash from time to time to an amount equal to 5/6ths of the value of the collateral deposited with the Trustee.

This offering is made subject to the verification of the list of collateral, which may result in slight variations in the relative amounts of the several issues but not in the aggregate market value, and also subject to the approval of the necessary details by counsel.

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AT 98 AND INTEREST, YIELDING ABOUT 5.735 PER CENT.

Subscription books will be opened at the office of J. P. Morgan & Co., at 10 o'clock, A.M., July 19th, 1916, and will be closed at 10 o'clock A.M., July 24th, 1916, or earlier, in the discretion of the Syndicate Managers.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS AND ALSO, IN ANY CASE, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR

AMOUNTS DUE ON ALLOTMENTS WILL BE PAYABLE AT THE OFFICE OF J. P. MORGAN & CO., IN NEW YORK FUNDS, TO THEIR ORDER, AND THE DATE OF PAYMENT WILL BE GIVEN IN THE NOTICES OF ALLOTMENT

Temporary certificates will be delivered pending the engraving of the definitive notes

Application will be made to list the above notes on the New York Stock Exchange.

J. P. MORGAN & CO.

WM. A. READ & CO. — **HARRIS, FORBES & CO.** — **BROWN BROTHERS & CO.**

FIRST NATIONAL BANK, N. Y. — **LEE, HIGGINSON & CO.** — **KIDDER, PEABODY & CO.**

CHASE NATIONAL BANK, N. Y. — **J. & W. SELIGMAN & CO.** — **NATIONAL CITY BANK, N. Y.**

BANKERS TRUST COMPANY, N. Y. — **HANOVER NATIONAL BANK, N. Y.** — **NATIONAL BANK OF COMMERCE, N. Y.**

UNION TRUST COMPANY, N. Y. — **FARMERS LOAN & TRUST COMPANY, N. Y.** — **GUARANTY TRUST COMPANY, N. Y.**

CENTRAL TRUST COMPANY OF ILLINOIS, Chicago — **COMMERCIAL TRUST COMPANY, Philadelphia** — **MELLON NATIONAL BANK, Pittsburgh**

New York, July 18, 1916. — **FIRST NATIONAL BANK, St. Paul**

5. British Government Loan of $250,000,000 two year 5% gold notes at 99 and interest, August, 1916.

$250,000,000

United Kingdom of Great Britain and Ireland

TWO-YEAR 5% SECURED LOAN GOLD NOTES

DIRECT OBLIGATIONS OF THE GOVERNMENT

Dated September 1, 1916 — **Due September 1, 1918**

Interest payable March 1 and September 1

Principal and interest payable in United States gold coin, at the office of J. P. Morgan & Co., without deduction for any British taxes, present or future

Coupon Notes of $1,000, $5,000 and $10,000

Redeemable at the option of the Government, in whole or in part, on thirty (30) days notice, as follows:—

At 101 and accrued interest on any date prior to September 1, 1917.

At 100½ and accrued interest on September 1, 1917, and on any date thereafter prior to maturity.

To be secured by pledge with The Farmers Loan and Trust Company, of New York City, under a pledge agreement executed by the Government, of securities approved by J. P. Morgan & Co., of an aggregate value of at least $300,000,000, calculated on the basis of prevailing market prices, sterling securities being valued in dollars at the prevailing rate of exchange, viz.:—

	Value.
Stocks, bonds and/or other securities of corporations organized in the United States	**$100,000,000**
Bonds and/or other obligations of the Government of the Dominion of Canada, either as maker or guarantor, and stocks, bonds and/or other securities of the Canadian Pacific Railway Company	**100,000,000**
Bonds and/or other obligations of the several following Governments, either as maker or guarantor, viz., of Argentina, Chile, Norway, Sweden, Denmark, Switzerland and/or Holland	**100,000,000**

Pending the arrival and deposit of securities as above, the Government is to deposit temporarily with the Trust Company at the time of issue of the notes either approved New York Stock Exchange collateral of aggregate value equal to that of the then undelivered securities and/or cash equal to five-sixths of such value. All such temporary collateral is to be exchanged from time to time in the same relative proportions upon the deposit of the above mentioned securities.

If the pledged securities depreciate in value because of change in market price or in rate of exchange, the Government is to deposit additional securities with the Trust Company, to the end that the aggregate value of the pledged securities shall equal at least 120 per cent. of the principal amount of the notes at the time unpaid and not secured by deposited cash.

The Government is to reserve the right from time to time to sell for cash any of the pledged securities, in which event the proceeds of sale are to be received by the Trust Company and applied to the retirement of notes by purchase, if obtainable at prices not exceeding the then redemption price, and otherwise by redemption by lot at the redemption price.

The Government is to reserve the right also to make substitutions of securities, but such substitutions are not to vary the relative amounts in value of the above-indicated three several groups of securities at the time held by the Trust Company.

Valuations of securities are to be approved by J. P. Morgan & Co.

This offering is made subject to verification of the list of collateral, and to the approval of the necessary details by Counsel.

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AT 99 AND INTEREST, YIELDING SLIGHTLY OVER 5½ PER CENT.

Subscription books will be opened at the office of J. P. Morgan & Co., at 10 o'clock, A.M., August 23, 1916, and will be closed at 10 o'clock, A.M., August 28, 1916, or earlier, in their discretion.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS, AND ALSO, IN ANY EVENT, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR.

AMOUNTS DUE ON ALLOTMENTS WILL BE PAYABLE AT THE OFFICE OF J. P. MORGAN & CO., IN NEW YORK FUNDS, TO THEIR ORDER, AND THE DATE OF PAYMENT WILL BE GIVEN IN THE NOTICES OF ALLOTMENT.

Temporary certificates will be delivered pending the engraving of the definitive notes.

J. P. MORGAN & CO.

FIRST NATIONAL BANK
New York City

NATIONAL CITY BANK
New York City

HARRIS, FORBES & CO.

WM. A. READ & CO.

BROWN BROTHERS & CO.

LEE, HIGGINSON & CO.

KIDDER, PEABODY & CO.

J. & W. SELIGMAN & CO.

GUARANTY TRUST COMPANY, New York City

BANKERS TRUST COMPANY
New York City

FARMERS LOAN & TRUST COMPANY
New York City

CENTRAL TRUST COMPANY OF ILLINOIS
Chicago

UNION TRUST COMPANY
Pittsburgh

New York, August 22, 1916.

6. Second Canadian Domestic War Loan, $100,000,000 fifteen year 5% bonds at 97½, September, 1916

WAR LOAN

DOMINION OF CANADA

Issue of $100,000,000 5% Bonds Maturing 1st Oct., 1931

PAYABLE AT PAR AT
OTTAWA, HALIFAX, ST. JOHN, CHARLOTTETOWN, MONTREAL, TORONTO, WINNIPEG, REGINA, CALGARY, VICTORIA.

INTEREST PAYABLE HALF-YEARLY, 1st APRIL, 1st OCTOBER.
PRINCIPAL AND INTEREST PAYABLE IN GOLD.

ISSUE PRICE 97½

A FULL HALF-YEAR'S INTEREST WILL BE PAID ON 1st APRIL, 1917.
THE PROCEEDS OF THE LOAN WILL BE USED FOR WAR PURPOSES ONLY.

The Minister of Finance offers herewith on behalf of the Government the above-named Bonds for subscription at 97½, payable as follows:—

10 per cent. on application;
30 " " " 16th October, 1916;
30 " " " 15th November, 1916;
27½ " " " 15th December, 1916.

The total allotment of bonds of this issue will be limited to one hundred million dollars, exclusive of the amount (if any) paid for by the surrender of bonds as the equivalent of cash under the terms of the War Loan prospectus of 22nd November, 1915.

The instalments may be paid in full on the 16th day of October, 1916, or on any instalment due date thereafter, under discount at the rate of four per cent. per annum. All payments are to be made to a chartered bank for the credit of the Minister of Finance. Failure to pay any instalment when due will render previous payments liable to forfeiture and the allotment to cancellation.

Subscriptions, accompanied by a deposit of ten per cent. of the amount subscribed, must be forwarded through the medium of a chartered bank. Any branch in Canada of any chartered bank will receive subscriptions and issue provisional receipts.

This loan is authorized under Act of the Parliament of Canada, and both principal and interest will be a charge upon the Consolidated Revenue Fund.

Forms of application may be obtained from any branch in Canada of any chartered bank and at the office of any Assistant Receiver-General in Canada.

Subscriptions must be for even hundreds of dollars.

In case of partial allotments the surplus deposit will be applied towards payment of the amount due on the October instalment.

Scrip certificates, non negotiable or payable to bearer in accordance with the choice of the applicant for registered or bearer bonds, will be issued after allotment, in exchange for the provisional receipts.

When the scrip certificates have been paid in full and payment endorsed thereon by the bank receiving the money, they may be exchanged for bonds, when prepared, with coupons attached, payable to bearer or registered as to principal, or for fully registered bonds, when prepared, without coupons, in accordance with the application.

Delivery of scrip certificates and of bonds will be made through the chartered banks.

The issue will be exempt from taxes—including any income tax—imposed in pursuance of legislation enacted by the Parliament of Canada.

The bonds with coupons will be issued in denominations of $100, $500, $1,000. Fully registered bonds without coupons will be issued in denominations of $1,000, $5,000 or any authorized multiple of $5,000.

The bonds will be paid at maturity at par at the office of the Minister of Finance and Receiver-General at Ottawa, or at the office of the Assistant Receiver-General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary, or Victoria.

The interest on the fully registered bonds will be paid by cheque, which will be remitted by post. Interest on bonds with coupons will be paid on surrender of coupons. Both cheques and coupons will be payable free of exchange at any branch in Canada of any chartered bank.

Subject to the payment of twenty-five cents for each new bond issued, holders of fully registered bonds without coupons will have the right to convert into bonds of the denomination of $1,000 with coupons, and holders of bonds with coupons will have the right to convert into fully registered bonds of authorized denominations without coupons at any time on application to the Minister of Finance.

The books of the loan will be kept at the Department of Finance, Ottawa.

Application will be made in due course for the listing of the issue on the Montreal and Toronto Stock Exchanges.

Recognized bond and stock brokers will be allowed a commission of one-quarter of one per cent. on allotments made in respect of applications bearing their stamp, provided, however, that no commission will be allowed in respect of the amount of any allotment paid for by the surrender of bonds issued under the War Loan prospectus of 22nd November, 1915. No commission will be allowed in respect of applications on forms which have not been printed by the King's Printer.

Subscription Lists will close on or before 23rd September, 1916.

Department of Finance, Ottawa, September 12th, 1916.

7. Loan of Paris, France, of $50,000,000 5 year 6% gold bonds at 98¾ and accrued interest, October, 1916

$50,000,000

City of Paris Five-Year Six Per Cent. Gold Bonds

(MUNICIPAL EXTERNAL LOAN OF 1916)

DUE OCTOBER 15, 1921.

INTEREST PAYABLE APRIL 15 AND OCTOBER 15.

Principal and interest payable without deduction for any French governmental or municipal taxes or other French taxes.

Principal and interest payable in New York in United States gold coin, or, at the option of the holder (to be exercised as to principal thirty days before the date of maturity or of redemption) in Paris in France at the fixed rate of Francs 5.50 per Dollar.

Redeemable at the option of the City of Paris at 102½ per cent. on October 15, 1918, or on any interest date thereafter on ninety days' published notice.

Coupon bearer bonds in denominations of $1,000, $500 and $100 each.

The Government of the French Republic is to undertake to furnish and permit the exportation of gold, so far as necessary, to permit the City of Paris to pay the interest or principal amount of the loan in gold in the City of New York. This loan is, we are informed, the only external loan of the City of Paris.

The purpose of the loan is stated to be to reimburse the City of Paris for the very important and unusual expenditures to which it has been subjected for more than two years for the alleviation of suffering caused by the war, to provide for additional similar expenditures and for other municipal purposes.

THE UNDERSIGNED WILL RECEIVE SUBSCRIPTIONS FOR THE ABOVE BONDS AT 98¾ PER CENT. AND ACCRUED INTEREST, AT WHICH PRICE THE BONDS NET 6.30 PER CENT. ON THE INVESTMENT.

In addition there is the possibility of a very substantial profit in exchange, in view of the option to collect the principal and interest of the Bonds at the rate of Francs 5.50 per Dollar, while the normal rate of exchange before the war was about Francs 5.18 per Dollar.

The subscription will be closed at three o'clock p.m. on Wednesday, October 4, 1916, or earlier, the right being reserved to reject any applications and to award a smaller amount than applied for. The undersigned reserve the right to close the subscription at any time without notice.

A first payment of $50 per $1,000 bond subscribed for must accompany all subscriptions. The balance of the amount due on bonds allotted upon subscriptions will be payable in New York funds, on Monday, October 16, 1916, at the office of the undersigned, against delivery of temporary certificates exchangeable for engraved bonds when received.

If no allotment be made, the first payment will be repaid in full, and if only a portion of the amount applied for be allotted, the balance of the first payment will be applied towards the amount due on October 16, 1916. No interest will be allowed on such first payment. If any further balance remains, such balance will be repaid. Failure to pay the second instalment, when due, will render the previous payment liable to forfeiture.

All allotments will be made subject to the necessary official action to complete the transaction and to the opinion of Counsel as to legality.

KUHN, LOEB & CO.

New York, October 2, 1916.

8. British Loan in the United States of $300,000,000 5½% secured gold notes, 3 year at 99¼ and 5 year at 98½ and interest, October, 1916.

$300,000,000

United Kingdom of Great Britain and Ireland

5½% SECURED LOAN GOLD NOTES

Dated November 1, 1916

$150,000,000 Three-Year Notes due November 1, 1919
$150,000,000 Five-Year Notes due November 1, 1921

Interest payable May 1 and November 1

DIRECT OBLIGATIONS OF THE GOVERNMENT

Principal and interest payable in United States gold coin, at the office of J. P. Morgan & Co., or, at the option of the holder, in London in sterling at the fixed rate of $4.86½ to the pound.

Principal and interest payable without deduction for any British taxes, present or future.

Coupon Notes of $1,000, $5,000 and $10,000

Redeemable at the option of the Government, in whole or in part, on thirty (30) days notice, as follows:—

						Three-Year Notes	Five-Year Notes
From November	1, 1916	to October	31, 1917	inclusive		103 and interest	105 and interest
"	1, 1917	"	31, 1918	"		102 and interest	104 and interest
"	1, 1918	"	31, 1919	"		101 and interest	103 and interest
"	1, 1919	"	31, 1920	"			102 and interest
"	1, 1920	"	31, 1921	"			101 and interest

To be secured by pledge with Guaranty Trust Company of New York, under a pledge agreement executed by the Government, of securities approved by J. P. Morgan & Co., of an aggregate value of not less than $360,000,000, calculated on the basis of then prevailing market prices, sterling securities being valued in dollars at the prevailing rate of exchange, viz:—

Group I. Stocks, bonds and/or other securities of American corporations (including the Canadian Pacific Railway Company) and bond and/or other obligations (either as maker or guarantor) of the Government of the Dominion of Canada, the Colony of Newfoundland, and/or provinces of the Dominion of Canada, and/or Canadian municipalities: Aggregate value not less than $180,000,000
(Of the foregoing there will be somewhat over $100,000,000 in aggregate value of securities of corporations of the United State and of the Canadian Pacific Railway Company.)

Group II. Bonds and/or other obligations (either as maker or guarantor) of any or all of the several following Governments, to wit: Commonwealth of Australia, Union of South Africa, New Zealand, Argentina, Chile, Cuba, Japan, Egypt, and India, and/or approximately $25,000,000 value in bonds or other obligations of dividend-paying British railway companies: Aggregate value not less than $180,000,000

Total $360,000,000

Pending the arrival and deposit of definitive securities as above, the Government is to deposit temporarily with the Trust Company either approved New York Stock Exchange collateral or cash.

If the pledged securities depreciate in value, the Government is to deposit additional securities to maintain the 20 per cent. margin.

The Government is to reserve the right from time to time to sell for cash any of the pledged securities, the proceeds of sale to be applied to the retirement of notes by purchase or by redemption by lot.

Upon the retirement of the three-year notes, a proportionate amount of the collateral may be withdrawn approximately ratably from each class.

The Government also from time to time may make substitutions of securities, but such substitutions are not to vary the then relative amounts in value of the groups. All substitutions withdrawals and valuations of securities are to be approved by J. P. Morgan & Co.

This offering is made subject to the approval by our Counsel of necessary formalities.

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AS FOLLOWS:
The Three-Year Notes at 99¼ and interest, yielding over 5.75 per cent.
The Five-Year Notes at 98½ and interest, yielding about 5.85 per cent.

Subscription books will be opened at the office of J. P. Morgan & Co., at 10 o'clock, A.M., October 31, 1916, and will be closed at 10 o'clock. A.M., November 8, 1916, or earlier, in their discretion.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS, AND ALSO, IN ANY EVENT, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR.

AMOUNTS DUE ON ALLOTMENTS WILL BE PAYABLE AT THE OFFICE OF J. P. MORGAN & CO., IN NEW YORK FUNDS, TO THEIR ORDER, AND THE DATE OF PAYMENT WILL BE GIVEN IN THE NOTICES OF ALLOTMENT.

Temporary certificates will be delivered pending the engraving of the definitive notes.

J. P. MORGAN & CO.

FIRST NATIONAL BANK
New York City

HARRIS, FORBES & CO.

NATIONAL CITY COMPANY
New York City

BROWN BROTHERS & CO.

J. & W. SELIGMAN & CO.

KIDDER, PEABODY & CO.

WM. A. READ & CO.

KISSEL, KINNICUTT & CO.

LAZARD FRÈRES

LEE, HIGGINSON & CO.

BANKERS TRUST COMPANY
New York City

GUARANTY TRUST COMPANY of New York

WHITE, WELD & CO.

CENTRAL TRUST COMPANY OF ILLINOIS
Chicago

FARMERS LOAN & TRUST COMPANY
New York City

CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK, Chicago

UNION TRUST COMPANY
Pittsburgh

MARINE NATIONAL BANK
Buffalo

FIRST & OLD DETROIT NATIONAL BANK
Detroit.

New York, October 30, 1916.

9. Offering of British Exchequer Bonds, 5% 5 years at par.

ABRIDGED PROSPECTUS

EXCHEQUER BONDS

Per Acts 29 Vict. c. 25; 52 Vict. c. 6; and 5 & 6 Geo. V. c. 55.

Bearing Interest from the date of purchase at £5 per cent. per annum, payable Half-yearly on the 1st June and the 1st December.

REPAYABLE AT PAR ON THE 1st DECEMBER, 1920

Price of Issue fixed by H.M. Treasury at £100 per Cent.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorized by the Lords Commissioners of His Majesty's Treasury to receive until further notice applications for Exchequer Bonds as above.

The Bonds will be issued in denominations of £100, £200, £500, £1,000 and £5,000, and will bear interest at £5 per cent. per annum, payable half-yearly by coupon, the first coupon on each Bond representing interest to the 1st June, 1916, from the date upon which payment for the Bond is made.

In the event of future loans (other than issues made abroad or issues of Exchequer Bonds, Treasury Bills, or similar short-dated securities) being raised by His Majesty's Government for the purpose of carrying on the War, Bonds of this issue will be accepted, together with all undue Coupons, as the equivalent of cash to the amount of their face value for the purpose of subscription to any such loan. Interest accrued to the date of the surrender of a Bond will be paid in cash.

Bonds of this issue, and the Interest payable from time to time in respect thereof, will be exempt from all British taxation, present or future, if it is shewn in the manner directed by the Treasury that they are in the beneficial ownership of a person who is neither domiciled, nor ordinarily resident, in the United Kingdom of Great Britain and Ireland.

Applications for Bonds, which must in every case be accompanied by payment of the full amount payable in respect of the Bonds applied for, may be lodged by hand at the Bank of England, Threadneedle Street, E.C., on any business day between the hours of 10 a.m. and 2 p.m. (Saturdays between 10 a.m. and 12 noon); or they may be forwarded to the Bank through the post. Where payment is made otherwise than in cash or Banker's draft on the Bank of England, the amount of interest payable in respect of the relative Bonds on the 1st June, 1916, will be calculated as from the date on which the proceeds of the payment are actually received by the Bank.

In all cases in which the Bank are asked to forward Bonds by post, the Bonds will be despatched by Registered Post at the risk of the Applicant, who must himself effect any insurance that may be desired.

Bonds of this issue (EX the Coupon payable 1st June, 1916, for interest in respect of the broken period) may be lodged for registration in the books of the Bank of England, on terms which may be obtained on application.

Applications must be made either upon the Coupon printed below or upon the printed forms which may be obtained, together with copies of this Prospectus, at the Bank of England, at the Bank of Ireland; of Messrs. Mullens, Marshall & Co., 13 George Street, Mansion House, E.C.; and at any Bank, Money Order Office, or Stock Exchange in the United Kingdom.

Bank of England, London, 16th December, 1915.

BOND PRICES AND THE OUTLOOK

Review of the Market for Past Twenty Years—Prophecy is Uncertain

BY C. H. BURGESS.

One who attempts to prophesy correctly as to the future prices of securities, no matter what the conditions are, is attempting rather an uncertain task. At the end of last year we expected, in view of the low price at which the Dominion loan was issued, to see other Canadian securities fall in value, as it has been the custom of dealers and investors in securities to make everything grade down from the highest class of securities obtainable. However, in 1916 the supply of municipal bonds was very limited and the demand from a new market, namely, the United States, was very large and we, therefore, had the novelty of witnessing Dominion of Canada bonds selling at a lower price than some of Ontario's larger towns. The municipal issues were, in the aggregate, comparatively small, but the Dominion government and provincial issues were large. British Columbia, Alberta, Saskatchewan, Manitoba, Toronto and Montreal came on the market with big issues, and, as in the case of 1915, the high point in prices was reached in May, when both Toronto and Montreal made substantial issues. The range of prices about this time was:—

1916.

Dominion government bonds yielding	5¼% to 5⅛%
Province of Ontario bonds yielding.....	4.80%
British Columbia and Alberta bonds yielding	5½% to 5.30%
City of Toronto and Montreal bonds yielding	4.90% to 4.85%
Saskatchewan, Manitoba and medium-sized Ontario cities bonds yielding.....	5.20% to 5.10%
Ontario towns and townships bonds yielding	5⅜% to 5¼%
Ontario village bonds yielding	5⅝% to 5½%
Western city bonds (Calgary, Edmonton, Regina, etc.), yielding	about 5¾%
Western school districts bonds yielding....	about 6½%

In June, the Dominion government brought out an issue in New York of $75,000,000, and the terms of same were very attractive, with the result that it was many times over-subscribed and the price rose from a 5½ per cent. basis to a 5 per cent. basis, and even sold at a slight premium. In July, however, the minister of finance stated that he would bring out a domestic issue in the fall, and advised people to hold their money for that investment. Almost immediately there was a decided change in investment demands and comparatively little business was done in the ordinary channels. The loan, it was thought, would be a great deal larger than the other loan which was put out, and people were not disapointed in this, as the minister of finance offered $100,000,000 of bonds, which was over-subscribed a hundred per cent. Immediately after the reception of this loan was known, every other class of bond started to stiffen in price, and the end of the year saw prices higher than they were before the loan was brought out. Last year, however, we received a lot of our own bonds back from London, which, owing to the conditions of exchange, could be offered at most attractive rates, and this was inclined to have a tempering effect on the rise in prices of other bonds, as undoubtedly the bonds will continue to come over as favorable opportunities offer themselves.

As Canada will have to do more of its own financing than it has done in the past, I look for more government loans to be brought out in 1917, and this will have an effect upon prices of other securities.

I will not make comparison of western municipal securities because until after 1900 western municipalities, with the exception of the larger places like Winnipeg, Brandon, Calgary, Vancouver, etc., played little part in the bond market. The basis on which figures are given is in the interest return that the different debentures sold to yield.

The following is a record of approximate prices of Canadian securities for a series of years:—

1896-1897.

Turning point from depression in Canada following collapse of real estate boom, and succession of crop failures.

Provincial Governments (Ontario, Quebec and Nova Scotia), 3⅛ per cent. to 3¼ per cent.
Large cities and Ontario Counties (Toronto, Montreal, London, etc.) 3¼ per cent. to 3⅜ per cent.
Large Ontario towns and townships, 3½ per cent. to 3⅝ per cent.
Village bonds, 3¾ per cent. to 4 per cent.

1899-1900.

Provincial Governments, 3½ per cent. to 3⅝ per cent.
Large cities and counties, 3¾ per cent. to 3⅞ per cent.
Large towns and townships, 4 per cent. to 4⅛ per cent.
Village bonds, 4¼ per cent. to 4¼ per cent.

1901-1904.

1902.—Great industrial and stock speculation.
1903.—Reaction from speculation of year before.
Provincial Governments, about 3¾ per cent.
Large cities and counties, 3⅞ per cent. to 4 per cent.
Large towns and townships, 4⅛ per cent. to 4¼ per cent.
Village bonds, 4⅜ per cent. to 4½ per cent.

1905-1906.

1907.—Panic year.
Provincial Governments about 3½ per cent. to 3⅝ per cent.
Large cities and counties, 3⅞ per cent. to 4 per cent.
Large towns and townships, 4 to 4⅛ per cent.
Village bonds, 4¼ per cent. to 4⅜ per cent.

1907-1908.

1908.—Recovery year.
Provincial Governments, 4 per cent. to 4¼ per cent.
Large cities and counties, 4½ per cent. to 4¾ per cent.
Large towns and townships, 4¾ per cent. to 5¼ per cent.
Village bonds, 5½ per cent. to 5¼ per cent.

1909.

Great prosperity and real estate boom in Canada commences.
Provincial Governments about 3⅞ per cent.
Large cities and counties, 4 to 4¼ per cent.
Large towns and townships, 4¼ per cent. to 4⅜ per cent.
Village bonds, 4½ per cent. to 4⅝ per cent.

1910.

Provincial Governments about 3.90 per cent.
Large cities and counties, 4 per cent., 4¼ per cent. to 4⅜ per cent.
Large towns and townships, 4½ per cent. to 4⅝ per cent.
Village bonds, 4⅞ per cent. to 4¾ per cent.

1911.

Provincial Governments, 4 per cent. to 3.90 per cent.
Large cities and counties, 4⅛ per cent., 4¼ per cent. to 4⅜ per cent.
Large towns and townships, 4½ per cent., 4⅝ per cent. to 4¾ per cent.
Village bonds, 4¾ per cent. to 4⅞ per cent.

At the end of the year prices for Ontario bonds were about as follows:—
Provincial Governments, 4 per cent. to 3.90 per cent.
Large cities and counties, 4⅛ per cent., 4⅜ per cent. to 4½ per cent.
Large towns and townships, 4½ per cent., 4¾ per cent. to 4⅞ per cent.
Village bonds, 4⅞ per cent. to 5 per cent.

1912.

Real estate boom commenced to fail.

Provincial Governments, 4¼ per cent. to 4 per cent.

Large cities and counties, 5 per cent. to 4½ per cent. Counties selling at about 5 per cent. City of Toronto 4½ to 4⅜ per cent.

Large towns and townships, 5¼ per cent. to 5 per cent.

Village bonds, 5½ per cent. to 5⅜ per cent.

1913.

Real estate boom collapsed. Hard times.

Provincial Government debentures sold as low as a rate to yield 4.40 per cent.

Large cities and counties at 5¾ per cent to 5 per cent. (Counties selling at about 5½ per cent., city of Toronto at about 5¼ to 5 per cent.).

Large towns and townships from 6½ to 6 per cent.

Village bonds from 6¾ to 6½ per cent.

1914.

August 1st.—The commencement of the great war. German rush for Paris.

About March to May, 1914, the prices for debentures ranged as follows:—

Provincial Government debentures, 4¾ per cent. to 4¼ per cent.

City of Toronto, 4¾ per cent. to 4⅝ per cent.

Ontario counties, 4¾ per cent. to 4¾ per cent.

Large Ontario towns and townships, 5¼ per cent. to 5 per cent.

Ontario village bonds, 5½ per cent. to 5⅜ per cent.

Western city bonds, such as Calgary, Edmonton and Regina, 5⅜ per cent. to 5¼ per cent.

Smaller western towns sold from 6 per cent. to 5¾ per cent., and smaller places still from 6¼ to 6 per cent.

School districts and western villages from 7¼ per cent. to 7 per cent.

1915.

Great war and deadlock on west front. German advance against Russia.

From March to about May last year, prices reached their highest level or lowest yield rate. At this time, Ontario provincial bonds were selling to yield about 4.80 per cent.

City of Toronto, 4.95 per cent.

Ontario counties, 5 per cent.

Moderate Ontario cities, 5¼ per cent. to 5⅛ per cent.

Large Ontario towns and townships, 5⅛ per cent. to 5¼ per cent.

Ontario village bonds, 5⅛ per cent. to 5½ per cent.

Western city bonds (Calgary, Edmonton, Regina, etc.), about 6 per cent.

Smaller western towns, 6¼ per cent. to 7 per cent.

School districts and western villages, 7¼ per cent. to 7 per cent.

However, it was not long until these prices were materially changed, so that in the fall of the year the prices were about as follows:—

Provincial Government bonds (such as Ontario), 5¼ per cent. to 5⅛ per cent.

City of Toronto, 5⅜ per cent.

Small Ontario cities, 5⅛ per cent.

Good Ontario towns, 5¾ per cent.

Western cities (such as Saskatoon, Calgary, Edmonton), 6¼ per cent.

School districts, 7½ per cent.

Villages, 8 per cent.

A dock capable of accommodating ocean-going vessels has been completed at Port Nelson, on Hudson Bay. It is 3,000 feet out from shore, and connected with the mainland by a steel trestle, over which trains will be running next summer to reach the ships. Grain elevators and warehouses will be built on the dock.

DOMINION GOVERNMENT LOANS LAST YEAR

Two Were Made Involving Total of $175,000,000—Canadian Government Loans in United States

Last year the Dominion government made two loans as follow:—

Sold in—	Month.	Amount.	Rate per cent.	Term—years.
New York	March	$ 25,000,000	5	5
New York	March	25,000,000	5	10
New York	March	25,000,000	5	15
Canada	September ..	100,000,000	5	15
Total		$175,000,000		

Dominion loans in other years have been as follow:—

1912	$ 25,000,000
1913	34,066,666
1914	48,666,666
*1915	170,000,000
*1916	175,000,000

*Including domestic war loan of $100,000,000.

For the period September, 1914, to March 31st, 1915, Canada arranged with the imperial government for war loans of £12,000,000, the understanding being that Canadian war loans would be issued in Great Britain to repay borrowings from the British authorities, at times to be agreed upon by the British chancellor and the Canadian finance minister. This arrangement was duly extended, but since the summer of 1915 Canada has been able to finance its war expenditures in this country without the aid of further war loans from the United Kingdom. To February last, British government advances to the Dominion had totalled $135,000,000, of which $100,000,000 was repaid in August by the issue of Dominion bonds to the imperial treasury.

Only one public loan has been floated in London by the Dominion since the war. This was in March, 1915, for £5,000,000 4½ per cent. bonds, redeemable in 5 or 10 years, and issued at 99½. It was oversubscribed. The loan was for public works.

Loans in United States.

In July, 1915, the Dominion government sold in New York $25,000,000 one-year 5 per cent. notes at par, and $15,000,000 of two-year 5 per cent. notes at 99¾, with option to holders of each to convert into 5 per cent. 20-year debentures. This was the first issue ever made by the Dominion government in the United States. The one-year notes were repaid on August 1st, 1916, and the two-year notes are due on August 1st, 1917.

The loan which followed, in the United States, the note issue of July, 1915, was one of $75,000,000 raised in that market in March last. Another issue will probably be made in New York during the current quarter.

Benefit of Loans in United States.

Among the reasons favoring Canadian government loans in New York are the following:—(1) Relief to the amount of the loan will be given to the London market, which is the source of the imperial borrowings from which the war expenditure of the Empire is financed. (2) By borrowing in New York rather than in London the exchange situation now so greatly against the latter will be benefited. (3) A loan of such a large amount effected in New York should tend to improve exchange conditions between Canada and the United States, exchange at present being strongly in favor of the latter.

The final loan of the Dominion government during the past year was the $100,000,000 war loan made in Canada in November. Full details of the Dominion government loans last year appear in the bond sales tables on another page.

To provide for current needs until the proceeds of the September war loan were available, the government in August negotiated a loan with the banks. The amount required was $25,000,000, the collateral being three-months treasury notes of 5½ per cent. The banks offered $30,000,000, and that amount was accepted. Seventy per cent. of the loan was placed to the credit of the Dominion government on August 1st, and 30 per cent. on September 1st. As the loan was repayable on November 1st, the loaning banks were not inconvenienced through a diminution of crop-moving funds.

SASKATCHEWAN'S MUNICIPAL BONDS

Sharp Decrease in Borrowings Has Occurred Since the War, With Improved Position

BY S. P. GROSCH.

The excellent crop harvested in Saskatchewan in 1915 and the prevailing high prices for the 1916 crop have placed Saskatchewan rural municipalities in a most enviable position financially. Taxes have been paid to such an extent that many rural municipalities are showing large cash balances in their annual statements. This prosperity in the rural municipalities has been reflected to a greater or lesser degree upon the urban municipalities. A comparison of the amounts authorized by the local government board during the first 11 months of the years 1914, 1915 and 1916 will show that notwithstanding cash surpluses, economy is being practised. The period of 11 months is adopted as figures for the month of December, 1916, were not available at the time of writing:—

	1914, first 11 months.	1915, first 11 months.	1916, first 11 months.
Cities	$4,299,467	$ 739,012	$ 150,376
Towns	600,483	307,772	102,500
Villages	116,300	94,850	63,150
Rural municipalities	154,500	62,000	11,000
Schools	1,051,100	613,675	520,560
Rural telephones	949,100	1,133,450	1,902,125
Total	$7,170,950	$2,950,759	$2,749,711

Deducting the authorizations to rural telephone companies, which are not municipals, the comparison is as follows:—

First 11 months.	Total.
1914	$6,221,850
1915	1,817,309
1916	847,586

A small proportion of the amount authorized for cities and towns was for over-expenditure on works, already completed; the balance was for extensions and new undertakings which were considered absolutely necessary.

Incurred no Debenture Indebtedness.

In the case of villages authorizations were granted largely for such essentials as an adequate water supply, fire protection, sidewalks and street improvements. Debenture indebtedness by school boards was incurred almost entirely for the erection and equipment of rural schools and schools in small urban centres including rural districts.

Rural municipalities have refrained almost entirely from incurring any debenture indebtedness. Officials have reported that sufficient cash surpluses were on hand to pay for necessary road improvements out of current revenue.

The large increase in the amount of money borrowed for the construction of rural telephone lines is due to an increasing desire on the part of the residents in rural districts to bring this convenience to their door, and to their confidence in their ability to repay the indebtedness so incurred and charged as taxes against their lands.

During the past year it was gratifying to observe that notwithstanding war conditions, Saskatchewan municipal debentures generally, and particularly rural telephone debentures, were disposed of at as good, and in many cases better, prices than were obtained for these securities any time since the early part of 1913.

Hospital District Bonds.

At present, considerable interest is being taken in the hospital act, whereby two or more adjacent municipalities may unite and form a hospital district. The primary object of this movement is to afford an opportunity to rural and small urban municipalities to unite and obtain the benefits of a hospital. According to present indications debentures of rural municipalities will be placed on the market in order to provide the necessary funds to enable each municipality to finance its portion of the cost of the undertaking. Some rural municipalities, however, are providing the necessary funds out of current revenue.

During the past year, large amounts of money standing to the credit of the sinking fund account of municipalities have been invested in Dominion war loan bonds. Corporations and private individuals have continued to purchase Saskatchewan municipal securities to an even larger extent than during 1915, when such purchase assumed considerable proportions. There is every indication that a local demand for such securities will steadily increase and that before many years a considerable proportion of such offerings will be absorbed locally.

PROMISING FUTURE FOR TRUST COMPANIES

Increase in the Testamentary Trust Business Last Year —Comparatively New Institutions

The outstanding feature of the trust companies' business in 1916 was the increase in the testamentary trust business and the taking over of estates under trust agreements. A great deal of that has been done in the west owing to owners having been, at all events temporarily, involved in too much speculation and being compelled to get advances for the payment of taxes and other liabilities that no company would advance unless they were put in absolute charge.

There has been little, if any, money sent forward for investment from Europe or the United States. The money that has been coming from the United States for investment during the past year has not been such as usually finds its way through the trust companies.

The first mortgage business of the trust companies has declined, many clients preferring to see their money invested in government bonds now that the rates are attractive and legislation having been passed by several provinces which is considered to be adverse to the mortgagee.

Agents for Absent Clients.

During the past year trust companies have been called upon, with ever-increasing frequency, to exercise one of their most important functions—namely, to act as agents for absent clients. Commenting upon this fact, Mr. A. E. Parker, C.A., secretary of the Western Trust Company, Winnipeg, in a statement to *The Monetary Times*, says: "The abnormal conditions prevailing during the past year, have resulted in many of our business men forsaking their occupations, in order to take their places with the empire's forces on the field of battle. These men have had to place their affairs in the hands of some responsible person or organization, and the trust companies have once again been able to demonstrate their value to the community by handling in an efficient manner the greater portion of this class of business. The increase of business handled in this connection has more than off-set the falling off in liquidation, assignments and debenture issues.

Comparatively New Institutions.

"Trust companies are comparatively new institutions, and each financial period is a stepping stone to greater activities for the various companies engaged in the trust business in Canada. The public is being educated gradually to the many important features of the business handled by trust companies, and to the great advantages to be derived from appointing such companies as trustees in preference to the appointment of individuals. Canadian trust companies, as a general rule, have a high reputation, and properly so, for with one lamentable exception, these companies have, through their various departments, carried on an important and necessary work in the building up of the country. The business activities of the past year have maintained this reputation and with the increasing recognition by the public of the numerous services that can be efficiently rendered by a trust company, a promising future is before these important financial institutions."

The proceeds of a $75,000,000 Dominion loan in New York in March last, were, it is understood, not drawn immediately against to any great extent. Although the holders of the notes had the privilege of accepting in lieu of cash, 4½ per cent. long-term bonds at par, few availed themselves of it, with the bond put out in March selling well below par, and bearing 5 per cent. interest. Part of the proceeds of the March issue, therefore, was devoted to paying of the one-year notes.

STOCK ISSUES IN *CANADA*, 1916

Issuer	Stock	Rate	Amount	Remarks
		%		
January				
(1)Royal Bank	.....	.....	$ 440,000	Issued to shareholders at par. Offered in proportion of one share to 27
March				
Nova Scotia Steel and Coal	Debentures	6	1,000,000	Issued at 95 and interest
May				
(2)Goodwins, Ltd	Preference	7	500,000	Issued a 80. Offered to shareholders
Goodwins, Ltd	Common	.....	500,000	Issued at 30. Offered to shareholders
Shawinigan Water & Power Co.	Common	.....	1,361,250	Issued to shareholders at 115 in the ratio or one share of new stock to 10 shares of old
Loew's Montreal Theatres, Ltd.	Preference	.....	450,000	Issued at par, with a 50% bonus of common stock
Loew's Montreal Theatres, Ltd.	Common	.....	750,000	
Brandram Henderson, Ltd.	cumulative pref.	7	150,000	Offered at 95
			3,711,250	
August				
Montreal Tramways	Common	.....	1,000,000	Issued to shareholders at par
September				
Dominion Linens, Ltd.	Cumulative pref.	7	175,000	Offered at par with a bonus of 20% common stock
October				
Con. Mining & Smelting Co., Ltd.	Common	10	2,106,835	Offered to shareholders at par in ratio of one new share to four old
Standard Bank of Canada	Common	.....	500,000	Offered to shareholders at premium of 100
Ontario Toys, Ltd	Common	.....	5,000	Offered at par, $1 shares
			2,611,835	
November				
Brompton Pulp & Paper	Preferred	7	1,800,000	This was part of an issue of $2,000,000, the balance of $200,000 being sold in the United States
Brompton Pulp & Paper	Common	.....	6,300,000	Issued at 59; this was part of an issue of $7,000,000, the balance of $700,000 being sold in the United States
(3)Canadian Connecticut Cotton Mills.	Preferred	7	6,400	None sold for less than par and accrued dividend; this was an issue of $101,900, the balance being sold in the United States
Hollinger Consolidated Gold Mines.	Common	.....	780,000	Issue of 120,000 shares at $6.50
			8,886,400	
Total			17,384,485	

CANADIAN STOCK ISSUES IN *UNITED STATES*, 1916

Issuer	Stock	Rate	Amount	Remarks
		%		
March				
Goodyear Tire & Rubber Co. of Can.	Cumulative pref.	7	$ 850,000	Offered at par and accrued dividend
April				
Vacuum Gas & Oil Co., Ltd.	Common	.....	20 ,000	Offered in New York at 50c. per $1 share
November				
Brompton Pulp & Paper Co.	Preferred	7	200,000	This was part of an issue of $2,000,000, the balance of $1,800,000 being sold in Canada
Brompton Pulp & Paper Co.	Common	.....	700,000	Issued at 59; this was part of an issue of $7,000,000 the balance of $6,300,000 being sold in Canada
(3)Canadian Connecticut Cotton Mills.	Preferred	7	95,000	None sold for less than par and accrued dividend; this was an issue of $101,900, the balance being sold in Canada
			995 000	
			2,045,000	

(1) In August, the unallotted fractions and the unaccepted allotments totalling 1,640 shares were sold to public by tender. (2) Shareholders were entitled to subscribe for one share of preferred stock for each six shares of capital stock held (whether preferred or common). (3) No common stock was issued as a bonus, but the concern underwriting the stock delivered from its holdings 75% in common stock to the company's stockholders who subscribed for the preferred.

MUNICIPAL BOND PRICES, 1916
Highest and Lowest Bids Received for Certain Issues

Municipality	Issue	Per Cent.	Maturity Years	Bids Received	Highest	Lowest
January—York Township, Ont.	$ 36,000	5½	20	17	$ 36,025.00	35,300.00
The Pas, Man.	130,000	5	20	5	118,576.90	115,882.00
February—Walkerville, Ont.	20,988	5½	10	14	20,993.00	20,602.00
London, Ont.	555,492	5	various	16	548,247.00	541,821.00
Port Hope, Ont.	35,000	5½	30	18	35,157.00	33,502.00
Galt, Ont.	50,000	5½	20	22	51,620.00	49,545.00
Windsor, Ont.	194,173	& 5½	various	22	192,628.90	190,076.00
Macdonald, Man.	5,000	4	20	4	4,017.00	3,725.00
Midland, Ont.	13,000	5½	30	11	13,036.00	12,763.00
Wallace, Man.	40,000	4½	....	18	86.40%	77%
Brantford, Ont.	{ 21,000	5	18	} 20	35,061.00	33,483.00
	{ 15,000	5	19	}		
Barrie, Ont.	37,880	5 & 5½	10—20	14	37,175.00	36,524.00
St. Thomas, Ont.	40,700	5½	20	....	41,827.00	40,755.00
Simcoe, Ont.	18,466	6	20—30	4	103.62%	99.43%
Essex, Ont.	29,000	6	20	11	103.12%	101.04%
Burnaby, B.C.	1,000,000	6	20	5	95.667%	94.25%
Sarnia, Ont.	{ 8,900	5½	9	} 18	13,985.00	13,482.00
	{ 5,000	6	10	}		
Fernie, B.C.	4,634	5½	6	....	Sold to local inv	estors at 92%
March—Cochrane, Ont.	5,500	6	20	3	5,311.00	5,119.00
Renfrew, Ont.	10,647	5	27—30	14	9,942.00	9,503.00
York Township, Ont.	17,000	5½	10	14	17,355.00	16,983.00
Walkerville, Ont.	8,292	5½	10	12	8,327.00	8,188.00
Cornwall, Ont.	25,000	5½	30	14	25,067.00	24,257.00
Cobalt, Ont.	30,000	6	3	....	96¼% flat	.....
Lethbridge, Alta.	100,000		3	....	96.35%	.....
Renfrew County, Ont.	30,000	5	5½	15	29,847.00	28,998.00
Wellesley Township, Ont.	7,500	6	20	13	104.20%	101.01%
East Tilbury Township, Ont.	6,945	6	various	7	7,023.50	6,921.30
Maisonneuve, Que.	600,000	5	20	4	91.52%	91.25%
Kingston, Ont.	26,900	5½	....	....	27,635.00	26,588.00
April—Quebec, Que.	475,000	5	5	21	99.08%	97.77%
Saskatoon, Sask.	160,000	5	30	6	136,688.00	131,600.00
Sault Ste. Marie, Ont.	83,506	5, 5½ & 6	15	30—12	81,832.00	77,028.00
Hamilton, Ont.	287,845	4½	15	15	278,807.00	272,445.00
New Westminster, B.C.	152,150	5	27—29	3	84.5%	81.53%
Shawinigan Falls, Que.	150,000	5½	30	6	93.776%	90.62%
Sarnia, Ont.	132,000	6	20	....	104.47%	101,6%
Cobourg, Ont.	16,000	5½	10	15	100.08%	98.31%
Cameron, Man.	4,000	7	10	9	4,110.00	3,800.00
May—Hamilton, Ont.	287,845	4½	15	13	278,807.00	272,445.00
Osgoode Township, Ont.	7,250	5	10	4	7,041.00	7,014.00
Smiths Falls, Ont.	20,600	6	20—30	9	21,722.00	20,910.00
Sandwich, Ont.	11,979	6	20	12	12,363.00	12,112.00
				6		
Saskatoon, Sask.	{ 160,000	5	30	sink'g fund }	136,688.00	128,285.00
	{ 160,000	5	30	4		
				annuity }	142,096.00	136,400.00
Saskatoon, Sask.	{ 160,000	5	1	4	157,740.00	156,800.00
	{ 160,000	5	3	4	153,725.00	152,112.00
Renfrew County, Ont.	4,000	5	5	16	3,973.24	3,892.00
Thorold, Ont.	8,000	5	30	13	7,551,00	7,215.00
York Township, Ont.	{ 17,000	5½	20	15	101.176%	100.03%
	{ 51,875	5½	10	14	101.176%	99.31%
Beamsville, Ont.	20,000	6	30	19	104.41%	100 27%
Peterboro, Ont.	33 857	5	10—30	19	97.67%	93.73%
Chesley, Ont.	22,500	5½	20	22	22,500.00	21,723.00
Longue Point, Que.	115,000	6	40	4	96.55%	93.02%
St. Cunegonde and St. Henry, Que.	25,000	6	25	10	100.51%	96.15%
Montreal, Que.	2,000,000	5	20	7	98.867%	96%
Toronto, Ont.	3,669,000	5	various	14	99.637%	98.02%
Woodstock, N.B.	80,000	5½	10	5	100.086%	97%
Moncton, N.B.	45,000	5	15	9	98.15%	94.36%
Russell, Man.	7,000	6	20	5	94.67%	90.07%
June—Orillia, Ont.	35,000	6	20	6	36,518.00	35,844.00
Cornwall, Ont.	5,000	6	20	8	103.72%	102.72%
Parry Sound, Ont.	30,000	5½	30	9	29,649.00	28,131.00
Peel County, Ont.	52,000	5½	....	20	52,785.00	51,174.00
Westmount, Que.	107,000	4½	44	....	5% basis & int'st	.....
St. Catharines, Ont.	193,395	5 & 5¼	5—20	15	193,986.00	189,912.00
Scarboro, Ont.	94,996	5½	....	17	9,725.00	9.486.00
Montreal Protestant Schools, Que.	650,000	5½	30	9	104.64%	100.047%
Ottawa, Ont.	1,032,517	5	20—30	....	100.01%	.....
Lachine, Que.	267,000	5½	10—20	8	99.177%	95.05%
St. Pierre, Que.	30,000	6	40	3	93.10%	92 50%
Calgary, Alberta	1,568,806	5	various	6	88.125%	82.545%
Halifax, N.S.	460,420	5	35	9	100.53%	97.01%
Trail, B.C.	7,500	6	20	6	92%	85%
Kingston, Ont.	60.000	5	20	15	98.65%	96.51%
Truro, N.S.	23,700	5	30	9	98.077%	91.10%
Edmonton, Alta.	2,000,000	6	2	....	98⅞%	.....

MUNICIPAL BOND PRICES, 1916—*Continued*

Municipality	Issue	Per Cent.	Maturity Years	Bids Received	Highest	Lowest
July—Trenton, N.S.	$ 15,000	5	20	4	$ 93.31%	$ 91.61%
Ridgetown, Ont.	10,000	6	20	6	104.31%	102.04%
Port Credit, Ont.	30,000	6	15	7	104.94%	102.94%
Red Deer, Alta.	30,000	6	treasury bills	5	97.50%	96%
	3,000	6	10	6	96.9%	95.29%
Norfolk County, Ont.	75,000	5	10	12	99.22%	98.04%
Kent County, Ont.	35,000	5½	....	10	35,116.00	34,835.00
Carleton County, Ont.	40,000	5½	....	12	41,433.00	40,316.00
Simcoe, Ont.	20,000	5½	20	9	20,036.00	19,700.00
Raleigh Township, Ont.	10,607	5¼	10	4	99.03%	97.74%
Frontenac County, Ont.	30,000	5	10	17	99.28%	97.63%
Shawinigan Falls, Que.	100,000	5½	20	4	94.27%	93.13%
	.....	on 6½% basis	....	5	99.17%	95.10%
August—New Glasgow, N.S.	12,500	5	10	7	96.27%	94.12%
Portage la Prairie, Man.	35,000	6	20	11	99.80%	95.71%
Walkerville, Ont.	25,000	5	10	6	24,445.00	23,787.00
Creemore, Ont.	16,000	6	30	2	16,581.00	16,380.00
Arthur, Ont.	15,000	6	30	6	15,691.00	14,888.00
Milton, Ont.	5,000	6	10	7	101.83%	99.02%
Peterboro, Ont.	196,704	5, 5½ & 6	....	11	97.18%	95.13%
September—Edmonton, Alta.	563,000	5	19	4	87.65%	85%
Petrolia, Ont.	7,500	6	20	6	9,509.00	9,317.00
	1,700	6	10			
North Bay, Ont.	15,000	6	20	7	15,134.00	14,579.00
Grand Mere, Que.	100,000	5½	30	5	91.63%	90.00%
Kitchener, Ont.	16,500	5½	15 & 30	10	101.28%	98.56%
Galt, Ont.	12,902	5½	20	14	13,206.00	12,773.00
October—Oakville, Ont.	6,023	5½	3 & 20	6	5,990.66	5,911.00
York Township, Ont.	4,000	5½	20	12	4,062.00	3,970.00
Halton County, Ont.	24,400	5	20	14	23,820.00	23,105.00
Quebec R.C. Schools, Que.	200,000	5	10	10	98.17%	95.69%
Humberstone, Ont.	1,800	5	5	5	1,800.00	.....
The Pas, Man.	12,000	5	20	8	11,126.00	10,560.00
Monck Township, Ont.	4,600	5½	10	5	Par	.....
Sorel, Que.	100,000	5½	20	8	96.786%	91.22%
Wallace R.M., Man.	44,579	4½	39	12	86.20%	82 11%
New Glasgow, N S.	100,000	5	42	7	95.08%	83.58%
Rodney, Ont.	8,500	5½	30	9	8,372	7,889
Truro, N.S.	65,000	5	....	....	97.30%	.....
Dunnville, Ont.	53,000	6	30	15	105.39%	101.11%
November—Toronto, Ont. (Harbor Bonds).	1,500,000	4½	37	....	89.81%	.....
Toronto, Ont.	2,594,000	5	various	14	99.47%	99.03%
Whitby, Ont.	28,000	....	....	13	28,209	97.32%
Acton, Ont.	25,600	6	20	12	103. 6%	99.00%
Montreal, Que.	3,800,000	5	40	5	97.78%	96.46%
Grand Valley, Ont.	11,000	6	20	13	11,518	11,000
December—Thorold, Ont.	36,000	6	30	12	106%	103.03%
Bruce County, Ont.	42,000	5½	10	14	100.78%	100.05%
Halifax.	130,000	5	35	12	98.59%	96.85%

FOREIGN SECURITIES TAX UNLIKELY

In view of the large purchases made in Canada of Anglo-French and other government bonds issued in the United States last year and the serious effect which the continuation of such purchases was likely to have upon the exchange situation between Canada and the United States, it was stated unofficially in August that legislation might be introduced imposing special income taxation upon all non-Canadian securities held by Canadians. The effect of such legislation, which would be along lines somewhat similar to that in force in England, and enacted for the same purpose, would cause the liquidation of the securities specially taxed. This liquidation would tend to benefit the exchange situation and preserve the Canadian market for purely Canadian issues.

The finance minister in July urged investors in Canada to reserve their funds for the Canadian war loan to be issued in September. He pointed out that on account of our rapidly increasing war expenditure and the heavier demands which the future will make in this respect it is of supreme national importance that the financial resources of Canada should be conserved for our own purposes, and that as much as possible of the national debt should be held in Canada.

The minister stated that there is an abundance of capital in the United States to absorb all issues made in that country, and the allied interest will not, therefore, suffer through Canadians refraining from participation and husbanding their resources to meet their own national needs. Under the war measures act the government has power to prohibit the offering of foreign securities in Canada, as has been done in Great Britain, but has preferred to rely upon the patriotism of the Canadian investing public rather than to adopt repressive measures.

The bond offering which caused the issue of the Canadian finance minister's statement was that of $94,500,000 three-year 5 per cent. gold notes of the American Foreign Securities Company, which was organized for the purpose of advancing $100,000,000 to France. A syndicate composed of twenty banking houses, located in New York, Chicago, Pittsburg and Philadelphia, and headed by J. P. Morgan and Company and Brown Brothers and Company, made the offering for subscription at 98 and interest, yielding about 5.73 per cent. The notes were offered in Canada as well as in the United States.

It is not generally thought that the suggested legislation will be introduced, but the intimation of its possibility has deterred further buying on any large scale. There are many good arguments against it, not the least being the possibility that the United States would retaliate with similar legislation. Canada is a heavy debtor country and not a substantial creditor country like the United Kingdom, where such a tax is in force and is reasonable in view of Britain's heavy expenditures in the United States.

It is estimated that approximately $30,000,000 of foreign government securities issued in the United States, are held in Canada, the greater part of that sum being made up of Anglo-French bonds.

DIVIDENDS & BONUSES PAID BY ONTARIO'S SILVER & GOLD MINING COMPANIES TO DECEMBER 31st, 1916

Silver Companies	Date of Incorporation	Authorized Capital	Issued Stock	Par value of shares	Total Dividends and Bonuses										Last Dividend or Bonus	
					1912		1913		1914		1915		1916		Date declared	Rate
		$	$	$	%	$	%	$	%	$	%	$	%	$		%
Beaver	Feb. 25, 1907	2,000,000	2,000,000	1.00	9	180,000	3	60,000	3	60,000	6	120,000	3	60,000	April 29, 1916	.....
8) Buffalo	April 27, 1906	1,000,000	1,000,000	1.00	65	650,000	66	660,000	5	50,000	.....	.....	.....	.....	July 1914	5
Casey Cobalt	Dec. 19, 1906	100,000	100,000	1.00	.....	.....	.....	109,499	.....	93,750	.....	.....	.....	.....	April 22, 1914	.....
City of Cobalt	Oct. 5, 1906 / Jan. 7, 1909	500,000 / 1,500,000	1,500,000	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	April 15, 1909	3
Cobalt Lake	Dec. 22, 1906	3,000,000	3,000,000	1.00	.....	.....	.....	315,000	.....	150,000	.....	.....	.....	.....	May 29, 1914	2½
Cobalt Townsite	May 8, 1906	100,000	45,011	1.00	.....	346,000	.....	371,259	.....	200,000	.....	.....	.....	.....	April 14, 1914	.....
(1) Mining Corpor. of Canada	March 20, 1914	2,075,000	2,075,000	1.00	.....	.....	.....	.....	12½	259,375	25	518,750	27½	570,625	Sep. 30, 1916	12½+2½
Cobalt Central	Dec. 13, 1906	5,000,000	5,000,000	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Aug. 25, 1909	1
Cobalt Comet	April 16, 1913	1,000,000	1,000,000	1.00	.....	.....	27	27,000	7.6	76,000	12.67	126,700	.....	.....	July 29, 1915	.....
Cobalt Silver Queen	April 1, 1906	1,500,000	1,500,000	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Dec. 31, 1908	3
Coniagas	Nov. 24, 1906	4,000,000	4,000,000	5.00	36	1,440,000	41	1,640,000	33	1,320,000	15	600,000	15	600,000	Nov. 1, 1916	5
Crown Reserve	Jan. 16, 1907	2,000,000	*1,999,957	1.00	60	1,061,288	45	795,966	24	424,515	6	106,128	.....	.....	July 15, 1915	3
(2) Foster Cobalt	Feb. 14, 1906	1,000,000	915,588	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Jan. 1, 1907	5
Kerr Lake	Sep. 14, 1905	3,000,000	3,000,000	5.00	20	600,000	20	600,000	20	600,000	20	600,000	20	600,000	Oct. 10, 1916	†5
La Rose	May. 22, 1908	7,500,000	7,493,135	5.00	9½	711,848	12½	936,642	12	899,176	5½	412,122	4	299,725	Oct. 20, 1916	5c. shr
McKinley-Darragh-Savage	April 17, 1906	2,500,000	2,247,692	1.00	40	899,077	46	1,033,938	21	472,015	12	269,723	12	269,723	Aug. 25, 1916	3
Nipissing	Dec. 16, 1904	6,000,000	6,000,000	5.00	30	1,800,000	30	1,800,000	22½	1,350,000	20	1,200,000	25	1,500,000	Dec. 20, 1916	5
(3) Penn-Canadian	April 24, 1912	1,500,000	1,349,705	1.00	.....	.....	.....	.....	.....	.....	.....	.....	5	67,485	Nov. 10, 1916	5
Peterson Lake	April 11, 1906	3,000,000	2,401,820	1.00	.....	.....	.....	.....	3½	84,063	7	168,127	7	168,127	Dec. 8, 1916	.....
Right of Way Mining Co., Ltd.	July 13, 1906	500,000	500,000	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Oct. 1, 1909	6
(4) The Right of Way Mines, Ltd.	Sept. 11, 1909	2,000,000	1,685,500	1.00	.....	.....	.....	.....	1	16,855	.....	.....	1½	25,282	Sep. 1916	½
Seneca-Superior	Sept. 29, 1911	500,000	478,884	1.00	.....	.....	65	310,774	70	335,218	70	335,218	125	598,605	Nov. 27, 1916	20
(5) Temiscaming & Hudson Bay	July 29, 1903	25,000	7,761	1.00	2,400	186,264	2,100	162,981	900	69,849	.....	.....	.....	.....	Nov. 10, 1914	300
The Hudson Bay	July 16, 1909	3,500,000	3,200,050	5.00	8	256,004	6	192,003	.....	.....	.....	.....	.....	.....	Aug. 31, 1913	2½
Temiskaming	Nov. 16, 1906 / Jan. 1, 1908	2,500,000	2,500,000	1.00	12	300,000	3	75,000	.....	.....	3	75,000	9	225,000	Nov. 22, 1916	.....
Trethewey	May 30, 1906 / June 1, 1911	2,000,000	1,000,000	1.00	10	100,000	15	150,000	5	50,000	.....	.....	5	50,000	Dec. 1, 1916	5
Wettlaufer-Lorrain	Nov. 30, 1908	1,500,000	1,416,590	1.00	20	283,318	10	141,659	.....	.....	.....	.....	.....	.....	Sep. 22, 1913	5
Total	.....	.....	.....	.....	.....	8,813,799	.....	9,381,721	.....	6,510,816	.....	4,531,768	.....	5,034,572		
Gold Companies																
Dome Mines Co., Ltd	April 12, 1910	5,000,000	4,000,000	10.00	.....	.....	.....	.....	.....	.....	10	400,000	20	800,000	Nov. 20, 1916	5
(6) Hollinger Consol. Gold Mines	May 25, 1916	25,000,000	24,000,000	5.00	9	270,000	39	1,170,000	39	1,170,000	52	1,560,000	13	2,400,000	Dec. 30, 1916	1
(7) Porcupine Crown	May 26, 1913	2,000,000	2,000,000	1.00	.....	.....	.....	.....	9	180,000	12	240,000	12	240,000	Oct. 15, 1916	3
Grand Total	.....	.....	.....	.....	.....	9,083,799	.....	10,551,721	.....	7,860,816	.....	6,731,768	.....	8,474,572		

(1) This company acquired Cobalt Townsite, Cobalt Lake and City of Cobalt Mining companies, and Cobalt property of Townsite Extension Mines and Little Nipissing Mine on April 1st, 1914, which companies have been wound up. The City of Cobalt paid, in the years 1908 and 1909, a total of $145,000 in dividends. The Cobalt Townsite was, and the Casey Cobalt and the Mining Corporation of Canada are operating companies, the shares of which are owned by English companies whose shares are listed in London. The respective capitalization of the Casey Cobalt and the Mining Corporation in London are £250,000 and £1,660,050.

(2) Now known as Glen Lake Mines.

(3) On April 29, 1912, this company took the property of Cobalt Central, purchased at sale from the liquidator of Standard Cobalt Mines, Limited, the Canadian operating company. The Penn-Canadian is not a re-organization of the old company, but an entirely new company. Cobalt Central has not been in operation since May, 1910, when it went into the hands of a liquidator.

(4) On October 21, 1909 this company took over the Right of Way Mining Company, Ltd., together with a controlling interest in Cobalt Merger, Limited, paying therefor 1,685,500 shares in the new company. Shareholders received 3 shares in the new company for each 1 they held in the old. For the quarter ended December, 31, 1909, the new company paid a dividend of 2%—$33,710. During 1910 the company paid three quarterly dividends of 2%. Every quarterly dividend amounted to $33,710, making a total for the year of $101,130. Since then, dividends of $84,275 have been paid as noted in the table above.

(5) The Temiscaming & Hudson Bay Company, on September 15, 1909, transferred 9 Cobalt claims to the Hudson Bay Mines, Limited, for a consideration of 3,000,000 shares of that company's capital stock The former company in that way controls the latter company.

(6) The name of the Hollinger Gold Mines, Ltd. (incorporated June 28, 1910, with authorized and issued capital of $3,000,000. par value of shares, $5), was changed to Hollinger Consolidated Gold Mines, Ltd., upon its amalgamation with Acme Gold Mines, Ltd., and Millerton Gold Mines, Ltd. The amalgamation became effective on May 25th, 1916. The capital stock of Hollinger Consolidated is $25,000,000, divided into five million shares of $5 each, of which $24,000,000 have been issued. The Hollinger Consolidated Co. pays dividends at the rate of 1% every four weeks, which is equal to 4%, or 52% per annum on the stock of Hollinger Gold Mines, Ltd., which was converted into Hollinger Consolidated shares on the basis of four Consolidated shares for one of the old shares. The last dividend of Hollinger Gold Mines, Ltd., was No. 48, paid on June 16th, 1916. Commencing July 14th, and every four weeks thereafter, Hollinger Consolidated has paid a dividend at the rate of 1%. Prior to their amalgamation with Hollinger Gold Mines, Ltd., the Acme and Millerton paid no dividends.

(7) First dividend paid April 1st, 1914.

(8) Company's fiscal year, May to April.

Dividends paid by the Right of Way Mining Co., March 5th, 1907, 7%; July 31st, 1907, 7%; May 5th, 1908, 7%, September 15th, 1908, 7%; April 1st, 1909, 6+9%; i May 20th, 1909, 10%; July 1st, 1909, 6%; October 1st, 1909, 6%. The Right of Way Mines, Limited, has paid div dends of 2%: December 31st, 1909, April 1st, 1910, June 30th, 1910, September 30th, 1910, December 31st, 1910, December 2nd, 1911; and 1% in November, 1914.

The Drummond and O'Brien companies are practically close corporations: the dividend figures have not been made public.

All the above figures are official and have been supplied to *The Monetary Times* by the individual companies

(*) Of this 231,143 shares are held by trustees for the benefit of the company, and do not bear dividends

OUTLOOK FOR RAILROAD EARNINGS

Railroad Presidents Are All Hopeful of Good Receipts for Current Year

The railroad earnings for 1916, figures of which appear on another page, make a comparatively good showing. They were swelled by the movement of a fair crop, by the movement of troops and military supplies, and by heavy exports of war orders and agricultural produce. Internal freight was comparatively light. The earnings showed smaller increases towards the end of the year. In past years, when the construction era was at its height, the transportation of construction materials contributed heavily to traffic earnings.

For the year ended June, 1915, the latest date for which official statistics are available, Canadian railways carried 46,322,035 passengers and 87,204,838 tons of freight. This was a decrease of 380,345 in the number of passengers carried and a decrease of 14,189,151 tons in the movement of freight.

Freight and Passengers.

The following table shows the number of passengers and freight carried by Canadian railways for the years noted:—

Year.	Passengers carried.	Tons of freight carried.
1875	5,190,416	5,670,837
1885	9,672,599	14,659,271
1895	13,987,580	21,524,421
1905	25,288,723	50,893,957
1910	35,894,575	74,482,866
1911	37,097,718	79,884,282
1912	41,124,181	89,444,331
1913	46,230,765	106,992,710
1914	46,702,280	101,393,989
1915	46,322,035	87,204,838

Sources of Freight.

How Canadian railway freight has been made up in recent years is shown in the following table:—

Freight.	1914 (tons).	1915 (tons).
Products of agriculture	18,370,480	16,385,909
Products of animals	3,343,500	3,356,657
Products of mines	38,260,170	33,127,535
Products of forests	16,012,097	13,976,555
Manufactures	16,834,126	12,586,393
Merchandise	5,113,603	5,272,163
Miscellaneous	3,397,697	2,393,123
Total	101,394,753	87,204,838
Undistributed	63,176	106,503
	101,457,929	87,311,341

The accompanying chart, compiled by the Canadian Bank of Commerce, shows the course of the Canadian transcontinental railways' gross earnings for the past three fiscal years.

Outlook for Canadian Pacific.

The grain crops in portions of the western provinces last year were injuriously affected by unfavorable weather conditions, and it was thought the total yield will be little more than half of last season's crop. These conditions, Lord Shaughnessy, president of the Canadian Pacific Railway, said at the company's annual meeting in October last, will be reflected in the company's revenue returns during the current year. But general business is showing decided improvement and, in any event, there is every reason to expect that the company's net income for the present year will be quite sufficient to meet the ordinary dividend distribution without encroaching on the surplus of previous years.

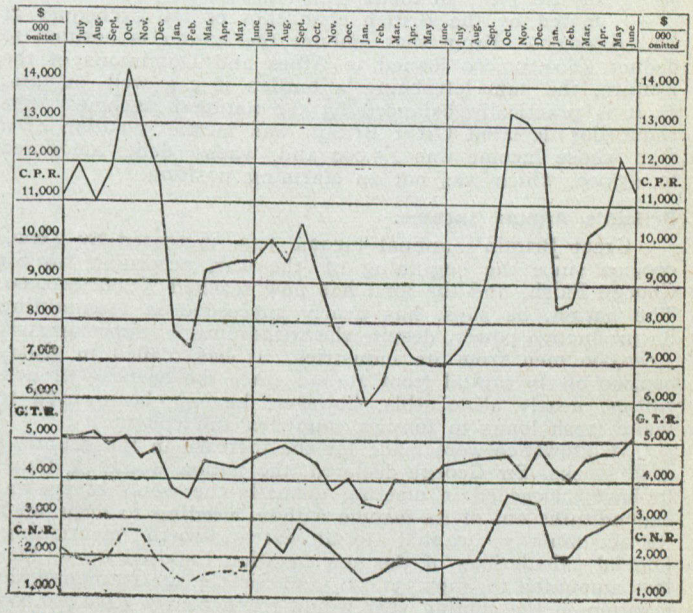
For Grand Trunk Pacific.

Speaking at the annual meeting of the Grand Trunk Pacific Railway, in September, Mr. E. J. Chamberlin, president, stated that good traffic and supplies, such as implements, will result from the prosperous conditions of the agricultural communities and the towns depending upon the prosperity of agriculture.

"Agricultural settlement, however," he added, "has not shown rapid progress in any part of Western Canada during the last two years. It has not been entirely arrested, as during the year a fair number of settlers from the United States has gone over. Large settlement has taken place in the Edson district and it is believed the company will receive a very considerable and constantly growing traffic from that section.

"Mining is also going on in Northern British Columbia, tributary to the company's line, and substantial traffic is being derived from this source, discoveries of new and valuable deposits being frequently made, many of which are being followed up with the necessary development.

"The operations of the company's lines during the past fiscal year showed substantial increase in both passenger and freight traffic. Prosperous conditions developed as a result



of the large production in Western Canada in 1915 which was reflected in passenger receipts early in 1916 when business began to show substantial improvement."

And the Canadian Northern.

In his report to shareholders of the Canadian Northern Railway, Sir William Mackenzie, president, stated in October that as there had been a limited grain crop in the western provinces, the Canadian Northern, with a large proportion of its mileage in the grain growing districts, suffered accordingly in the loss of such traffic. "With the completion of our transcontinental line from Quebec to Vancouver towards the end of 1915," he added, "a service was established which now gives the company the advantage of the long haul on all traffic which has heretofore been enjoyed by other intermediate carriers. We will not realize our full earning power this year (1915-1916), or next year (1917-1918), but with continued improvement in the agrarian and industrial movements of the country we should continue to show steady increases in the traffic carried and revenues earned."

CROWN TRUSTS COMPANY'S MILITARY DIRECTORS

A number of distinguished military men are included in the directorate of the Crown Trust Company, of Montreal. Their names appear on another page. Brigadier-General Meighen is one of the directors. His rank is inadvertently described as colonel in the company's announcement on page 73 of this issue. This well-known financier was made a brigadier-general some months ago.

On another page of this section appears a financial statement of the province of Manitoba. It is compiled on the basis of revenue and expenditure instead of the usual cash basis. This is somewhat a novelty in financial statements of provincial governments, but it shows very clearly the position of the province, which is to be congratulated on their good showing.

Britain's Remarkable Record of War Finance

British Parliament has Voted £3,532,000,000 of War Credits—To Her Dominions and the Allies, Advances of £800,000,000 have been made—The World's Financial Centre Retains its Reputation, Devoting Energies to War's Successful Conclusion

GREAT BRITAIN last year was able to borrow abroad at much lower terms than any other belligerent power. The nation's total indebtedness at the close of the past financial year on March 31st was estimated by the British chancellor of the exchequer at £2,440,000,000. From that amount the nation is entitled to deduct £800,000,000 loaned to Allies and Dominions of the Empire, the sum left being a burden it can well sustain, as it is practically balanced by the national income. The chancellor declared Great Britain was in the position of a man whose income was £5,000 and whose debts amounted to £5,000, which was not an alarming position.

Britain's Annual Income.

Great Britain's annual income has increased by £600,000,000 since the beginning of the war, according to Sir George Paish, and the total has now reached £3,000,000,000. The nation, he says, has nearly succeeded in maintaining its productive power, despite the withdrawal of approximately 4,000,000 men from its industries. It has called in £500,000,000 of its capital from abroad since the opening of hostilities, nearly all of this, however, having been used to make fresh loans to foreign countries and colonies.

If allowance were made for the increase in the country's gold stocks, Sir George declared, the nation would be found to have succeeded in meeting virtually the whole of its war expenditures out of its income without needing to draw upon its accumulative capital to an extent worth mentioning. Official calculations of the new taxation imposed up to May last amounted to £197,531,000, and Sir George estimated the taxation in the coming year would reach nearly £450,000,000.

On the whole, he said the burden of taxation was light considering the circumstances, and compared with the burden the country bore during the Napoleonic wars.

Big Financing Task.

The war financing operations of Great Britain, which are of such great importance to the British Empire and the Allies, involved an enormous sum again last year. The United Kingdom is not only financing its own war operations, but those also of its dominions overseas and of several of its Allies. It has advanced loans to neutral countries, and these funds have had a bearing also on the conduct of the war. When Premier Asquith asked for a new vote of credit of $750,000,000 in July, 1915, a change was made in the wording of the vote to empower the government to expend money in loans to other states than those falling within the category of "His Majesty's dominions, protectorates or allied powers."

The following is a summary, compiled by *The Monetary Times*, of British votes of credit for war:—

	Date.		Amount.
Financial year, 1914-15.....	August	6th..	£ 100,000,000
	November	15th..	225,000,000
	March	1st..	37,000,000
Total			£ 362,000,000
Financial year, 1915-16.....	March	1st..	250,000,000
	June	15th..	250,000,000
	July	20th..	150,000,000
	September	15th..	250,000,000
	November	10th..	400,000,000
	February	21st..	120,000,000
Total			£1,420,000,000
Financial year, 1916-17.....	February	21st..	300,000,000
	May	28th..	300,000,000
	July	24th..	450,000,000
	October	11th..	300,000,000
	December	14th..	400,000,000
Total			£1,750,000,000
Grand total			£3,532,000,000

The vote of credit for £450,000,000 in July last was the largest sum ever granted by a single vote in Britain's financial history.

In regard to these figures, Premier Asquith in October quoted the words of a statesman which seemed not inappropriate to the present time. He alluded to Edmund Burke, one of the greatest of our political writers and thinkers, who wrote, referring to some critics of the Administration of that day: "He sees nothing but the burden. I can perceive a burden as well as he, but I cannot avoid contemplating also the strength that supports it. From this I draw the most comfortable assurance of the future vigor and ample resources of this great country."

Since the war commenced to September 30th, 1916, the British government has negotiated the following borrowings:—

	Week to Nov. 25, '16.	April 1, '16, to Nov. 25, '16.	Total from Aug. 1, '14, to Mar. 31, '16.	to Nov. 25, '16.
	£	£	£	£
Treasury Bills (all maturities)	11,345,000	558,223,000	550,468,000	1,108,691,000
6 per cent. Exchange Bonds due February, 1920	10,192,000	112,042,000	.....	112,042,000
War Expenditure, 2-Year Certs.	534,000	28,691,000	.....	28,691,000
War Savings, 5-Year Certs. ..	700,000	36,500,000	1,250,000	37,750,000
"Other" Debt	.....	36,106,000	9,000,000	45,106,000
Ways and Means Advances..	4,000,000*	31,000,000	19,896,000	50,896,000
3½ per cent. War Loan, 1925-28†	.....	.....	331,798,000	331,798,000
3 per cent. Exchequer Bonds, March, 1920	.....	.....	31,547,000	31,547,000
4½ per cent. War Loan, 1925-45‡	.....	.....	582,630,000	582,630,000
5 per cent. U.S.A. Loan (October, 1915)	.....	.....	50,820,000	50,820,000
5 per cent. U.S.A. Coll. Loan (September, 1916)	.....	.....	.....	50,000,000
5½ per cent. U.S.A. Coll. Loan (October, 1916)	.....	50,000,000	.....	60,000,000
5 per cent. Exchequer Bonds:	60,000,000	60,000,000	.....	34,222,000
Due Oct., 1919 } Issue suspended.	.....	34,222,000	.....	237,829,000
Due Dec., 1920 } Issue suspended.	.....	84,140,000	153,689,000	62,464,000
Due Oct., 1921 } Issue suspended.	.....	62,464,000	.....	
Total	78,771,000	1,093,388,000	1,731,098,000	2,824,486,000

*Retired. †Through conversions £62,774,400 in issue March 31st, 1916. ‡£899,997,072 in issue March 31st, 1916, owing to conversions.

The average daily expenditure for the 113 days from April 1st to July 22nd, 1916, was about £4,920,000, and in the 77 days since then to October 7th it has risen to £5,070,000 per day. The average for the whole period of 190 days was almost exactly £5,000,000 a day. The October vote of £300,000,000 was expected to carry on the war till Christmas.

The war expenditures include not only the direct cost of the army and navy operations, but also advances to the colonies and allied powers, and payments under guarantees given by the treasury for the restoration of credit and the encouragement of trade and industry. For the period, April 1st to October 7th, 1916, for example, the expenditure out of the votes of credit was:—

Navy, army, and munitions	£663,500,000
Loans	253,000,000
Food supplies, etc.	33,000,000
Total	£949,500,000

As to the loans, experience showed that Britain was exceeding the budget estimate, said Premier Asquith in October. If this item went on at the present rate, he added, the £450,000,000, which was the sum put down by the chancellor of the exchequer for this purpose for the fiscal year, would be substantially exceeded. There was no part of our expenditure which was of more importance to the Allied cause than this. We had no selfish interest in the matter. We were not profiting by it. We were supplying what nobody else could supply. We were supplying the credit and the means of obtaining the necessaries of war from America and elsewhere for our comrades-in-arms, which, if we did not do it, would be absolutely unprocurable, he concluded.

Great Britain's advances to the Allies and the Dominions to September 30th totalled £800,000,000.

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IRON AND STEEL PRICES

New Movement is in Progress—An Interesting Chart

BY B. E. V. LUTY.

The outstanding fact in the iron and steel situation on this continent is that a new movement is in progress in the steel market. This commenced in the fall months of 1916. Demand upon the mills has increased and prices have been advancing all along the line. Such a thing is unprecedented. In all the history of the steel market price advancing movements have been clear cut. They started, they continued and they ended. Then, after a longer or shorter pause, a decline would commence and the decline continued until the market was thoroughly shaken out and market prices approximated the cost of production. Never has a fresh advance started without an intermediate decline, but that it what has occurred this time. The advance in steel products practically ended last March. There were occasional advances thereafter, but they were altogether sporadic. Now the general trend is upwards again.

In my article in the annual number of *The Monetary Times* a year ago it will be recalled that substantial prices for steel were predicted. It was stated then that "the governing element in the various finished steel products is not the demand for the particular product, but the demand for steel in general, whereby if steel is not eagerly sought in one finished form, it is converted into another. It was the war demand made this steel market, but not merely through its tonnage; the placing of large war orders incited domestic buyers to specify more freely. It has caused the railroads to buy for 1916 in fear that otherwise they could not secure desired deliveries. In the past rails have been bought thus early, or earlier, but it was when the demand was exceptionally heavy. Now the roads are individually taking rather small tonnages, but they are buying early nevertheless, for the rail mills are largely filled with orders for large rounds."

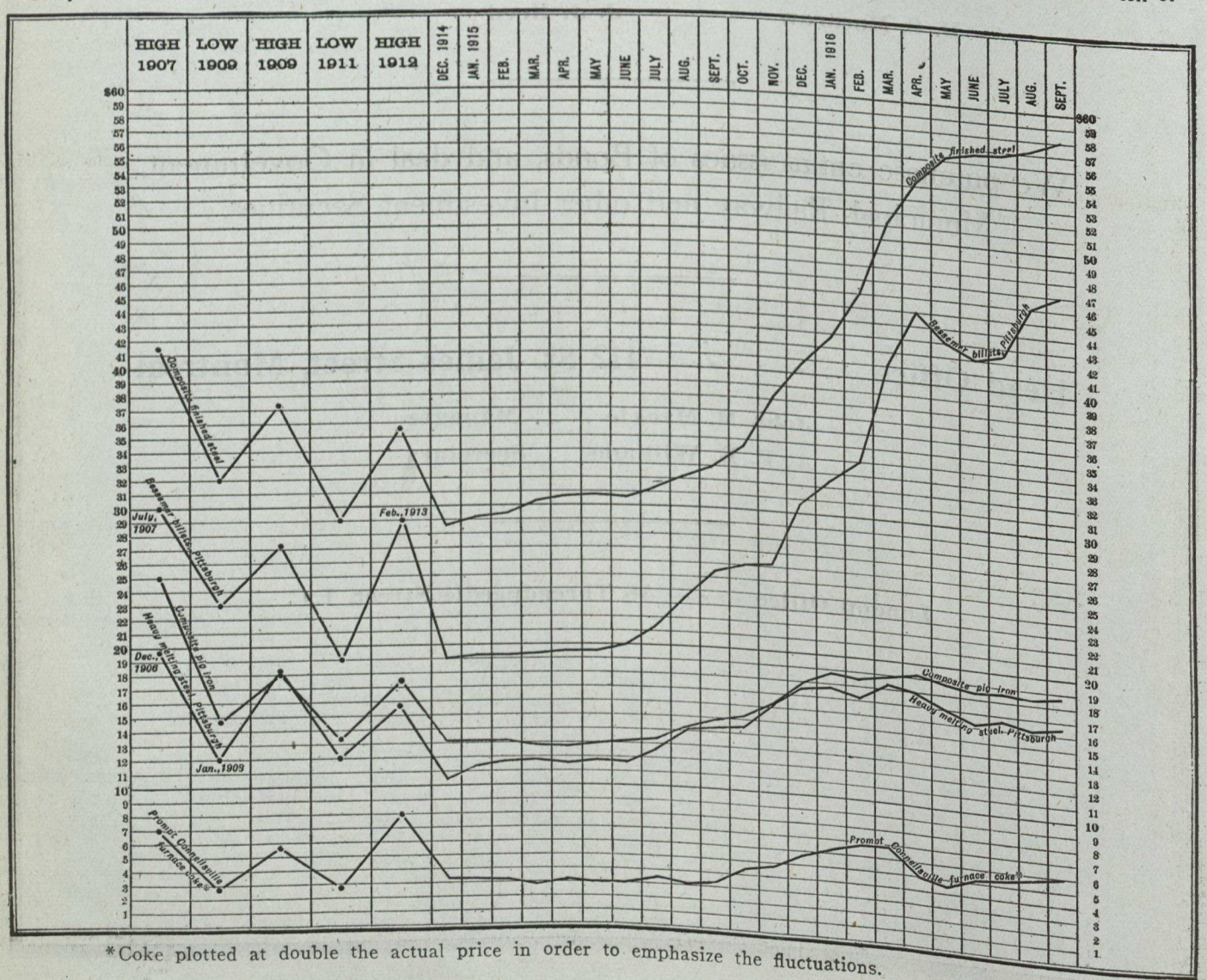
The chart on page 244 of *The Monetary Times* of last year compared three price movements in the steel industry. Up to the end of September, 1915, the latest price movement showed striking similarity to the previous two movements. "Six months more charting of this movement," the writer said a year ago, "will show it strikingly different from its immediate predecessors, thinks its draftsman. The chart is timed to show the similarity, while a chart six months from now, if expectations are realized, will tell an entirely different story as to the later developments. Another six months of the two preceding movements turned all the lines downward, but another six months of this movement will show the lines turning upwards. That at least is the tendency to date.

The accompanying chart shows the present iron and steel price movement to September last compared with old high and low points.

Some observers outside the steel industry were disposed, five or six months ago, to dispute the steel trade's appraisal

IRON AND STEEL PRICE MOVEMENT COMPARED WITH OLD HIGH AND LOW POINTS

The plotting is from monthly averages of daily quotations. Where the high and low points of billets and scrap fell at times widely different from the general high and low points the fact is indicated. Prices are per net ton of composite finished steel and coke, and per gross ton of other materials.



*Coke plotted at double the actual price in order to emphasize the fluctuations.

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that the war would last from one to two years longer, but all will now admit that the steel trade was probably right. The latest developments indicate that throughout duration of the war, provided, of course, the duration of the war does not extend to a complete prostration of the belligerents, there will be a heavy demand for steel at approximately present or higher prices. Given the opportunity, the steel industry might so expand as to find itself after the war with a large surplus of productive capacity, but the opportunity is not afforded. Men and materials cannot be found. The steel mills are physically unable to spend their surplus earnings. Construction work that involves an early completion of productive units can be pushed, but the large projects must be held rather in abeyance. At the end of the war the steel industry will find itself with a large capacity, but not an extremely large capacity, considering the growth of the country, and the common appraisal is that there will be such a loosening of investment funds for permanent investment as to furnish the steel trade with a good demand, of course, at moderate prices, whatever they may prove to be, for a period of years.

TARIFFS AFTER THE WAR

Favored-Nations Treaties May Be Abrogated—Position of Neutrals

The probable course of tariffs after the war was discussed freely last year. Several tariff systems had been long established in Europe at the outbreak of the war and are now operative except in so far as war conditions have modified them. The most popular has been that of a general tariff modified by a conventional tariff established through reciprocity negotiations with other countries. Some governments have preferred a less elastic system and used a dual tariff with fixed rates in each schedule. In France this is called the "general and minimum tariff," and in Spain, the "first and second tariff." Germany, whose commercial relations are, for the most part, supported by a general tariff modified by commercial treaties, has also established a few fixed minimum rates. While there is technically a great difference between a general tariff modified by conventional tariff arranged by negotiation and the minimum and maximum system, they are identical in possessing two schedules of which the lower is applied to those nations with which close relations are necessary, and the higher against those countries whose commercial friendship is unimportant or undesired or where treaty relations have been interrupted by a tariff war. Several nations maintain single tariffs similar to that now in force in the United States, but the exigencies of commerce with contiguous territories have compelled modification by agreements not necessarily in the form of a treaty. Protective tariff countries frequently extend preferences to their colonies. Free trade England cannot but her chief overseas dominions accord British products a substantial tariff preference. At the beginning of the war Canada and certain other countries increased their tariffs to raise war revenue, but the increase was greater on neutral than on British goods.

Eliminated High European Rates.

The net result of the operation of these systems before the war was practically to eliminate the higher European tariff rates, the commercial intercourse thereupon settling down to a general level of conventional or minimum rates.

No European country was, as explained in a pamphlet of the National Foreign Trade Council, New York, in a position to close a preferential agreement with another without disrupting the whole treaty fabric. International competition, particularly in manufactures, had become intense. Germany had declared her intention of probably terminating all existing agreements at the end of 1917 and for that purpose special agreements had been made in several cases. A new German general tariff was in course of preparation. Russia was considering a tariff revision and the British tariff reform movement was showing signs of revival in anticipation of German termination of existing commercial treaties and tariff revision about 1917. France was restless under the permanency of Article XI. of the Treaty of Frankfort which ended the Prussian war, and which obligated France and Germany mutually to the most-favored-nation relation. A brief description of the system in each European country follows (modifications due to war policy not being mentioned):—

Austria-Hungary: General tariff modified by conventional rates, practically all the latter extending to commodities imported from adjacent countries. Commercial treaties with Germany, Russia, Switzerland, Italy, Roumania, Servia and a few others provide for special conventional rates which also extend to the other treaty countries.

Belgium: Single tariff.

Bulgaria: General and conventional tariff. The rates of the latter result from the treaties with Austria-Hungary, Belgium, Great Britain, Germany, France and Italy. They also apply to treaty countries.

Denmark: General tariff, allowing only a few exceptions in the case of commerce with contiguous countries.

United Kingdom: Free trade, imposing import duties only in a few cases for revenue purposes. Under a house of commons resolution, dated September 21, 1915, the duties on a number of articles of ordinary import tariff were increased. Also the following new rates of duty were introduced:—

Motor cars, including motor bicycles and motor tricycles	33⅓%
Accessories for the above	33⅓%
Musical instruments, including gramaphones, pianolas, etc.	33⅓%
Accessories for the above	33⅓%
Clocks, watches and component parts	33⅓%
Hats	33⅓%
Plate glass, per cwt.	33⅓%
Cinematograph film, per lineal foot—	9s. 6d.
Blank film	½d.
Positives	1d.
Negatives	8d.

By several orders in council the British government also has restricted or entirely suspended the importation of certain luxuries, as fruits, motor cars, high-class woods, etc., or made the importation of these articles dependent upon a government license.

France: General and minimum tariff. Imports from treaty countries receive the lower rates of the minimum tariff.

Germany: General and conventional tariff. Rates of the conventional tariff extended to all European countries by treaty. Minimum rates on some commodities.

Greece: General and conventional tariff.

Holland: Single tariff. Government has power to modify specified rates in the interest of the home industries.

Italy: General tariff accompanied by conventional rates in treaties with France, Austria-Hungary, Switzerland, Germany, Roumania, Russia, Servia, Japan and Spain. Conventional rates apply also to all countries giving Italy most-favored-nation treatment.

Montenegro: Minimum and maximum tariff specifying only 37 articles.

Norway: Maximum and minimum tariffs are in use. The rates of the latter apply to treaty countries.

Portugal: Single tariff with a few conventional rates.

Roumania: General and conventional tariff. The rates of the conventional tariff extended in the treaties with England, Austria-Hungary, Germany, Belgium, France and Italy.

Turkey has Single Tariff.

Russia: General and conventional tariff, the latter resulting from treaties with Germany, France, Austria-Hungary, Portugal, Servia and Italy. These rates apply also to countries extending most-favored-nation treatment to Russian commodities, the imports of all others entering under the general rates.

Servia: General and conventional tariff. The rates of the latter apply to treaty countries, including Austria-Hungary, England, Germany, France, Montenegro, Switzerland, Italy, Belgium and Turkey.

Spain: First and second tariff. The lower rates apply to treaty countries.

Sweden: General and conventional tariff.

Switzerland: General and conventional tariff.

Turkey: Single tariff.

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Canadian Securities Mobilized by British Treasury

Substantial Blocks of Canada's Stocks and Bonds were used as Collateral for British Loans in New York—Explanation of the Mobilization Schemes

THE fact that $100,000,000 of the collateral by which was secured the British government loan of $250,000,000 offered in New York in August and a substantial sum also in the $300,000,000 loan of October, was in Canadian securities, attracted considerable attention. The arrangement made by the Canadian finance minister for funding the Canadian war indebtedness to Great Britain by the issue of Canadian long term dollar bonds to the Imperial treasury helped to make possible the British government issue. Canadian government bonds are regarded as the highest class and most attractive collateral that could be used in connection with such issues in New York. Canadian government bonds will not be sold, but used only as security by the Imperial government.

The inclusion of Canadian bonds in such a list of collateral securities means that the issuing authority in ability and provision for meeting its obligations ranks among the strongest.

These securities were mobilized by the British treasury. The response which British holders of certain specified foreign securities, other than those of American issue, made to the British chancellor of the exchequer's appeal was highly satisfactory, and considerably more than the amount of $300,000,000 required as collateral to cover the American loan was quickly deposited with the treasury.

It is calculated that the total of foreign securities of the description specified in the treasury list which British holders can place at the disposal of the government exceeds $3,000,000,000, so that Britain's chancellor of the exchequer will have ample collateral wherewith to negotiate further American loans as may be necessary.

CANADIAN ISSUES WERE SOUGHT

British Treasury Mobilized Many of Our Government, Railroad and Other Securities

In August the British treasury extended its scheme for the mobilization of American securities. It was then decided to borrow certain additional securities with the object of controlling the exchanges of those countries in which it was necessary to maintain extensive war credits. The new plan was designated scheme B, in contradistinction to the American dollar securities plan, scheme A. Scheme B applied not only to those securities in the issued list and to others that might from time to time be added thereto, but could be taken advantage of by depositors under scheme A provided they gave notice of their desire to transfer from A to B not later than September 14, 1916.

In one respect the new terms were identical with the old ones—namely, that the treasury will hand over to the lender all interest or dividends due on the deposited securities, and also, by way of consideration for the loan, payment of an extra rate of one-half of 1 per cent. per annum upon the face value of the bonds or stocks. But there the similarity ends. Unlike scheme A, the new proposal of the treasury was not to purchase securities outright, but to accept them on deposit only, and whereas under the former arrangement the loan period was for two years from date of deposit, in the present instance the securities are to be loaned to the treasury for a period to expire at March 31, 1922. The treasury, however, retains the power to return the securities to depositors at any time on or after March 31, 1919, upon giving three months' notice of its intention to do so.

Although it is not expected the treasury will dispose of any of the securities, for the deposit of which they asked in August, nevertheless they will hold the right to do so should the necessity arise, in which event the lender would continue to receive from the treasury the same payments—his regular interest plus one-half of 1 per cent.—as if the securities had been retained, until the end of the loan period, when the treasury either will return to him securities of the same description and nominal value as those originally deposited, or, at their option, will pay to him the deposit value of the securities with an addition of 5 per cent. on that value.

Canadian Issues Included.

The neutral countries whose securities are included in the new scheme include Argentine, Brazil, Chili, the Northern European States, Swizerland and Japan. Canada figures largely in the new list, no less than seven Dominion loans being included, whilst in the railway section the loan of Canadian Pacific Railway debentures and preference stock, several Canadian Northern Railway debentures and a number of Grand Trunk Railway debentures is invited. The following is the full list of Canadian issues which the treasury is prepared to borrow, with a note of the deposit values fixed by the treasury:—

Canada (Dominion of) 3 per cent. sterling bonds or stock, 1938	70⅝
Canada (Dominion of) 3½ per cent. sterling bonds or stock, 1909-34	78⅜
Canada (Dominion of) 3½ per cent. registered stock, 1930-50	75⅛
Canada (Dominion of) (Canadian Pacific Railway) 3½ per cent. land grant bonds or stock, 1938	77⅝
Canada (Dominion of) 3¾ per cent. bonds, 1914-19	95⅛
Canada (Dominion of) 4 per cent. stock, 1940-60	84¾
Canada (Dominion of) 4½ per cent. bonds, 1920-25	94¼
Canadian Northern Railway Company 4 per cent. debenture stock (guaranteed by Dominion government), 1934	82¾
Canadian Northern Railway Company 4 per cent. 1st mortgage consolidated debenture bonds (guaranteed by Manitoba), 1930	82
Canadian Northern Ontario Railway Company 3½ per cent. stock (guaranteed by Dominion government), 1961	72¼
Canadian Northern Pacific Railway Company 4 per cent. 1st mortgage debenture stock (guaranteed by British Columbia), 1950	71⅜
Canadian Pacific Railway Company perpetual 4 per cent. consolidated debenture stock	83½
Canadian Pacific Railway Company 4 per cent. preference stock	80½
Grand Trunk Railway Company perpetual 4 per cent. consolidated debenture stock	73¾
Grand Trunk Railway Company perpetual 5 per cent. debenture stock	93⅝
Grand Trunk Great Western Railway Company perpetual 5 per cent. debenture stock	92⅞
Grand Trunk Pacific Railway Company 3 per cent. 1st mortgage stg. bonds (guaranteed by Dominion government), 1962	63⅝
Calgary and Edmonton Railway 4 per cent. consolidated debenture stock (guaranteed by the C.P.R.)	80⅞
Canadian Northern Alberta Railway 3½ per cent. debenture stock (guaranteed by Dominion government), 1960	71⅛
Canadian Northern Railway 1st mortgage 3 per cent. debenture stock (guaranteed by Dominion government), 1953	63
Canadian Northern Railway 3½ per cent. debenture stock (guaranteed by Dominion government), 1958	72⅜
Dominion Atlantic Railway (leased to C.P.R.) 4 per cent. 2nd debenture stock, 1944	78⅞

Royal Securities Corporation
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Purchases entire issues of Canadian Municipal, Public Utility or Corporation Bonds. Solicits correspondence from Municipalities or Corporations contemplating financing.

Deals in Securities of the following Canadian Corporations:—

Alberta Pacific Grain Company, Limited.
Ames-Holden-McCready, Limited.
Bell Telephone Company of Canada, Limited.
Brompton Pulp & Paper Company, Limited.
Calgary Brewing & Malting Company, Limited.
Calgary Power Company, Limited.
Camaguey Company, Limited.
Canada Cement Company, Limited.
Canadian Car & Foundry Company, Limited.
Canadian Consolidated Felt Company, Limited.
Canadian Consolidated Rubber Company, Limited.
Canadian Cottons, Limited.
Canadian Salt Company, Limited.
Canadian Steel Foundries, Limited.
Cedars Rapids Manufacturing & Power Co., Ltd.
Crossen Car Company, Limited.
Demerara Electric Company, Limited.
Dominion Coal Company, Limited.
Dominion Iron & Steel Company, Limited.
Eastern Car Company, Limited.
E. B. Eddy Company, Limited.
Kaministiquia Power Company, Limited.
Laurentide Power Company, Limited.
Mattagami Pulp & Paper Company, Limited
Montreal Rolling Mills, Limited.
Montreal Steel Works, Limited.
Nova Scotia Steel & Coal Company, Limited.
Porto Rico Railways Company, Limited.
Price Brothers & Company, Limited.
Riordon Pulp & Paper Company, Limited.
Santiago Electric Light & Traction Co.
Steel Company of Canada, Limited.
Thos. Davidson Manufacturing Co., Limited.
Trinidad Electric Company, Limited.
Western Canada Power Company, Limited.
West India Electric Company, Limited.

Quotations and full particulars regarding the securities of any of these or other Canadian Corporations, gladly furnished on request.

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Dominion Atlantic Railway (leased to C.P.R.) 4 per cent. 2nd debenture stock, 1956..... 78⅜
Ontario and Quebec Railway (leased to C.P.R.) 5 per cent. permanent debenture stock 99⅞

The deposit values are based on the stock exchange prices of August 11, 1916. Intending depositors who may have checked the published prices with the official list of that day and find an apparent discrepancy, which in some cases is considerable, as in Canada government 4 per cent. of 1940-60, will find on enquiry that the differences represent the amount of interest accrued to the date in question, and included in the stock exchange quotations. As the holder will receive his interest in the usual way from the treasury instead of by way of coupon or payment by the bank responsible for interest payments where the security is registered, the difference has been allowed for by the treasury in preparing its deposit values.

Withdrawn from Lists.

In September, the treasury issued a list of securities which had been withdrawn from the lists of securities acceptable for deposit under the terms of schemes A and B, as sufficient of these securities had been obtained for present requirements. The following securities were included: Canadian Northern Pacific Railway 4 per cent. first mortgage debenture (guaranteed by British Columbia), 1950; Grand Trunk Railway Company perpetual 4 per cent. consolidated debenture; Grand Trunk Railway Company perpetual 5 per cent. debenture; Grand Trunk Railway Company, Great Western Railway perpetual 5 per cent. debenture.

The British treasury's plan of mobilizing foreign securities held in Great Britain worked satisfactorily last year. By this plan the British treasury is prepared to purchase certain securities. These are bought in London and paid for there out of the parliamentary votes of credit. They are then shifted to the United States and sold there. With the proceeds of the sale in dollars, the British government pays for the munitions which they have bought in the United States.

The official lists of securities which the British treasury is prepared to purchase and to receive on deposit may be consulted at the head office of *The Monetary Times*.

ALBERTA CROP BETTER THAN AVERAGE

Western Province Enters This Year in Excellent Position —Unwise Laws Should Go

BY KINGMAN NOTT ROBINS.

Alberta has been the bright spot on the crop map of Canada this past year—and, in fact, one of the few bright spots on the continent. Although Alberta harvested a phenomenal crop last year, she was not so conspicuous because of it as she would have been had last year not seen a bumper crop, especially of wheat, throughout Canada and the North-western United States. Only those close to conditions in Alberta realize that her average grain yields last year established a record for the North American continent, and that, at last year's prices, this twofold crop, averaging for the entire province 36.16 bushels of wheat to the acre and 57.33 bushels of oats to the acre, put the farmers of the province in an enviable position.

But Alberta in 1916 stands out as the one farming district of the North-West with a crop again better than the average. With comparatively little frost damage, and little or no rust damage, Alberta has harvested a crop only surpassed last year for both quantity and quality. At this year's prices, higher than any since the 60's, crops of 30 to 50 bushels of wheat and 70 to 100 bushels of oats, which are the rule with good farmers, are bringing their owners a gross return of $40 to $80 an acre on land ordinarily valued and selling for $20 to $35 an acre.

Strong Financial Position.

With such a situation following last year's results, it is no wonder that rural Alberta goes into 1917 in a thoroughly liquidated and strong financial position, debts paid, and well equipped for advancement.

Fortunately for Alberta's permanent progress, prices for live stock, especially hogs and sheep, have risen until they are higher than ever before in the history of the North-West. Hogs in Calgary have been a better price than in Chicago. Although wheat is too high for profitable feeding to hogs, even at the prevailing market, oats and barley are within range, and there is an increasing tendency to put hogs on tame pasture—rye, alfalfa, rape, etc. Then, again, the farmers are more and more adding enough cattle to their equipment to eat their straw and utilize their pasture. Considerably more than half of the loans made last year by the writer's company were for the purchase of cattle. In many cases their purchases included milk cows, and it is the rule now, and not the exception, to see cream cans on the station platforms all through Alberta. Southern Alberta is showing a most encouraging tendency toward dairy production, and no sign of Alberta's present tendencies is more assuring than the great increase of her butter production from 5,400,000 pounds to 7,400,000 pounds in the year 1915-1916. A Calgary creamery won first prize for creamery butter at the National Exhibition at Toronto.

With wool at the present prices and mutton soaring, sheep-raising is getting much attention, the Alberta Sheep Breeders' Association showing a sixfold increase in their business last year.

Alberta is proving herself a thoroughly successful and established mixed farming country, and the best part of it is that she is not losing ground in mixed farming production during the present era of high grain prices. This is the best insurance against a slump when grain prices fall, perhaps to low levels, as many authorities prophesy.

Slowly, but surely, such conditions in rural Alberta are being reflected in the towns and cities.

To the surprise of even Alberta farmers, there was no widespread shortage of harvest labor this year, despite the war, although it is difficult to say what would have been the situation had there not been a short crop in the rest of the Northwest. Steady, experienced men are scarce, however, and continue high. The tension will hardly relax during the war. After the war, the return of the soldier and the probable influx of immigration will reverse the problem. Every effort to prepare for this situation is to be welcomed—it hardly seems as yet as though any definite practical programme had been officially proposed.

Peace River Country.

The only part of Alberta that is developing rapidly through new transportation and settlement is the Peace River country. As the railways make this great region less and less an unknown land, the opinion among conservative and experienced men of Alberta strengthens that the Peace River country has a great future, both in agricultural and mineral development. It already has a considerable lumber and fish industry. It is said that 45 per cent. of the total immigration into Canada is going to the Peace River now. This development only enforces the truth of the statement that no traveller can hope to get an idea of Alberta from the car window on the main lines of the transcontinental railways. He must take the north and south lines, and, better still, motor out from the lines of railway.

Each year as Alberta makes good with what she has to work with, it becomes increasingly evident that the province can support in comfort a very large agricultural population. Such a population would, by its contributions to the community, make possible improvements in living conditions—roads, schools, churches, transportation and business facilities—that would make Alberta the peer of any section. It already surpasses most in the natural features that make a country livable, and has more of the man-made features than any of its age and population that we know of.

Unwise Laws Should Go.

Every well-wisher of Alberta must hope that her citizens, expressing themselves through their representatives, will do all they can to attract the best type of immigrant, and the necessary capital to finance him, by safeguarding the fundamental rights of the individual citizen that stimulate in him the enterprise and willingness to build for the future that are being so seriously undermined by the social upheavals of the day.

We believe there is a reaction in Alberta, as in the rest of Canada, among the greater part of the population against the moratoria, seed grain, inequitable tax, and other measures that have been passed in recent years without regard to the fundamental principles above referred to, and that Alberta, so far as she has shared in such legislation, will take steps to repeal it, and to avoid similar mistakes in the future.

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Business Expansion at a High Record

Last Year, the Index of Canadian Production Declined While That of Business Activity Increased—Scientific Development of the Nation's Resources is Necessary in Order to Solve Economic Problems

By RUSSELL DAVENPORT BELL.

IT has been our privilege to compile and discuss in the past two annual issues of *The Monetary Times*, the figures covering primary production in Canada and their relation to the country's prosperity. In the original article, two years ago, on this subject, our investigation of the previous five years of production from natural resources disclosed the fact that little progress had been made and that business expansion had gone ahead at a far greater rate. We pointed out that this was the chief reason for the severe depression existing just previous to the war and endeavored to show that the influence of the war would be to correct this condition. The results for the year 1915, which were discussed in the last Annual, substantiated this view. They showed that the war had brought about an enormous increase in the country's effort towards primary production and a still greater increase in the actual money value of such production.

By way of roughly measuring the comparative progress in primary production and business expansion we have used from our statistical records four items fairly representative of each. By reducing each item to a per capita basis and plotting the average of the four items of per capita production and the four items of per capita business activity the trend in a general way can be graphically indicated.

First Upward Movement.

In 1915, the per capita production line had its first sharp upward movement in many years, due to the great effort made toward a large crop, the favorable weather conditions and high prices; while the per capita business index declined as the result of economy and the elimination of speculation and new business development.

There were signs that the movement of the two indices would not be in the same direction last year. As we said in the last Annual, private and public economy was beginning to slacken, imports to rise and budgets to increase, while fall acreage had decreased considerably. Great commercial activity always springs from the wealth created by a large volume of natural production, but the stimulus to produce is not so great. At the same time, there has been a steady drain of the labor market, particularly from the West, so that an equally great effort toward large production was not physically possible. As a result the acreage and yield of last year's crop fell to a very low point. As it turned out, prices were so high that the country's primary production in terms of money was greater than ever.

Our index, however, which aims to represent more the actual effort toward production and its physical results rather than the money value, which is the result of fortuitous price changes, shows some decline, while the per capita business expansion index increased sharply.

As long as prices of our raw materials are at war levels, a comparatively small production would suffice to maintain our prosperity. With normal prices, however, last year's primary production would have brought us a very small return. The enormous money value should not blind us to the fact that acreage was very small last year and will probably be small again this year. A declining index of production and an ascending index of business activity are not compatible indefinitely. If production is not increased, business activity collapses sooner or later.

Canada's chief economic problem of to-day and the future is still the problem of production. Whether we continue with our present population, minus those who are serving the more important duty overseas, or whether we receive a new tide of immigration, the problem of how best to adjust the population to bring the greatest production is as important now as it was when we discussed it in the previous articles on this subject. The plan of National Service by which the government proposes to take stock of its population is the first attempt that has been made to prepare the ground for dealing with this problem. While essentially a war-time measure designed chiefly to help solve military problems, it may serve as the basis for a scientific development of the country's resources that may well be used to promote production and eliminate wasted effort and inefficiency, even after war's needs have passed.

TABLE I.—*PRIMARY PRODUCTION.

	Field crops.	Forests.	Mines.	Fisheries.	Total.
1908	$432,534,000	$160,000,000	$ 85,557,000	$25,499,000	$703,590,000
1909	532,992,000	166,000,000	91,831,000	25,451,000	816,274,000
1910	396,633,000	168,000,000	106,823,000	29,629,000	701,085,000
1911	597,924,000	170,600,000	103,220,000	29,965,000	901,709,000
1912	557,343,000	182,300,000	135,048,000	34,667,000	909,358,000
1913	552,771,000	177,120,000	144,031,000	33,389,000	907,311,000
1914	638,580,000	176,672,000	128,862,000	31,264,000	975,380,000
1915	797,669,000	172,880,000	137,109,000	31,250,000	1,138,908,000
1916	845,029,000	190,000,000	170,000,000	36,000,000	1,241,029,000

*All figures obtained from Canada Year Books, Departments concerned or Census and Statistics Office, Ottawa.

TABLE II.—*AREA UNDER CULTIVATION.

	All field crops. Acres.	†Yield. Bushels.
1909	30,065,000	842,272,000
1910	30,272,000	557,739,000
1911	34,536,000	851,850,000
1912	35,569,000	908,142,000
1913	35,369,000	895,563,000
1914	33,476,000	713,415,000
1915	37,263,000	1,053,787,000
1916	32,096,000	668,124,000

*All figures obtained from Canada Year Books, Departments concerned or Census and Statistics Office, Ottawa.

†The figures for area include all crops. From the yield table we omitted the last four root and fodder crops, which are measured in tons instead of bushels. As the items in tons varied approximately with the total in bushels, we have thought it best, for the sake of simplicity, to omit them.

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We invite Correspondence.

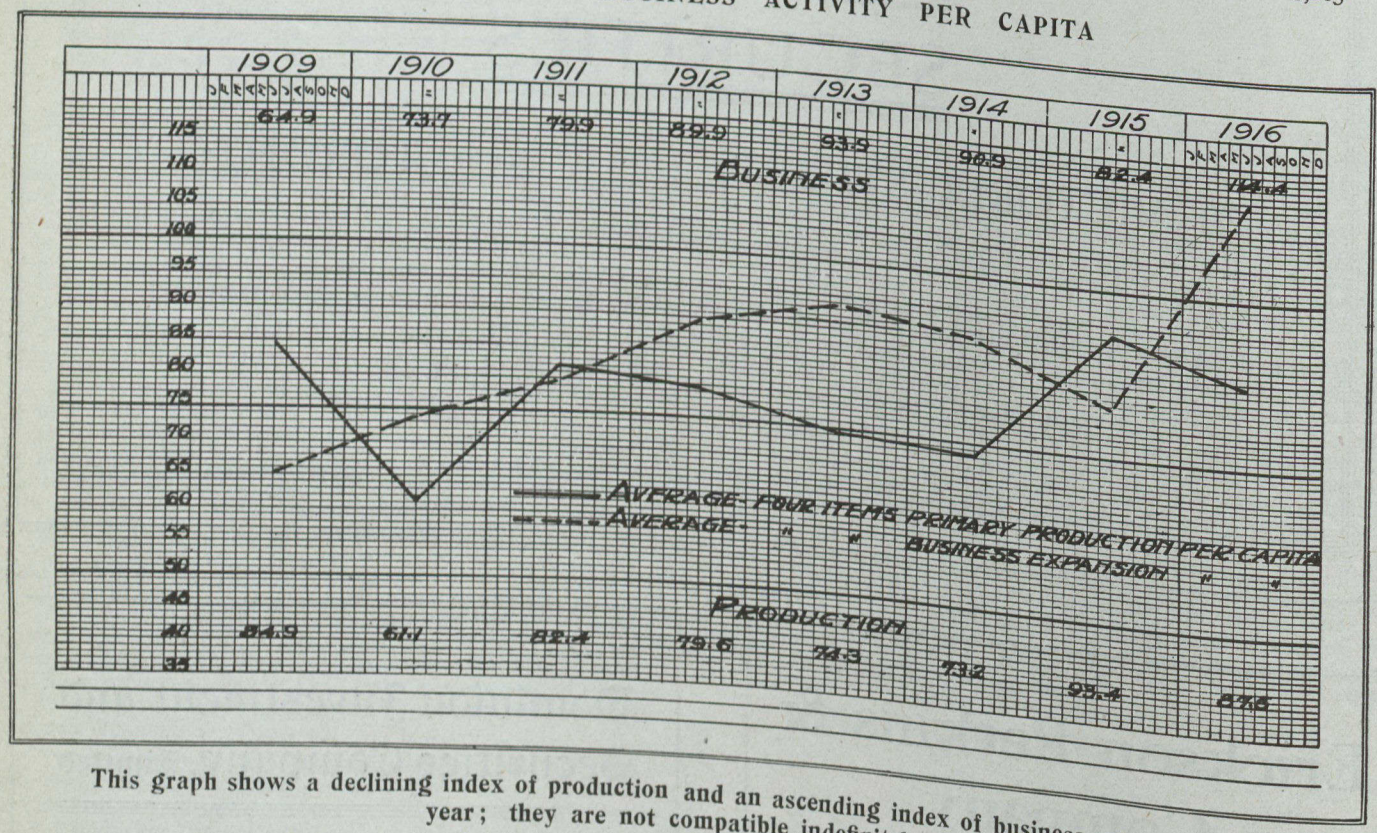
TABLE III.—PER CAPITA PRODUCTION.

	Population.	Acres under cultivation per capita.	Yield bushels per capita.	Value Field crops per capita.	Value Total production per capita.
1909	.. 6,507,000	4.62	129	$ 81	$125
1910	.. 6,872,000	4.40	81	57	102
1911	.. 7,206,000	4.79	118	82	125
1912	.. 7,583,000	4.66	119	73	119
1913	.. 8,000,000	4.42	111	69	113
1914	.. 8,000,000	4.18	89	79	121
1915	.. 8,000,000	4.65	131	98	140
1916	.. 8,000,000	4.01	86	105	155

TABLE IV.—PER CAPITA BUSINESS EXPANSION.

	Circulation (June).	Current loans (June).	Foreign trade.	Bank clearings.
1909	.. $10.70	$ 82	$ 87	$ 799
1910	.. 11.60	94	100	895
1911	.. 12.20	99	106	1,025
1912	.. 13.40	111	115	1,205
1913	.. 13.20	112	135	1,157
1914	.. 12.40	109	141	1,009
1915	.. 12.40	100	119	968
1916	.. 15.60	93	221	1,283

PRODUCTION AND BUSINESS ACTIVITY PER CAPITA



This graph shows a declining index of production and an ascending index of business expansion last year; they are not compatible indefinitely.

FAVORED-NATION TREATIES TO GO?

Division of the countries of the world into economic strata separated by tariff walls and classified as allies of the British empire, friendly neutrals, unfriendly neutrals and enemy countries was urged last year by the London Chamber of Commerce in its programme for British post-war trade domination. To clear the ground for this world reconstruction, the chamber concluded in its special report that abrogation of all "most-favored-nation" treaties, including that with the United States, is inevitable.

Mr. J. W. Woods, Toronto, chairman of the honorary trade commission, which visited Great Britain and Europe last year, to investigate and report on greater sales of Canadian goods in those markets, in one of his addresses in England, said that the United States and Japan would be able to manufacture so cheaply that it appeared to him that Great Britain would be compelled, in self-defence, to take those circumstances into consideration. In France and Italy, he had found a desire for graduated tariffs, a general high tariff for enemy countries, a low tariff for the Allies, with an intermediary tariff for neutrals.

The output of the coal mines in the province of Alberta for 1916 is estimated by Mr. J. Stirling, chief mine inspector, at from 4¼ to 4½ million tons, practically a million tons increase over the production for 1915.

BANK OF HAMILTON'S DIRECTORS

To the list of directors of the Bank of Hamilton, appearing on page 71, should be added the names of Messrs. W. E. Phin and J. Pitblado, K.C.

DIVIDEND NOTICE

DOMINION LINENS LIMITED

DIVIDEND No. 5.

Notice is hereby given that a Dividend of 3½% (being at the rate of 7% per annum) on the Preferred Stock of this Company has been declared for the six (6) months ending December 31st, payable January 15th, 1917, to Shareholders of record at the close of business December 31st, 1916.

By order of the Board,

H. A. HIGNELL,
Secretary-Treasurer.

Guelph, December 27th, 1916.

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Southern Canada Power Company, Limited

Its Field of Operation is in the Prosperous and Progressive Industrial Territory South of St. Lawrence River

The Southern Canada Power Company, Limited, has an authorized capital of $3,000,000 and an authorized bond issue of $5,000,000.

The company owns water powers on the St. Francis River between Drummondville and the River St. Lawrence with a total of 280 feet, capable of a present development of about 90,000 and an ultimate development of about 150,000 horsepower upon the completion of the storage dams now under construction by the Provincial Government at the head waters of the St. Francis River.

The water powers comprise six sites which can be developed under a head of over 45 feet each thus giving the company the advantage of only making developments from time to time as the demand for power in the district warrants.

In addition to these water powers the company controls the entire lighting and power business in the Cities of St. Hyacinthe, St. Johns, the towns of Drummondville, and Iberville, and contracts with many other Municipalities in the district including the Towns of Beloeil and Ste. Halaire.

The Cities of St. Johns and St. Hyacinthe are connected by a 50,000 volt transmission line which will be extended from St. Hyacinthe to Drummondville upon the completion of the company's first development at Hemmings Falls and a transmission line from Sherbrooke to Windsor Mills, and this line will be extended from Windsor Mills to Drummondville at a later date. Other transmission lines are under contemplation which will be built in the near future so that within a reasonable period every town and village in the district requiring power will be served by this company.

Pending the completion of the first development the Company is supplying the Western part of its district with hydro-electric power purchased from the Montreal Light, Heat & Power at Chambly, and the South Eastern section with Shawinigan Water & Power Company's power purchased at Windsor Mills.

As the company confines itself to the territory between the Richelieu and the St. Francis Rivers and tributary to same it does not compete in any way with either the Montreal Light, Heat & Power or Shawinigan Water & Power Companies, and in addition the Southern Canada Power Company, Limited, upon the completion of its first and second developments will supply a large block of power under contract to the Shawinigan Company to be used in the Asbestos district and elsewhere.

The industrial development of the district to be served by the company includes some of the most important Canadian manufacturers, these concerns are of very diversified character and include the Singer Sewing Machine Company, the Dominion Textile Company, Paton Woolen Mills Company, Canadian Ingersoll Rand Drill Company, Jencks Machine Company, Canadian Fairbanks-Morse, Canadian Fairbanks Company, Canadian Explosives Company, Aetna Explosives Company, etc.

This district has a population of over 400,000 people within a radius of sixty miles of the development, and is exceptionally well adapted for manufacturing purposes on account of its splendid transportation facilities and unusually good labor market.

The present high protective tariff is an inducement to many American manufacturers to locate in this territory to supply the Canadian and Colonial markets.

The advent of a cheap power in this territory will be a great boon to the many industries, as coal is at present selling in this territory from $5.00 to $5.75 per ton.

The undertaking has been put together under the best expert advice, the Consulting Engineers of the company being Viele, Blackwell & Buck, of New York, and also an examination of the properties has also been made by Stone & Webster, of Boston and New York, probably the largest and most important firm of hydro-electric engineers in the United States whose report is very favorable.

The company has recently sold $400,000 of its 6 per cent. first refunding mortgage bonds to the Montreal Electric Company, Montreal.

NEW COMPANIES LAST YEAR

Over 2,000 Received Charters With Aggregate Authorized Capital of $490,000,000

During the 12 months of the past calendar year, 2,134 new companies secured Dominion or provincial charters. The total authorized capitalization of these companies was $490,485,525. The geographical division of the new companies is shown in the following table, which gives the number of companies with head offices in the various provinces:—

Province.	Companies.	Capital.
Ontario	755	$284,530,070
Quebec	514	89,435,395
Manitoba	194	34,184,000
British Columbia	254	38,535,300
Alberta	192	24,822,000
Saskatchewan	180	12,416,160
New Brunswick	36	5,842,600
Nova Scotia	3	130,000
Prince Edward Island	6	590,000
	2,134	$490,485,525

The following shows the number of companies which adopted the cities named as their head office: 31, Ottawa; 370, Toronto; 44, Hamilton; 16, London; 15, Fort William; 6, St. Catharines; 191, Montreal; 30, Victoria; 7, Prince Rupert; 172, Vancouver; 15, New Westminster; 9, St. John; 3, Fredericton; 11, Kitchener; 168, Winnipeg; 57, Calgary; 1, Prince Albert; 29, Regina; 169, Edmonton; 37, Saskatoon; 21, Moose Jaw; 35, Quebec.

The following is a list of companies with authorized capitalization of $1,000,000 or over, incorporated during the past twelve months. The information given is, in order, name of company, city in which head office is located, month of incorporation, and authorized capitalization.

The Alberta Volcanic Oil Co., Ltd., Edmonton, Alta., July 31	$ 2,000,000
The Amm. Natural Gas and Gasoline Co., Ltd., Toronto, July 1	2,000,000
The Anglo-American Hotel Co., Ltd., Toronto, Oct. 7	4,500,000
Anzac Porcupine Mines, Ltd., Toronto, Dec. 9	1,000,000
Atlas Gold Mines, Limited, Toronto, March 11	2,000,000
Awrum Mines, Limited, Toronto, Nov. 4	1,500,000
The Baldwin Manufacturing Company of Canada, Limited, Winnipeg, April 8	1,000,000
Bellbirk Porcupine Mines, Ltd., Toronto, Oct. 21	2,000,000
Bella Mining Co., Ltd., Winnipeg, July 15	1,000,000
Bell Automatic Shocker, Ltd., Winnipeg, Oct. 7	1,000,000
Booth Fisheries Co., of Canada, Ltd., Toronto, July 8	1,000,000
Boston Creek Mining Co., Ltd., Toronto, Feb. 19	2,000,000
Boston Gold Leaf Mining Co., Ltd., Cobalt, Ont., May 20	1,000,000
Boulder Gold Mines, Ltd., Winnipeg, May 13	3,000,000
The British Dominion Land Corporation, Ltd., Toronto, Sept. 2	1,000,000
Brompton Pulp and Paper Co., Ltd., Montreal, Nov. 11	9,000,000
Brunner Mond Canada, Ltd., Toronto, Sept. 30	3,000,000
Burrows Refining Co., Ltd., Ottawa, Feb. 26	1,500,000
Burton-Munro Mines, Limited, Toronto, Jan. 29	1,000,000
Business Properties, Ltd., Toronto, June 24	1,000,000
Canada Boxboard Co., Ltd., Toronto, April 8	1,000,000
Canada Light, Heat and Welding Co., Ltd., Toronto, Sept. 16	1,000,000
The Canadian China Clay Co., Ltd., Montreal, April 1	1,500,000
Canada Nitro Products, Ltd., Toronto, Jan. 8	5,000,000
The Canada Stove & Foundry Co., Ltd., Montreal, May 27	1,500,000
Canada Truck Co., Ltd., Montreal, Dec. 2	4,900,000
Canada West Coast Navigation Co., Ltd., Vancouver, July 8	2,500,000
Canadian Mining Corporation, Ltd., Toronto, Dec. 2	1,660,000
Canadian Western Zinc Smelting Co., Ltd., Calgary, Alta., March 15	1,000,000
Canadian Gasoline Corporation, Ltd., Toronto, July 22	$ 3,000,000
The Caswell Mining Co., Ltd., Toronto, May 20	1,000,000
Chalmers Motor Co. of Canada, Ltd., Windsor, Ont., Jan. 29	1,000,000
Chicago Roche Deboule Copper Co., Ltd., Edmonton, Jan. 31	1,000,000
The Chipman-Holton Knitting Co., Ltd., Hamilton, July 28	1,000,000
Cluff Ammunition Co., Ltd., Toronto, Dec. 16	1,500,000
Coast Copper Co., Ltd., Trail, B.C., Sept. 21	1,000,000
West Comstock Mining Co., Ltd., Toronto, Nov. 25	3,000,000
Copper Queen Mining and Smelting Co., Ltd., Vancouver, Nov. 16	1,000,000
Crescent Creamery Company, Ltd., Winnipeg, Jan. 31	1,000,000
Davidson Gold Mines, Ltd., Toronto, Aug. 12	2,000,000
The F. F. Dalley Corporations, Ltd., Hamilton, Feb. 5	2,000,000
S. Davis & Sons, Ltd., Montreal, June 17	1,000,000
Debenture and Creek Mines, Ltd., Victoria, B.C., Jan. 20	1,000,000
Davidson Lake Mining Co., Ltd., Toronto, June 3	1,000,000
Deloro Smelting & Refining Co., Ltd., Deloro, Ont., July 22	1,500,000
Delta Copper Co., Ltd., Prince Rupert, B.C., Aug. 3	1,000,000
Dodge Mfg. Co., Ltd., Toronto, Nov. 11	1,500,000
The Dominion Cement Products Co., Ltd., Montreal, Nov. 25	1,500,000
Dominion Milk Corporation, Ltd., Toronto, Dec. 16	1,250,000
The Dominion Securities Corporation, Ltd., Toronto, Jan. 15	1,000,000
Dominion Sugar Co., Ltd., Wallaceburg, Apr. 15	5,000,000
Elstone Dunkin Mines, Ltd., New Liskeard, June 24	1,500,000
Empire Hippodrome Co., Ltd., Toronto, March 25	1,000,000
Empire Pulp and Paper Mills, Ltd., Vancouver, B.C., Aug. 3	2,500,000
Empire State Mines, Ltd., South Porcupine, Ont., Feb. 19	2,000,000
Feldspar and Clay Products, Ltd., Wiarton, Ont., Aug. 5	1,500,000
Ford Motor Company of Canada, Ltd., Ford, Ont., March 15	10,000,000
Frost Steel and Wire Co., Ltd., Hamilton, March 4	6,000,000
Ganong Bros., Ltd., St. Stephen, N.B., April 8	1,500,000
The Globe Shock-Absorbing Tire Company of Canada, Ltd., St. Catharines, Ont., May 6	1,000,000
Golden Vein Mines, Winnipeg, July 8	3,000,000
Gold King Mines, Ltd., Winnipeg, Sept. 9	1,500,000
Gold Link Consolidated Mines, Ltd., Winnipeg, April 8	3,000,000
Gold Pan Mines, Ltd., Winnipeg, Sept. 2	3,000,000
Gold Seal Mines, Ltd., Winnipeg, July 1	2,000,000
The Grain Growers' Grain Co., Ltd., Winnipeg, Feb. 29	2,000,000
Great Lakes Power Co., Ltd., Sault Ste. Marie, Ont., April 1	2,600,000
The Ha! Ha! Bay Sulphite Co., Ltd., Chicoutimi, Que., April 8	2,000,000
The H. Fartier Co., Ltd., Montreal, Oct. 28	1,000,000
Hamilton Steel Wheel Co., Ltd., Hamilton, Nov. 11	2,000,000
Hazelton Rocker de Roulé Mining and Exploration Co., Ltd., Vancouver, B.C., Nov. 16	2,000,000
Hollinger Consolidated Gold Mines, Ltd., Toronto, June 10	25,000,000
Hudson Bay Zinc Co., Ltd., Salmo, B.C., March 16	5,000,000
Hudson Copper Company, Ltd., Thessalon, Ont., Dec. 2	2,000,000
Inspiration Gold Mines, Ltd., Toronto, Oct. 14	2,000,000
International Mnfg. Co., Ltd., Ottawa, Dec. 2	1,000,000
International Molybdenum Co., Ltd., Renfrew, Ont., April 1	5,000,000
The International Nickel Co. of Canada, Ltd., Toronto, July 29	5,000,000
Investors and Traders, Limited, Toronto, April 15	1,000,000
Kamiskotia Mining Co., Ltd., Toronto, May 27	2,000,000
Kenabeek Silver Mines, Ltd., Montreal, April 15	1,000,000
Kenyon Copper Mines, Ltd., Toronto, Dec. 2	1,250,000

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King Midas, Limited, Toronto, Dec. 2	$ 2,000,000
Kirk Gold Mines Co., Ltd., Toronto, July 1	2,000,000
La Cie de Placement de la Cité, Limitee, Montreal, Feb. 5	1,000,000
Lethberta Oil Fields, Ltd., Lethbridge, Alta., May 15	1,000,000
Loew's Montreal Theatres, Ltd., Montreal, June 3	1,750,000
Manville Asbestos Co., Ltd., Montreal, Sept. 23.	1,000,000
Mattagami Pulp and Paper Co., Ltd., Toronto, Feb. 26	4,000,000
McIvor Gold Mines, Ltd., Kirkland Lake, Ont., Jan. 22	1,000,000
McRae Porcupine Gold Mines, Ltd., Toronto, March 18	2,000,000
The Michipicoten Power and Paper Company, Limited, Toronto, Dec. 9	6,500,000
Milton Pressed Brick Company, Ltd., Toronto, May 6	1,500,000
Molly Gibson Burnt Basin Mining Co., Ltd., Rossland, B.C., Sept 21	1,000,000
Morgan Realties, Ltd., Montreal, July 29	3,000,000
Murray-Kay Building Co., Ltd., Toronto, June 10	2,000,000
Murray-Kay Co., Ltd., Toronto, June 10	7,500,000
Murray Magridge Mining Co., Ltd., Toronto, Dec. 2	2,000,000
North America Antimony Smelting Co., Ltd., Lake George, N.B., Nov. 8	2,000,000
The North Thompson Gold Mines, Ltd., Toronto, March 11	1,375,000
The Oka Gold and Lead Mining Co., Ltd., Montreal, June 10	1,000,000
Otis Fensom Elevator Co., Ltd., Toronto, May 15.	3,500,000
Pacific International Copper Co., Ltd., Vancouver, B.C., Oct. 26	3,000,000
Pacific Lime Company, Ltd., Vancouver, Nov. 30	1,500,000
The Peace River Development Corporation, Ltd., Vancouver, B.C., Aug. 26	1,500,000
Perfection Tire and Motor Co., Ltd., Hamilton, Ont., Jan. 29	1,500,000
Porcupine-Nighthawk Mines, Ltd., Toronto, Sept. 16	1,000,000
Porcupine North Star Gold Mines, Ltd., Toronto, Sept. 9	2,500,000
Porcupine & N. T. Gold Mines, Ltd., Toronto, Dec. 16	3,000,000
Port Hope Sanitary Mnfg. Co., Ltd., Toronto, Sept. 2	1,250,000
Provincial Insurance Co., Ltd., Boston, England, July 31 (£250,000)	1,250,000
Quebec Mining Corporation, North Temiskaming, Ont., Nov. 18	2,000,000
Republic Gold Mines, Ltd., Toronto, July 29	3,000,000
The Russo-Canadian Mining Corporation, Ltd., Toronto, Sept 16	1,000,000
Silverado Mining Co., Ltd., Cobalt, Ont., July 1.	1,000,000
Sovereign Crude Oil and Asphalt Co., Ltd., Montreal, July 29	1,000,000
Standard Film Service, Ltd., Montreal, July 1	1,000,000
The Sterns Tire and Tube Co., of Canada, Ltd., Toronto, Sept 2	1,000,000
St. John Drydock and Shipbuilding Co., Ltd., St. John, N.B., June 10	1,000,000
South Bay Power Co., Ltd., Toronto, Dec. 16	1,000,000
The Sudbury Nickel Refineries, Ltd., Ottawa, May 20	5,000,000
The Sunshine Mining Co., Ltd., Winnipeg, Nov. 4	1,500,000
Tashorn Mines, Ltd., Toronto, Aug. 19	3,000,000
The T. Eaton Co., Ltd., Toronto, Jan. 15	1,000,000
Thompson-Krist Mining Co., Ltd., Toronto, Nov. 25	2,500,000
Thunder Bay Terminal Elevator Co., Ltd., Winnipeg, July 8	1,000,000
Thunder Mining Company, Ltd., Toronto, Oct. 20	2,000,000
Walker & Sons, Ltd., Walkerville, Ont., Feb. 12	1,000,000
Western Power Co. of Canada, Ltd., Montreal, Sept. 30	10,000,000
Willys-Overland, Ltd., Toronto, Jan. 15	6,000,000
Willys-Overland, Ltd., Toronto, March 31	6,000,000
Winnipeg Oil Co., Ltd., Winnipeg, March 15	1,000,000
Wolverine Mining and Development Co., Ltd., Nelson, B.C., May 18	1,000,000
Wright-Hargreaves Mines, Ltd., Toronto, July 15.	2,500,000
Wm. Wrigley, Jr., Co., Ltd., Toronto, Jan. 8	2,000,000
United Zinc and Feldspar, Ltd., Montreal, Sept. 16	1,000,000

PROVINCIAL GOVERNMENT LOANS LAST YEAR

Total was Comparatively Small—Seven of Nine Provinces in Market

The provincial government loans last year were considerably smaller than in 1916. They totalled approximately $33,173,000. This compares with $47,000,000 in 1915; $36,748,664 in 1914; $18,999,884 in 1913; and $25,639,700 in 1912.

Seven of the nine provinces were in the market, the two exceptions being New Brunswick and Prince Edward Island. Practically the whole amount of last year's provincial government loans were issued in the United States.

Quebec province sold in June $4,000,000 10-year bonds, bearing interest at the rate of 5 per cent. per annum, payable half-yearly on June 1st and December 1st, at the Bank of Montreal, Quebec or Montreal, or at the agency of the Bank of Montreal in New York. These bonds were sold to a New York syndicate, headed by Messrs. J. P. Morgan & Company, at 99.20. The bonds proved popular with both American and Canadian investors, the whole issue being rapidly taken up.

"The price at which these bonds were sold," Mr. Alex. Hyde, assistant provincial treasurer, stated to *The Monetary Times*, "indicates that the credit of the province of Quebec stands second only to that of the Dominion in the United States, as in the former market, London."

Manitoba and Saskatchewan.

The following loans were issued by Manitoba last year:—$500,000 for purposes of new parliament buildings, $100,000 for purposes of prison farm, $100,000 for patriotic purposes, $163,000 covering capital expenditure of the previous year, $100,000 under the settlers animal purchase act, $30,000 for Ninette sanitorium, and $80,000 for Dauphin judicial buildings.

The loans were issued in the form of a three-year bond, interest at five per cent., payable half-yearly.

The following securities were issued by Saskatchewan province:—5 per cent. bonds, 1921 and 1926, $1,000,000; 4½ per cent. bonds, 1926, $1,375,000; 5 per cent. bonds, 1926, $625,000; and 5 per cent. bonds, 1931, $500,000.

Drainage district 5½ per cent. debentures, 1936 and 1946, to the amount of $128,500, were also issued. The drainage district debentures are guaranteed by the provincial treasury, and are therefore a contingent liability. This item is included in the municipal bond sale records.

Manitoba and Saskatchewan issued certain refunding loans in the United States. Of the Saskatchewan figures noted above, the $1,375,000 and $625,000 loans were refunding issues of that nature. This matter is discussed in a special article on page 158.

Alberta and British Columbia.

The only loan issued last year by Alberta was an issue of $2,000,000 5 per cent. 10-year bonds. The price received for this issue was $95.63 and accrued interest, which is very satisfactory, considering conditions at the time of the sale.

The only loan contracted during the past year by British Columbia was $2,000,000 under the loan act, 1916. The debentures were issued for 10 years, and brought 91½ per cent., at a cost of 5.63 per cent. per annum to the government. Of the $1,830,000 received for this issue $750,000 has been loaned to the Pacific Great Eastern Railway Company, and $1,000,000 has been taken into consolidated revenue. The balance has not yet been disposed of.

Loans issued by Nova Scotia last year were as follow:—

January 1st, $500,000 at 97.13	$ 485,650.00
July 1st, $1,000,000 at par	1,000,000.00
And premium	2,833.00
	$1,488,483.00

Ontario sold $8,350,000 of 4 per cent. 10-year bonds in March under the electric power act, for the purchase of certain power plants. In May, a sale of $4,000,000 5 per cent. 10-year bonds was made in the United States. Of that issue, $3,000,000 was used to retire treasury bills. Ontario also sold $4,000,000 5 per cent. 10-year bonds in May, and $2,000,000 of similar bonds in December.

Full details of provincial government borrowings last year appear in tabulated form in the bond sales tables on pages 162 to 167.

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"	1914	566,000
"	1915	776,000
"	1916	Over 1,000,000

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Canada's Bond Sales Last Year

They Totalled $314,000,000 Compared With $335,000,000 in 1915—United States Market Took 82 Per Cent. of the Issues.

THE total sales of Canadian bonds in 1916, according to *The Monetary Times'* records, were $314,882,542, including the $100,000,000 internal war loan of November last. This total is somewhat smaller than that of the previous year, when the amount was $335,106,328. With that exception and 1913, when the total was $373,795,295, last year's figures were the largest on record. The totals for the past two years, however, were materially increased by the two internal war loans of $100,000,000 each.

Deducting the $100,000,000 war loan from last year's figures, the total sales were $214,882,542, compared with $235,106,328 in 1915, a sum which also excludes the war loan. These are substantial amounts for war time but they represent only necessary borrowing. With the exception of a few million dollars, last year's loans were all new issues. The total of $214,882,542 for 1916 (exclusive of the war loan) compares with $231,000,000 in 1910, $266,000,000 in 1911, and $273,000,000 in 1914.

Our bonds last year and in 1915 were sold in the three markets as follow:—

Sold in.	Amount. 1915.	Amount. 1916.	Per cent. of total. 1915.	Per cent. of total. 1916.
Canada	$139,875,214	$102,938,778	41.70	32.80
United States	154,056,114	206,943,764	46.00	65.90
Great Britain	41,175,000	5,000,000	12.30	1.30
	$335,106,328	$314,882,542	100.00	100.00

The inclusion in the above figures of the two internal war loans of $100,000,000 each naturally does not show the United States in its true relation as our present money market. Excluding the war loans from the figures, therefore we have the following result:—

Sold in.	Amount. 1915.	Amount. 1916.	Per cent. of total. 1915.	Per cent. of total. 1916.
Canada	$ 64,875,214	$ 32,938,778	27.60	15.50
United States	129,056,114	176,943,764	54.90	82.20
Great Britain	41,175,000	5,000,000	17.50	2.30
	$235,106,328	$214,882,542	100.00	100.00

The United States last year, therefore, took over 82 per cent. of our ordinary bond issues and Great Britain only 2.30 per cent. In 1915, the United States took 65 per cent., while Great Britain took 18 per cent. In 1914, Great Britain took 68 per cent. of our securities and the United States 20 per cent. So that since the war, and as a direct result of the war, the position has been completely changed, the United States now being the important market for Canadian securities.

Our Loans Classified.

Including the internal war loans, the total bond sales last year and in 1915 were divided into the following classes:—

Bonds.	Amount. 1915.	Amount. 1916.	Per cent. of total. 1915.	Per cent. of total. 1916.
Government	$218,105,000	$208,173,000	65	66.50
Municipal	67,393,328	51,977,542	20	16.40
Railroad	33,675,000	22,240,000	10	7.00
Corporation	15,933,000	32,492,000	5	10.10
Total	$335,106,328	$314,882,542	100	100.00

Excluding the war loans, the following are the figures:—

Bonds.	Amount. 1915.	Amount. 1916.	Per cent. of total. 1915.	Per cent. of total. 1916.
Government	$118,105,000	$108,173,000	54	50.76
Municipal	67,393,328	51,977,542	28	24.44
Railroad	33,675,000	22,240,000	11	9.55
Corporation	15,933,000	32,492,000	7	15.25
Total	$235,106,328	$212,882,542	100	100.00

Of our two internal war loans of $100,000,000 each, it is estimated that $25,000,000 of the November, 1915, loan and $30,000,000 of the September, 1916, loan were sold in the United States.

The approximate number of issues in each class (but excluding the municipal issues in Canada, aggregating $303,196,114 in 1915 and $293,241,764 in 1916), was as follows:—

Borrowers.	Number of issues. 1915.	Number of issues. 1916.	Amount. 1915.	Amount. 1916.
Government	31	22	$218,105,000	$208,173,000
Municipal	40	37	35,483,114	32,336,764
Railroad	5	11	33,675,000	22,240,000
Corporation	17	34	15,933,000	32,492,000
Total	93	104	$303,196,114	$295,241,764

Government borrowing, federal and provincial, accounted for approximately 66 per cent. of our bond sales last year. Government and municipal issues together accounted for 83 per cent. of the total sales of 1916. The railroad and corporation issues represent the remaining 17 per cent. Railroad issues were $13,000,000 less than in the previous year, but corporation issues were about double those of 1915. This increase was accounted for largely by the Brazilian Traction issue of $7,500,000.

Of the 104 issues, with a value of $295,241,764, 59 were government and municipal issues, valued at $240,509,764. In 1915, the heavy borrowing of the provincial governments was one of the outstanding features of the bond sales. These loans totalled almost $50,000,000. Last year they were considerably reduced, the total being $33,000,000.

Maturity and Rates.

The maturities of 96 of the 104 issues are shown in the following table:—

Maturity (years).	Number of issues. 1915.	Number of issues. 1916.	Amount. 1915.	Amount. 1916.
Less than one	3	..	$ 7,500,000	.....
One	13	4	38,325,000	$ 4,750,000
Two	5	6	43,750,000	14,500,000
Three	13	10	15,421,000	13,669,000
Five	12	10	35,660,000	31,480,750
Ten	23	20	149,357,772	56,258,465
Long term	24	46	13,182,342	164,548,549
Total	93	96	$303,196,114	$285,206,764

The following table shows the rates carried by 98 of the loans under review last year and of 93 loans in 1915:—

Bearing per cent.	Number of Issues. 1915.	Number of Issues. 1916.
3⅜	1	..
3⅞	1	..
4	..	1
4½	14	7
5	47	46
5½	3	1
6	26	40
7	1	3
	93	98

The two issues of 3⅞ per cent. and 3⅜ per cent. in 1915 were nine-months loans made by the Ontario government in New York. Forty-six of the 98 issues of 1916 bore 5 per cent. interest, 40 were at 6 per cent. and 7 were at 4½ per cent. The four issues at 7 per cent. in 1915 and 1916 were small corporation bond issues.

The change in rates in recent years is clearly reflected in the comparatively high rate of 4½ per cent. for the $5,000,000 Dominion 5 and 10-year loan made in London in March, 1915, and the still higher rates paid for the 5 per cent. federal loans in New York and Canada last year and in 1915. It is a long time since the Dominion government had to issue a loan with such conditions attached as in recent years. In 1860 a 5 per cent. loan was issued for the purpose of consolidating the various outstanding loans. This was followed by an issue of £4,800,000 of 4 per cent. bonds in 1868-1875 guaranteed by the British government, and between 1868 and

1875 £4,500,000 of 4 per cent. bonds were also issued in London, whilst at the end of 1875 there were two outstanding earlier issues bearing 6 per cent. interest. Afterwards, the Dominion government was able to borrow in the London market upon reasonable terms, and an increasingly high status. A prolonged period of cheap money enabled our finance minister to arrange a loan in the English market in 1897 upon a 2½ per cent. basis at an average price of about 91½, following upon issues in 1884 and 1888 at the rates of respectively 3½ per cent. and 3 per cent. Up to 1912—with the exception of the loan offered in January, 1909, upon a 3¾ per cent. basis—the Dominion was able to satisfy all her requirements in London at 3½ per cent. Towards the end of 1913, 4 per cent. had to be paid, and that rate had, until recent times, remained operative.

Great Britain and United States.

The percentage share of Canadian bonds purchased in recent years by the United States and Great Britain, respectively, is shown in the following table, the figures for 1915 and 1916 excluding the war loans:—

Year.	Percentage share of Canadian bonds purchased by United States.	Great Britain.
1909	3.90	74.00
1910	1.50	81.50
1911	6.58	76.56
1912	11.35	72.6
1913	13.65	74.24
1914	19.77	68.14
*1915	54.90	17.50
*1916	82.20	2.30

*Excluding internal war loan of $100,000,000.

The United States will be the most important market for Canadian securities during 1917, and that condition is likely to continue not only during the war but probably for some time after.

Full details of last year's bond sales are given in the tables appearing on pages 162 to 167.

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WINNIPEG

AMERICAN INVESTORS TOOK OUR SECURITIES

Last Year, the United States Bought About $175,000,000 of Canadian Government and Municipal Bonds

BY C. H. WOOD.

During 1916, United States investors purchased approximately $175,000,000 of Canadian government and municipal securities. We are pretty safe in saying that this is the largest amount of this class of security which has ever been placed in that market in any one year, and is at least $25,000,000 more than in the previous year. This amount was divided amongst Dominion, Provincial and Municipal bonds about as follows:—

Dominion government	$105,000,000
Provincial governments	31,000,000
Municipal	39,000,000
	$175,000,000

It is a fortunate thing for Canada that when the London market, which had been taking our securities in such enormous quantities was closed because of the war, United States investors commenced to take a greater interest in our securities. There are three or four outstanding reasons for the wider appreciation of, and greater readiness to accept, Canadian securities than previously. These reasons might be summarized as follow:—

Reasons for Heavy Purchases.

1. The constantly increasing knowledge of Canada's position, her splendid record with respect to government and municipal bonds, and the fact that our physical and commercial conditions are so similar to their own. We believe one factor which adds to the popularity of Canadian investments on the other side, is the confidence the leading financiers of the United States have in our bankers and our banking system, and their very high regard for our laws and the administration of our courts of justice.

2. The very low yields obtainable on their own municipal and government issues. The output of their securities of this class has not kept pace with the demand for their securities, which is always large on account of the fact that so many of their savings banks and other institutions are limited by law to the purchase of their own municipal and government bonds.

3. The levying by the United States Federal Government of an income tax, now 2 per cent. of the income, from which their municipal and government bonds are exempt, has materially added to their own demand for securities of that class.

4. The more favorable interest return on Canadian bonds, as compared with United States securities of a corresponding class.

Differences in Yields.

It might be interesting to cite a few cases which will show the difference in the yield obtainable from a United States or Canadian bond of the same class:—

Dominion of Canada's yield from 5 per cent. to 5.10 per cent.; United States government's yield approximately 2½ per cent.

Our Provincial bonds, such as Ontario, Quebec, Manitoba and the western provinces, yield from 5 per cent. to 5.30 per cent., while the Commonwealth of Massachusetts yields 3.45 per cent. and the State of New York yields 4.02 per cent.

In connection with municipals, there is also a very wide margin of difference. For instance, the cities of Boston and Philadelphia yield 3.50 per cent. and 3.80 per cent. respectively. The cities of Detroit and Buffalo, with populations very similar to those of Montreal and Toronto, yield approximately 4 per cent. to 4.05 per cent., while Montreal and Toronto afford an interest return of from 5 per cent. to 5.10 per cent.

From the above facts it will be seen that United States investors are able to purchase Canadian bonds, to pay the federal income tax which reduces the interest yield by 1/10 of 1 per cent., and still have a very much larger interest return than they would receive from their own bonds. The tremendous accumulation of funds by United States institutions and individuals, should mean that their interest in Canadian bonds will continue, and the recent statement issued by the Federal Reserve Board of the United States, warning their investors against unduly accepting foreign investments, is, in our opinion, more likely to increase the demand for good Canadian bonds, than to have the opposite effect, as United States investors do not regard Canadian bonds as foreign in the sense that they do the bonds of European countries.

PUBLIC UTILITY BONDS

What Are the Essentials of a Good Bond?—Management and Credit

BY ALLEN C. HOYT.

Certain public utility issues comply with "accepted standards." Investors will be interested in the following qualifications of a well-selected, or standard, issue. The property by a lien on which the bonds are secured should be located in a permanent, prosperous, growing community, with a population large enough and enjoying a sufficiently high standard of living to create a constant and growing demand for the service provided by the public utility.

The property should have a replacement valuation, exclusive of franchises, goodwill, or other intangibles, in excess of the bonded debt.

The earnings should provide sufficient surplus over all interest charges to protect the company against any remote contingencies which might so reduce net earnings as to jeopardize the prompt payment of principal and interest.

The mortgage should provide a maintenance fund to assure the appropriation of a sufficient amount of earnings for the proper upkeep of the property, and thus to prevent any deterioration in its physical status.

As to Escrow Provisions.

The business of standard public utility companies tends to increase from year to year. Such companies require from time to time additional capital to provide for betterments, extensions, additions to plant, etc. One of the prime reasons for creating a bond issue is to provide a means of securing for a company a part of the money needed from year to year to meet its capital requirements. The mortgages securing well-selected public service corporation bonds provide that additional bonds may be issued under conservative restrictions. It is usually specified in the mortgage that the company may issue bonds to the extent of only 75 per cent. to 85 per cent. of the cost of additions, improvements, etc., and thus an equity in physical property continues for the benefit of the bondholder, no matter how large the bonded debt may become. It is also usually stipulated in the mortgage that no bonds may be issued unless the net earnings for the preceding twelve months are at least an amount equal to one and three-quarters or twice the sum required to pay the interest on all the bonds outstanding and those requested to be issued. This forbids a rapid increase in the bonded debt. The company may not issue additional bonds unless the net earnings are amply sufficient to meet the interest requirements thereof.

About the Sinking Fund.

Many utility bonds of high standing are not protected by a sinking fund. The more usual practice at the present date is to provide an improvement fund rather than a sinking fund. This requires the company to appropriate a certain amount of its earnings annually, but permits the company to invest the amount appropriated in additional property rather than investing in its bonds. The covenants of the mortgage prevent the company from issuing bonds against the property acquired in complying with the provisions of the improvement fund. Through the operation of the improvement fund the equity in physical property above the bonded debt tends constantly to increase.

The Province of Ontario

Has Strong Financial Position

ASSETS

Sinking Funds; Balances in Banks and with Dominion Government; Railways; Hydro-Electric Properties; Government Buildings and Lands connected therewith; Agricultural, Mineral, Timber, and Water-Power Properties owned by the Province (estimated)..... **$546,610,933**

LIABILITIES

Total Funded Debt; Indirect Liabilities, Guarantees (fully secured) **$64,934,321**

Annual Revenue, $13,000,000 **Population, 2,750,000**

Assessed Value of Taxable Property, $2,000,000,000

The Premier Province

Ontario has over one-third of the total population of Canada and supplies more than forty-five per cent. of the total annual production of the Dominion, as follows:

	Ontario	All Canada
Farm Products	$350,000,000	$865,000,000
Minerals	52,000,000	128,500,000
Timber	50,000,000	200,000,000
Manufactures	700,000,000	1,300,000,000
Totals	$1,152,000,000	$2,493,500,000

Ontario's Cabinet

Prime Minister and President of Council	Hon. W. H. Hearst
Attorney-General	Hon. I. B. Lucas
Treasurer	Hon. T. W. McGarry
Secretary and Registrar	Hon. W. D. McPherson
Minister of Education	Hon. R. A. Pyne
Minister of Public Works	Hon. F. G. Macdiarmid
Minister of Lands and Mines	Hon. G. H. Ferguson
Minister without Portfolio	Hon. R. F. Preston
Minister without Portfolio	Hon. W. J. Hanna

Chairman T. & N.O. Railway Commission:
J. L. Englehart, Esq.

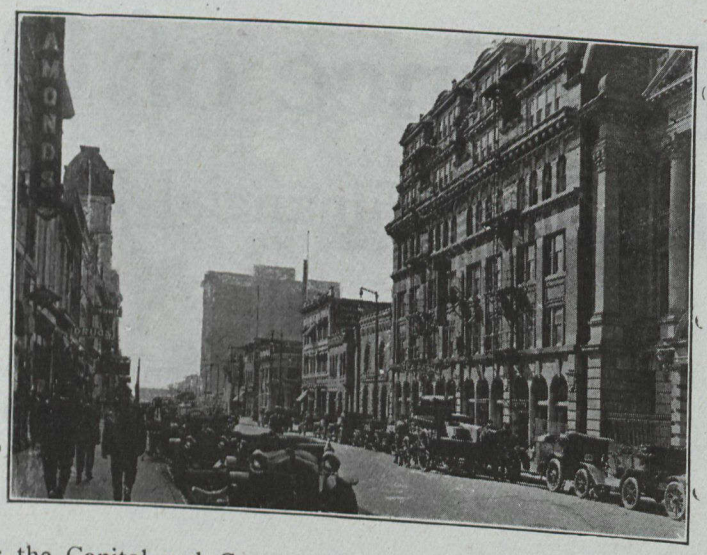
Chairman of the Hydro-Electric Power Commission of Ontario:
Sir Adam Beck

Commissioner of Agriculture:
Prof. Geo. C. Creelman

Lieutenant-Governor:
His Honor *Lieut.-Col. Sir John Hendrie*, K.C.M.G., C.V.O.

REGINA

SASKATCHEWAN'S CAPITAL



REGINA is the Capital and Commercial Centre of Saskatchewan, the Grain Growing Province of the Dominion.

REGINA is growing solidly and steadily. Note these figures:

Total Assessment, 1906	$ 7,047,267
" " 1916	68,072,210
Taxable Assessment, 1906	$ 5,889,734
" " 1916	50,969,645

Post Office Business Returns.

1914	$2,746,154
1915	3,064,312
1916 (11 months)	5,317,244

Bank Clearings.

1910	$ 50,739,159
1915	87,122,611
1916 (11 months)	109,452,256

Customs Receipts.

1915	$ 653,915.00
1916 (11 months)	1,404,801.83

SURPLUS OF ASSETS OVER LIABILITIES, SIX AND A HALF MILLIONS.

Fire loss, 1915	$29,721.49
1916 (11 months)	$10,561

Manufacturers and Wholesalers

REGINA is noted as an industrial and distributing centre; has a model industrial section, so planned and laid out as to incorporate all possible advantages for your business.

This district is served by spur tracks from the trans-continental railways; has pavements, sewers, water, electric light and power, street railway services, etc. Sites in this district can be purchased at low prices by bona fide firms. The city owns in this district warehouse property valued at two million dollars. The municipal power plant supplies power for manufacturing at exceptionally low rates. Over a score of new business enterprises have been established in this district since the war started, among which are two of the largest concerns in Canada, who have invested here several millions.

Applications invited and detailed information furnished promptly.

CITY COMMISSIONER
REGINA, SASK.

Annual Stock Exchange Record of The Monetary Times

High and Low Prices and Sales of Securities on the Canadian Exchanges during 1916, with Comparisons.

STOCK EXCHANGE NEW LISTINGS

Large Volume of Securities Listed on Canadian Exchanges in 1916

The following securities were listed on the Canadian stock exchanges last year:—

Montreal.

Royal Bank of Canada	$	440,000
Consolidated Mining & Smelting Company		8,427,500
Cedars Rapids Manufacturing & Power Company, 5 per cent. bonds		396,000
Canadian Car & Foundry Company, common stock		250,000
Canadian Car & Foundry Company, 7 per cent. cumulative part. preferred stock		500,000
Shawinigan Water & Power Co., common stock		1,361,250
Wayagamack Pulp & Paper Co., common stock		5,000,000
Wayagamack Pulp & Paper Co., 6 per cent. bonds		3,500,000
Riordon Pulp & Paper Company, common stock		4,500,000
Civic Investment & Industrial Company, common stock		65,300,000
Canada Steamship Lines, new voting trust (1929)		7,000,000
Maple Leaf Milling Company, common stock		2,500,000
Maple Leaf Milling Company, cumulative preferred stock		2,500,000
Dominion of Canada War Loan, 1931		100,000,000
Asbestos Corporation of Canada, common stock		3,000,000
Asbestos Corporation of Canada, 6 per cent. non-cumulative part. preferred stock		4,000,000
Asbestos Corporation of Canada, 5 per cent. first mortgage bonds		3,000,000

Toronto.

Ames-Holden-McCready, Limited, ordinary	$	3,500,000
Ames-Holden-McCready, Limited, preferred		2,500,000
Ames-Holden-McCready, Limited, bonds		1,189,000
Canadian Car & Foundry Company, common		250,000
Canadian Car & Foundry Company, preferred		500,000
Consumers' Gas Company of Toronto		157,000
Royal Bank of Canada		440,000
Twin City Rapid Transit Company		2,000,000
Western Canada Flour Mills Company		624,700
Consolidated Mining & Smelting Company		2,622,300
International Petroleum Company	£	348,475
Canada Foundries & Forgings, Limited, common	$	960,000
Canada Foundries & Forgings, Limited, preferred		960,000
National Steel Car Company, common		2,000,000
National Steel Car Company, preferred		1,500,000
Riordon Pulp & Paper Company, common		4,500,000
Riordon Pulp & Paper Company, preferred		1,000,000

CANADA'S DOMESTIC WAR LOANS

Canada issued its second war loan last year, and it was again a remarkable success. The war loan record to date is as follows:—

Date of issue.	Amount.	Actually subscribed.	Allotted.
Nov., 1915	$50,000,000	$104,000,000	$100,000,000 (half to establish munitions credit for Great Britain).
Sept., 1916	100,000,000	200,000,000	$100,000,000. An arrangement was made to take the banks' subscriptions of $50,000,000 as a munitions credit.

The number of subscribers to the first loan was 24,803 and to the second, about 30,000.

The instalment payments of the two loans varied as follows:—

War Loan, 1915.	%	War Loan, 1916.	%
On application	20	On application	10
Jan. 3, 1916	10	Oct. 16. 1916	30
Feb. 1, 1916	7½	Nov. 15, 1916	30
Mar. 1, 1916	20	Dec. 15, 1916	27½
Apr. 1, 1916	20		
May 1, 1916	20		
	97½		97½

(Continued on page 256.)

BUILDING PERMITS

Value of Permits Last Year Exceeded That of 1915—Munition Plants a Probable Factor

The following table, compiled by *The Monetary Times* from returns telegraphed by 35 towns and cities in Canada, gives a total value of building permits, for those municipalities, of $37,283,994, compared with $32,285,721 for the same municipalities in 1915. Twenty-two cities and towns experienced increased building activities last year and 13 showed a decreased value in building permits issued. The construction of munition plants probably accounts for part of the total increased value in 1916.

Town or city.	Year 1915.	Year 1916.
Brandon	$ 36,155	$ 246,748
Brantford	235,600	282,677
Chatham	247,710	1,338,934
Edmonton	288,375	226,040
Fort William	639,730	414,025
Galt	140,149	253,795
Halifax	1,063,985	1,226,329
Hamilton	1,524,518	2,405,781
Kingston	244,088	184,321
Kitchener	334,804	324,838
London	1,207,637	926,125
Maisonneuve	651,800	180,345
Montreal	8,511,221	5,334,184
Moose Jaw	90,722	318,945
New Westminster	85,130	85,300
Ottawa	1,585,085	1,530,400
Port Arthur	83,625	1,565,095
Prince Albert	30,003	66,330
Prince Rupert	33,700	28,300
Quebec	2,578,042	2,913,157
Red Deer	15,285	29,180
Regina	464,065	*222,075
St. John	346,275	464,350
Saskatoon	20,200	146,150
Sudbury	103,515	165,500
Three Rivers	484,205	537,395
Toronto	6,651,889	9,882,467
Vancouver	1,594,300	2,412,889
Vernon	7,330	17,880
Victoria	242,450	170,265
Welland	191,232	202,587
Westmount	589,405	545,754
Winnipeg	1,826,300	2,507,300
Woodstock	88,806	90,258
Yorkton	48,385	35,675
Total	$32,285,721	$37,283,994

*Exclusive of expenditure of $1,500,000 at Imperial Oil Company's plant.

MONTREAL STOCK EXCHANGE

	STOCKS	JANUARY 1915 High	Low	Sales	JANUARY 1916 High	Low	Sales	FEBRUARY 1915 High	Low	Sales	FEBRUARY 1916 High	Low	Sales	MARCH 1915 High	Low	Sales	MARCH 1916 High	Low	Sales
1	Ames-Holden-McCready.....Com.				24	20	10,472				23	20	1,844				28½	20	12,194
2	" " " .....Pref.				77	70	2,139				73	71	734				74½	70	1,706
3	Bell Telephone	141	140	507	149½	143	656	140	140	348	148	144	512	142	140	302	148	145	198
4	Brazilian T.L. & P.Co.	59½	55⅝	940	54	54	420	57	54	286	54	54	68	54	54	19	54	54	22
5	British Columbia Fishing & Packing Co.				60	60	5				60	60	25				62½	60½	285
6	British Columbia Packers.....Com.	105	105	75															
7	" " " .....Pref.																		
8	Canada Cement.....Com.				51⅝	37¾	41,975				48½	43½	5,207				55½	45	13,984
9	" " .....Pref.	90½	90½	96	93	90½	1,284	90½	90½	180	91½	90¼	590	90½	90½	10	92½	90½	1,499
10	Canada Foundings & Forgings				217	189½	558				170	170	21				192	180	65
11	Canada Steamship Lines, Ltd. ...Com.				19	16	1,647				19½	15	2,280	10	10	54	19¾	15	2,697
12	" " " .....Pref.				73½	70	1,727	59	59	62	76	72	3,346	59	59	209	78½	72	4,442
13	" " " Voting Trust				17	14	1,864				17¼	16½	880				17¼	15	321
14	Canadian Fairbanks-Morse .....Pref.	95	95	3															
15	Canadian Pacific Railway				182¼	166⅝	1,189	159	156⅝	43	176	167½	1,000	163½	159¾	42	168½	165	263
16	Canadian Car and Foundry.....Com.				85	61½	9,645				75	64	3,255				71	63	938
17	" " " .....Pref				101	98	1,660												
18	Can. Consolidated Rubber Co.....Com.																91	91	28
19	" " " .....Pref.																97	97	7
20	Canadian Converters	34	34	5	34	34	25												
21	Canadian Cottons, Limited .....Com.													25	25	50	44	39½	948
22	" " " .....Pref.	71	71	28	77	75	276	71	71	18	41	36	1,068	71	71	197	78	75	242
23	Canadian General Electric				115	108	1,288				77	75½	251				115	108¾	1,442
24	Canadian Locomotive.....Com.				63	57	2,700				117	108	2,634				61¾	53	1,636
25	" " " .....Pref.										60	58	405						
26	Carriage Factories.....Com.				48	40	2,840										39	30¼	1,351
27	" " " .....Pref.										40	29	1,313						
28	Cedar Rapids				78	73¼	869										78	70	5,133
29	Crown Reserve	.75	.61	1,850	.53	.40	9,525	.75	.63	4,160	73½	71	688	.90	.70	5,352	.45	.45	500
30	Detroit United	65	62½	351	80	69	4,438	66	62½	404	.45	.42	4,710	62½	62	317	89	85½	4,283
31	Dominion Bridge				231½	219¾	2,365				89½	75	18,132				218½	204	3,782
32	Dominion Canners.....Com.							31	31	190	224	199	5,663	31	31	445			
33	" " " .....Pref.																		
34	Dominion Coal.....Pref.				99	98	34										98	98	15
35	Dominion Steel Corporation .....Com.				49	44½	12,611				46	40	8,336	20	20	20	47	40½	17,785
36	" " " .....Pref.																		
37	Dominion Iron and Steel Co.....Pref.				98	96	104				98	96	241	67	64	556	98	95	168
38	Dominion Textile.....Com.	64	64	25	80	74	1,290	65	64	959	80	76	426	101	101	55	80	76	819
39	" " " .....Pref.				101	101	76	101	101	18	102	101	40				102½	101	28
40	Duluth Superior Traction													26	26	1			
41	Goodwins Limited.....Com.																		
42	" " .....Pref.																		
43	Gould Manufacturing Co.....Com.																		
44	" " " .....Pref.																		
45	Halifax Electric																		
46	Hillcrest Collieries.....Com.																		
47	" " .....Pref.																		
48	Hollinger Gold Mines	23.00	22.50	1,520	30.25	29.00	592	22.60	22.12½	565	30.00	25.25	1,315						
49	Illinois Traction.....Com.													25.00	22.50	1,012	27.50	26.25	1,276
50	" " .....Pref.	91	91	16	91	91	93	91	91	20	91	91	16	91	91	180	91	91	188
51	Lake of the Woods Milling Co.....Com.				135	133	297	129	129	31	133½	130	240	129	129	59	133	130	109
52	" " " .....Pref.							120	120	4				120	120	35			
53	Laurentide Co.				194½	185½	1,297	160	160	2	186	176½	1,290	160	160	13	184	176	1,976
54	" " .....New																		
55	Lyall Construction Co.....Com.				34½	25	909¼				39¼	31	3,605				88½	36	13,038
56	Macdonald Co., A., Ltd				10½	10	325				12	9½	1,231				19¼	10½	4,484
57	Mackay Companies .....Com.				80	65¾	85	74	74	15	89	80	390						
58	" " .....Pref.	73½	73½	8	67½	66	120	67⅝	65	94	68	66¾	49	68	65	83	68	66½	37
59	Mexican Light and Power.....Com.																		
60	" " " .....Pref.																		
61	Minn., St. Paul & Sault Ste. Marie Com.																		
62	" " " .....Pref.																		
63	Montreal Cottons, Limited.....Com.				52½	51½	85												
64	" " .....Pref.	99	99	25	100	99	53	99	99	24	100	99	65	99	99	13	51	51	140
65	Montreal Light, Heat and Power	214	211	752½	234	223½	2,046	211	211	436	227	219	3,374	211	211	382	100	99	17
66	" " .....New																244	218	10,277
67	Montreal Loan and Mortgage																		
68	" " .....New																		
69	Montreal Telegraph				136	136	15	136½	136	5									
70	Montreal Tramways	220	220	38				220	220	62	136	136	30	136	136	8			
71	National Breweries.....Com.													49½	49½	10			
72	" " .....Pref.							95	95	2				95	95	20			
73	Nipissing.....$5 per share													5.55	5.55	100			
74	Northern Ohio Electric	73	73	10															
75	Nova Scotia Steel and Coal Co.....Com.				102	94¾	4 165				99	92½	8,547	50	45¾	812	110½	93	34,804
76	" " " .....Pref.				110	110	15				112½	110	329				115	112	110
77	Ogilvie Flour Mills Co.....Com.	112	110	83	134	132½	223	116	115	128	135	132	132	118	115	152	133	131	63
78	" " " .....Pref.				116	116	25	115	113	4	115¾	115	30	113	113	56	115¾	115	69
79	Ontario Steel Products Ltd.....Com.				21	19	100				25	19	505				34	20	3,230
80	" " " .....Pref.													120	120	33	74	73	160
81	Ottawa L. H. & P.	121	120	207				121	120	174							120	120	1
82	Paton Manufacturing													49	49	88			
83	Penman's Limited .....Com.	49	49	480	60	59	422	49	49	73	63	59	1,639	82	82	15	63	60	1,066
84	" " .....Pref	84	82	28	82	82	93	84	82	49	82	8	393	10½	10½	651	85	85	60
85	Quebec Railway, Light, Heat & Power Co.				15¼	14	925	10½	10½	10	19	13½	2,985				19¼	16	3,105
86	Richelieu and Ontario										90	90	3						
87	Russell Motor Car.....Com.																		
88	" " " .....Pref.																		
89	Sawyer-Massey.....Com.																		
90	" " .....Pref.																		
91	Shawinigan Water and Power Co.	120	114	177	136	130	2,255	117	115	355	134	130	2,195						
92	" " .....New													119¾	115	731	31	25	347
93	Sherwin-Williams.....Com.				57	56	35				60	55	87				74¼	69½	125
94	" " .....Pref.	99	99	50	100	99¾	43	99	99	7	99½	99	14				135	130	1,850
95	Smart Woods Co. .....Com.										35	33	52						
96	" " .....Pref.																55	55	165
97	Spanish River Paper & Pulp Co.....Com.				4	3½	345				5½	4	170				99¾	99	55
98	" " .....Pref.																		
99	Steel Company of Canada.....Com.				40	35	11,975				42¼	34½	26,467						
100	" " .....Pref.				95½	87	728				89	86	897						
101	Tooke Bros.....Com.																11¼	5½	3,929
102	" " .....Pref.																35	35	15
103	Toronto Railway	111	111	573	111	111	122	111	111	110	111	111	15				47⅛	39	49,196
104	Tri-City .....Pref.																93½	88½	1,132
105	Tuckett Tobacco Co.....Com.																20	16	124
106	" " .....Pref.	90	90	30	90	90	5	90	90	1				111	111	226			
107	Twin City	99	99	23	96½	96	26	99	96	290							111	111	67
108	W. Kootenay P. & L.....Com.										96¾	95	65						
109	" " .....Pref.													97	96	66			
110	Winnipeg Electric																96	95½	15

PRICES AND SALES—1916 (WITH COMPARISONS)

	APRIL						MAY						JUNE						JULY					
	1915			1916			1915			1916			1915			1916			1915			1916		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	11¼	7⅞	2,162	30½	27	6,685	10⅜	9½	390	34½	26	8,670	9	8½	130	35	27⅜	2,493	9½	7	215	29	19½	1,676
2	56	55	206	75⅝	72	1,285	55	55	15	80	72	2,469				79⅜	73½	1,468				72½	52	7,007
3	147	144	514	146	143	393	147	145	368	147¾	145	493	147½	145	446	152	147	1,408	145¼	144	63	152	148	271
4	60	54	5,956	56	54	11,835	54	54	290	62½	54	25,473	54	54	88	62	57	6,006	54	54	60	61	57½	5,161
5				67	61	1,705				61½	60	285				60	60	5				58	55	35
6	112¾	105	1,079				118	118	50										116½	116½	10			
7																72⅜	65½	15,580				70	60	12,204
8	29½	28	1,780	65	54	22,895	28	28	160	70	61½	22,249				97⅜	95	691	91½	90½	87	95	91	854
9	90½	90½	243	95	92	794	90½	90½	126	99	93½	1,177	90½	90½	67	208	195	912				200	197	100
10										195	175	573				30	27	8,355				283	244	968
11	11	5⅞	3,817	28½	19½	16,022	10	8	776	28	24⅜	5,237½	10	8	313	87½	84	6,283⅜	9½	8	234	84¼	81	1,583
12	62	59	2,909	82⅜	76	6,373	59	59	502	85½	80¾	7,598⅜				27	24½	268						
13	6	6	50	26	17½	3,728	6	5	550	26	24⅜	1,130	5	5	75									
14																								
15	170	162	293	169⅜	165	174	163⅜	157¾	296	182⅜	167	1,009	155¾	143	223	178⅜	175½	206	145	139¾	117	182¼	177	625
16	75½	50	12,178	73	66	3,775	75½	64	1,352	75½	65	6,312	69	63½	877	71	66	1,025	108⅜	62	9,747	68	45	3,448
17	98½	98	467				104	100	291	91¼	85	1,320	100	100	1	87	84½	195	115	98	999	85⅝	76	1,010
18										100	100	26												
19				99	99	25																		
20	34	34	50	34	34	102	34	34	1							34	34	30						
21	29½	25	364				28½	28	110	52	46½	4,383				51⅜	48½	622				50	48	269
22	75	71	621	79	76½	318	74½	73	78	80⅜	78	636	75	71¼	164	81½	79½	586	72	71	146	80	79	338
23	91½	91	490	112	109	1,080	91½	91	67	115	109	1,700	91	91	14	120½	113½	2,973	100	91	555	118	114½	628
24	50	37	1,305	61¼	58	1,935	55	36	965	67½	57	6,256	42½	39	1,160	65	57⅜	901	52	39	3,461	59½	59	50
25	78	78	2	81	81	2	83½	80	40	85	82	102				86	84¼	4						
26				37½	34	491				42	35	745				40	38	250				44	38	3,445
27																						75	70	115
28				78	71½	2,754½				83½	75	7,416				82	77	2,657⅜				80	76½	517
29	1.00	.75	5,806	.57	.46	4,960	.90	.71	5,375	.55	.48	2,515	.80	.69	4,125	.58	.59	8,585	.62	.43	16,045	.48	.48	600
30	65	62	1,434	100½	88⅜	15,315	64	62	176	117⅜	99½	25,875	62	62	294	117⅜	113	10,150	62	62	158	119¼	115	6,399
31	130	107	13,485	230	207	10,170	133¼	125½	6,955	228	210	7,061	134¼	127	4,738	227	214	2,382	135	126	5,795	222	210	1,220
32	35	31	1,095				31½	31	250															
33																								
34	98	98	10	98	98	25				98	98	32	98	98	10	96	95	70	98	98	5	96	93	95
35	33	20	25,242	52¾	46	37,231	30	24½	6,400	59⅝	48¼	82,281	32½	30	15,360	58⅜	52½	26,529	37¾	29	21,186	56½	52	14,779
36																								
37	80	72	832	100	96	219	78	72	208	101½	96½	125	82	75	545	105	96	282	90	78	570	98	92	437
38	76½	65½	4,284	85	78	4,065	74	72	514	85	82	4,008	75½	71	432	85¼	79	2,456	72	70½	450	81	79½	487
39	101	99	105	101	101	37	101½	101	43	101½	101	178	103	102	41	103	100½	149	102	101	10	103	102½	95
40																								
41										26	26	100												
42										75	75	100										40	40	236
43																								
44																								
45				160	160	5				162	160	18				165	163	25				163½	163½	10
46																								
47	70	70	235																					
48	24.50	23.87½	610	30.00	26.50	1,790	27.50	25.50	985	30.50	28.50	1,925	26.50	25.50	1,050	30.00	29.60	958	27.12½	25.50	835	30.50	28.10	636
49																								
50	91	91	111	91	91	42	91	91	104	91	91	311	91	91	157	91	91	246	91	91	160	90¾	90½	290
51	135¼	129	539	130½	129	80	137	135	161	129	129	255	135	135	15	129	129	5				129	127	137
52	120	120	50				122	122	10	120	120	12				120	120	14						
53	169¼	160	2,310	191	180½	1,370	165½	162	222	189	183	1,085	162	160	465	188	179	563	163¼	160	615	189¼	180	1,755
54																								
55				71	65	552				76⅝	66	3,775½				93	74	5,979½				86½	74	365
56	9¾	7	925	19⅜	13¾	2,284	10	8	134	15	12	575	9	8	290	12¾	11	411	8	8	10	14	11	2:3
57				79¾	79¾	50	80	79	85	85¾	82¼	107	80	80	6	83	82	6	79¾	78	60	83½	82¾	185
58	70½	67⅜	70	68½	68	27	68	67	15	67¾	67⅜	135	67	67	25	68¼	68¼	1	67	66	267	68⅜	68⅜	20
59																								
60																								
61	119½	117⅛	60																					
62																								
63	54	51	548	54	51	130	51	51	183	54½	53	98	51	51	150	56	53	120	51	51	5	52	50	160
64	100½	99	198	100	99	125	100	100	61	101	100	150	100	99	16	103	101	72	99	99	4	102⅜	101¼	72
65	228⅜	211	7,416	240¼	235	4,133	228	219	1,556	250	237½	15,025	220	215	1,201	246	233	7,460	219	214	623	235	230	1,429
66																								
67	175	175	10				175	175	25	160	160	10										175	175	26
68																								
69	136	136	5	136	136	35	140	140	4	136	136	75	138	138	7	136	136	76	140	140	9	136	136	64
70	220	220	23				220	220	100				220	220	5				220	220	75	200	185	9
71																								
72																								
73	6.62½	6.62½	50										5.75	5.75	200				5.55	5.50	400			
74																								
75	68½	52	12,749	110	104½	8,122	68¾	61¼	3,779	135	107	35,223	67½	61½	2,362	132	120	14,789	75¼	59	9,020	132	123	5,676
76				114	112	88				115	112	120							110	110	20	113	112	30
77	128	118	874	133½	131	43	128	122	180	131	128½	169	124	122	92	136	129	545	122	117	280	135	130	267
78	115	115	9	115	113	20	116	115½	12	113	113	111	116	115	67	115	113	109	117	117	10	115	114⅝	59
79				41¾	30	5,203				42½	36	1,916				41½	38	1,515				40½	36	375
80				75½	73½	202				77	75	128				76½	76	150				76	76	15
81	120	120	63				120	120	58				120	120	11	95	95	40	120	120	10	95	95	8
82																						102⅜	102½	25
83	54	49	1,358	62½	61	846	52	49	152	62¾	61	1,260	52	49	40	62⅜	61	431	50	49	112	62	60½	106
84	83	82	61⅝	85	85	100	82	82	20	85	83	83¾	82	82	½	87	84	11¾	82	82	128½			
85	15	10½	5,160	26¼	19	25,839	13½	10	211	31½	25	29,359	11½	10	542	30	28	4,659	11	9½	969	34½	29¾	10,530
86				90	90	1	75	75	10	97	97	1	75	75	11									
87																								
88																								
89				32	27	380																		
90				76½	74⅜	360										75	74¼	45						
91	127	120¾	1,563	134¼	130	3,227	125	120	455	135	130½	4,388	121	119	336	133⅜	130	2,573	118½	110	988	132⅜	129¾	1,740
92																								
93							55	55	20	55	55	20				55	55	3						
94	55	55	30	55	55	50	99	99	221	99½	97¼	85	99	99	106	99	99	7	99	99	5	99	97¼	38
95	99	99	10	99½	99	65	28	26½	82	41	35	290				41⅜	40	251				41	38	87
96	28	20	57	34	33	81										90	90	12						
97										10½	6	3,446½	5	5	5	9¾	8	270	4	3¾	280	11	8	2,054
98	6	3	679	8¾	7	1,167	5	4⅞	90	35	31	317				32	31	60				33½	29	135
99				35	35	250	35	35	5	64⅞	57½	52,154	16½	13½	3,663	64¾	54¾	26,937	25½	13½	15,974	59¼	52⅞	16,365
100	15½	8½	4,743	63	46½	122,610	16¼	13¼	3,908	90¼	88	915	69	69	209	91¼	90	678	79½	69	349	90½	87¾	195
101				93½	88	919	69	69	210							24	24	5				21	21	25
102	16	16	11	25	24	150										80	78½	50				80	80	20
103				80	75	10										103	100	2,339				101	89	4,000
104				111	111	109	112	111	5,012	111	100	2,938	112¾	111	1,036				111	111	131			
105	117⅞	111	5 023																			23	22	127
106	29¼	29	485																					
107	90	90	5				90	90	2													98¼	96½	45
108	101	97¾	60	96¼	96¼	25	100	96⅞	57	98¼	95¾	119	95¼	95¼	5	98½	98	36						
109																								
110	180	180	229							110	110	10										100	95	100

MONTREAL STOCK EXCHANGE

	STOCKS	AUGUST 1915 High	Low	Sales	AUGUST 1916 High	Low	Sales	SEPTEMBER 1915 High	Low	Sales	SEPTEMBER 1916 High	Low	Sales	OCTOBER 1915 High	Low	Sales
1	Ames-Holden-McCready Com.	17	9¾	13,740	24½	21	1,968	16½	14¾	5,812	25	21½	1,985	15⅞	14	2,770
2	" " " Pref.	59	55	1,906	60	57½	397	57	55	234	68	58	185	55	55	100
3	Bell Telephone	145	143½	169	150	148	180	145	143	304	151	146	486	145	141	468
4	Brazilian T. L. & P. Co				61½	57	6,542				60½	57	9,951	58¾	54	7,904
5	British Columbia Fishing & Packing Co				60	56	275				60	58	375	59	57	25
6	British Columbia Packers Com.	114	112	80				113	112	60				114	113	20
7	" " " Pref.															
8	Canada Cement Com.				69	55	26,383½	29½	28	3,935	66½	60	12,222	39¾	28	29,588¼
9	" " Pref.	90½	90½	7	92¾	90½	550	90½	90¼	231	95	92	587	90½	90½	1,198
10	Canada Foundings & Forgings				190	183	66	12½	10½	930	200	195	1,473	100	65	124
11	Canada Steamship Lines, Ltd Com.	15	8	4,498	31¼	25	5,014	59	59	130	38	30	12,212	15	10¼	2,308
12	" " " Pref.	59	59	237	86½	84	1,986	7	6¾	76	91¾	86	6,076	69¼	59	6,091
13	" " " Voting Trust	8½	8	285	30	26	1,800				35¾	30	1,009	9⅛	6	793
14	Canadian Fairbanks-Morse Pref.							161½	150	432						
15	Canadian Pacific Railway	154	145¼	562	178⅛	174½	223	110½	100	6,334	180½	175¼	222	184¼	160	1,253
16	Canadian Car and Foundry Com.	120	91	7,033	53	42	3,806	121	114¼	547	48½	36	4,365	112½	105	8,186
17	" " " Pref.	126	105	1,966	76	72	1,487				78	63	2,717	125	119	4,048
18	Canadian Consolidated Rubber Co Com.	91	91	50												
19	" " " Pref.															
20	Canadian Converters															
21	Canadian Cottons, Limited Com.	29	25	523	49½	45	283	30	26⅜	300	30	30	130			
22	" " Pref.	75	71	739	80	78½	270	75	71½	202	53½	48½	4,003	40	26½	1,601
23	Canadian General Electric	110	97¾	1,455	118	115⅝	323	99¾	98¾	105	82	79½	480	76	71	334
24	Canadian Locomotive Com.	55	47½	6,953	62½	55	1,022	52	49	1,925	121	116⅞	1,516	132	98¾	11,592
25	" " Pref.	82	78	200	88	87¾	20	82	81	20	59	55¾	252	58½	50⅛	7,052
26	Carriage Factories Com.	38	35½	685	42½	40½	230	40½	35	1,446				85½	80½	5
27	" " Pref.	75	75	33							37	37	5	53	39½	4,781½
28	Cedar Rapids				80	76⅞	15¼							81	75	162
29	Crown Reserve				.43	.39	8,950	.39	.33	26,831	79	79	¾			
30	Detroit United	.50	.32	26,703	120	115⅝	4,311	62	62	231	.60	.43	22,228	.41	.39	12.015
31	Dominion Bridge	63	62	907	225	208	5,419	145	141¾	5,452	117	115	5,436	70	62	2,857
32	Dominion Canners Com.	145	130	16,289	11	11	15				231¾	205	10,973	233	144½	50,337
33	" " Pref.															
34	Dominion Coal Pref.	98	98	10	94¾	91	10									
35	Dominion Steel Corporation Com.	46	36	65,371	56¾	53	12,564	48¼	42	35,315	95	94	30	98¼	98	59
36	" " Pref.							95½	93	247	67½	55	83,298	50¼	45¼	31,602
37	Dominion Iron and Steel Co Pref.	96	88	838	98	94	345	75	72	670	99¾	92	532			
38	Dominion Textile Com.	74⅝	71	1,026	83½	79	785	101	101	144	84	81	1,210	93	92	352
39	" " Pref.	101	100	27	104	102½	50				105	103	14	77	72	2,118
40	Duluth Superior Traction													101	101	104
41	Goodwins Limited Com.															
42	" " Pref.															
43	Gould Manufacturing Co Com.				40	40	10									
44	" " Pref.															
45	Halifax Electric															
46	Hillcrest Collieries Com.				160	160	2									
47	" " Pref.															
48	Hollinger Gold Mines	25.50	24.00	930										26.00	24.85	898
49	Illinois Traction Com.				29.00	28.00	397	26.85	24.70	956						
50	" " Pref.	91	91	133	44½	44½	12				28.50	28.50	75			
51	Lake of the Woods Milling Co Com.	137	133	162	90	89	191	91	91	58				91	91	62
52	" " " Pref.				130	128	219	135	131½	159	90	87½	337	137	135	46
53	Laurentide Co	165	160	1,720	120	120	8				136½	128	1,357	120	120	10
54	" New				190	184	3,041	184½	161	6,492	120	116	15	196	181	9,065
55	Lyall Construction Co Com.	32	14½	3,715½							196	186	5,358			
56	Macdonald Co., A., Ltd	12½	7	649	73⅜	68	210	33½	29	808				34	31	1,111½
57	Mackay Companies Com.	76¾	76½	60	13¾	10½	440	12	11	116	83	69	2,121	11	9½	546
58	" " Pref.	67	66	76	85	81¾	170	79⅜	79⅜	25	14½	12	316	79⅜	78	87
59	Mexican Light and Power Com.				68½	68¼	30	68⅜	67	55	86½	85¾	40	67¼	65¾	50
60	" " Pref.										67	67	35			
61	Minn., St. Paul & Sault Ste. Marie Com.															
62	" " " Pref.															
63	Montreal Cottons, Limited Com.	51	51	47	50½	50	11	51	51	11						
64	" " Pref.	100	99	79	103	100	56	99	99	3	50	50	55	55	51	498
65	Montreal Light, Heat and Power	223	215	2,456	234	234	5	224¼	215	2,373	101½	101	98	99½	99	72
66	" " " New										242	242	1	241¼	220	18,328
67	Montreal Loan and Mortgage	175	175	10	165	165	100									
68	" " New										165	165	162			
69	Montreal Telegraph	140	136	85	136	136	20	140	140	57						
70	Montreal Tramways	220	220	124				220	220	40	136	136	9	138	136	26
71	National Breweries Com.										175	175	1			
72	" " Pref.															
73	Nipissing $5 per share							7.25	5.75	620	75	75				
74	Northern Ohio Electric										8.75	8.00	50			
75	Nova Scotia Steel and Coal Co Com.	91½	71½	28,673	130	123	6,404	89	83	10,024			700	7.50	7.50	5
76	" " Pref.	115	110	544				115¾	112	42	140	126	16,868			
77	Ogilvie Flour Mills Co Com.	135	120	548	138½	133	826	138	131	938	112	110	39	97½	85¾	24,801
78	" " " Pref.	116¾	116	24	115	114	74	114	113	112	152	140	3,929	115	113	45
79	Ontario Steel Products Ltd Com.				39	36	50	17	13⅜	45	114	113½	39	144	130¼	1,163
80	" " Pref.				73	73	3	72½	72¼	423	37	37	16	119	115	70
81	Ottawa L. H. & P.	120	120	50	95	95	10									
82	Paton Manufacturing							85	85	100	95	95	53	73	72½	102
83	Penman's Limited Com.	53	49	581	64	60	228	53	50	262				123	120	575
84	" " Pref.	82	82	43	90	85	30	82	82	25	75	63	2,834			
85	Quebec Railway, Light, Heat & Power Co	11	9½	2,131	34⅝	32½	3,785	14½	9½	9,277	86	86	60	63	51½	4,279
86	Richelieu and Ontario										37¼	33¼	11,848	84	82	171
87	Russell Motor Car Com.										124	124	1	20½	13½	27,187
88	" " Pref.													80	75	10
89	Sawyer-Massey Com.	30½	30	50							27	23	50			
90	" " Pref.	69¾	69	10	132	130	904	133½	118	7,578						
91	Shawinigan Water and Power Co	120	111	1,394	129	127	43	129	116½	324	136	130½	4,669	69	69	90
92	" New				45	45	15				130	128¾	9	138	127	13,447
93	Sherwin-Williams Co Com.				99	99	53	99	99	10	55	54⅜	263	135½	126	152
94	" " Pref.	99	99	5							97½	97½	65			
95	Smart Woods Co Com.										41	40	60	99	99	84
96	" " Pref.				15	10	6,101	6	4	541				45	27	738
97	Spanish River Paper & Pulp Co. Com.	7½	3½	812	44	33	298				13	11	3,740			
98	" " Pref.				59¾	52⅜	12,138	37	31⅜	11,245	39¾	35½	288	5	4	295
99	Steel Company of Canada Com.	35⅜	23	45,683	88½	86	318	87½	82½	1,096	66¼	57⅜	50,734	35	35	50
100	" " Pref.	85	79	1,247							94	88½	620	37½	33½	12,337
101	Tooke Bros. Com.				93	89¾	1,598				20	20	10	88¾	84	1,185
102	" " Pref.							111	111	37	75	75	15			
103	Toronto Railway	111	111	16				89	89	5	95⅝	89	1,038			
104	Tri-City Pref.													113	111	3,708
105	Tuckett Tobacco Co. Com.	29	29	21							23¼	23¼	100			
106	" " Pref.	90	90	26							97	96½	26			
107	Twin City															
108	West Kootenay P. & L. Com.										95	95	50			
109	" " Pref.															
110	Winnipeg Electric															

PRICES AND SALES 1916—(WITH COMPARISONS)

	OCTOBER 1916			NOVEMBER 1915			NOVEMBER 1916			DECEMBER 1915			DECEMBER 1916			1914			1915			1916			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	26	23½	1,905	23	13⅜	19,115	24	22½	365	21¼	18	6,166	24½	20	730	16	6	17,105	23	7	50,500	35	19½	50,987	1
2	65⅜	59	753	75	55	4,049	65	63	345	73	70	2,458	63½	55	389	70¼	54	5,648	75	55	8,968	80	52	18,877	2
3	149	147¾	368	159	144⅜	2,205	148	146½	304	147	145	362	147	145	387	159	140	7,296	159	140	6,056	152	143	5,646	3
4	57⅜	52½	12,905	55½	54	4,392	215	190	3,064	54	54	147	46⅜	43	6,505	92	59¼	111,280	60	54	20,082	62⅜	43	93,162½	4
5	63	58	720	124	112	64	55	44¾	8,274½										65	57	1,050	67½	55	3,950	5
6				65	57½	1,025	61½	60	235							143½	111	2,706	124	105	1,438				6
7																									7
8	70¼	64	15,728	48	38½	40,197	72	66⅜	14,014	44	37	6,069½	72¼	56½	22,529	32	28	25,347⅜	48	28	81,729¾	72⅜	37⅜	224,969	8
9	95	93¼	870	92	90½	1,880	95	92⅜	935	91	90⅜	1,001	95	90	389	93	88	8,164	92	90½	5,126	99	90½	10,220	9
10	196	190	70	200	101	3,494	215	190	3,064	243	190	6,560	227	180	2,015				243	65	10,178	227	170	8,917	10
11	36	32	1,981	20	13¼	5,259	42½	35	10,982⅝	18	15	593	45	32	12,084	18	9⅜	6,781	20	5⅝	18,782	45	15	79,481⅜	11
12	90¼	89	3,149	76	67	9,331	93½	89	8,737½	75	70	2,026	95	88	7,064	76	59	22,422	76	59	21,497	95	70	58,367½	12
13				15	10	1,419	39½	35⅝	1,215	15	12	642	41½	30	1,580				15	5	3,890	41⅜	14	13,795	13
14																									14
15	181	174⅞	432	193½	182⅜	3,018	174	170½	43	184¾	179⅜	435	167½	165	107	92	92	291	95	95	3	182½	165	5.494	15
16	45	36½	1,380	108	92	10,630	47	40	3,563	99	85¼	6,732	45	32	2,100	219⅝	171	77,586	193½	139¾	6,714	85	32	43,612	16
17	77	67	950	121	107	3,715	85	71	3,355	112½	103½	4,044	84	69	3,385	70	48	3,089	120	50	63,069	101	63	16,079	17
18																109½	98	1,051	126	98	16,078	100	91	79	18
19				101	100	200										91	91	103	91	91	50	97	97	32	19
20							97	97	25							97	96½	35	101	100	200	46	30	1,322	20
21	40	34	285				46	39	620				44	40	130	40	34	578	34	34	56	70	36	23,099	21
22	70	53	6,030	40	36½	405	66½	59	2,785	39	37	250	63	53	911	39	24	1,418	40	25	3,603	82⅜	75	4,617	22
23	82	80	749	76	73⅜	270	82⅜	81	322	77	75	265	82	79½	149	79	70½	2,286	77	71	3,062	125½	100	21,287	23
24	122	117	1,541	125	118	2,296	125⅜	118½	4,699	120	112¼	1,684	120½	109	1,463	113⅜	95⅝	708	132	91	18,958	67⅜	51	19,055	24
25	57	51	578	64⅜	54	10,736	60	55	1,400	64¼	60	4,229	58	52	1,920	29¾	29⅜	10	64½	36	37,786	88	81	128	25
26				81⅛	81⅛	5										90¼	85¼	187	83½	78	272	48	29	10,865	26
27	38	37	185	53⅜	48	3,815	37	37	10	52⅜	43	7,348¼							53½	35	18,075⅜	75	60	120	27
28				78	78	25							60	60	5				81	75	220	83⅜	70	20,052	28
29	80	80	¼	79	77	269				79½	77	2,511							79½	77	2,780	60	39	79,548	29
30	.51½	.48	9,475	.66	.51	25,035				66	53	18,497	44	38	7,500	1.95	1.08	246,330	1.00	.32	151,794	128½	69	124,858	30
31	120	116	6,094	72	67	2,606	122¼	116½	9,801	73	68	2,231	128½	118	14,624	73½	62	11,391	73	62	11,966	231½	160	67,041	31
32	218½	212	2,531	237	212	22,120	212	190	8,265	236	227	10,347	196½	160	7,210	122½	108	6,348	237	107	135,518	20	11	503	32
33	20	18	300	31	31	5	20	20	20				20	18½	168	68	28	5,051	35	31	1,985				33
34																95½	84	100							34
35	95	95	5				98	95	12	101	98	71	98	98	97	106	97½	1,436	101	98	165	99	91	425	35
36	72¾	61¼	78,006	52½	47	34,200	76	68¼	100,940	49¾	44½	12,660	82	60¼	149,351	44⅜	19⅝	95,898	52½	20	247,356	82	40	623,711	36
37				95	92½	257				96	92	219													37
38	95	93	605				97	93½	600				97	94	245	94	68	4,485	96	72	4,068	105	92	3,903	38
39	90½	84	5,403	77	74	1,063	89¾	84	1,664	77	70½	842	86⅜	80	899	86⅝	64	18,538	77	64	12,939	90½	74	23,512	39
40	104⅜	104	31	101	101	6	105	104	212	101¼	101	86	104½	103¾	15	106½	100	866	103	99	639	105	101	925	40
41	44	43¾	40										41⅝	41	30	61⅝	60	54				44	41	70	41
42																28	23	61	26	26	1	26	26	100	42
43	47½	47⅜	50													82	74	138				75	40	396	43
44																100	97¾	60							44
45							185	175	29				80	80	5							80	80	5	45
46																160	160	5				185	160	128	46
47				70	70	45										45	21	1,871							47
48				28.00	24.95	2,590				29.25	27.00	1,826				88½	70	1,005	70	70	280	30.50	25.25	8,964	48
49							44	44	10							19.00	15.25	22,850	29.25	22.12½	13,777	44½	44	22	49
50	89	87⅜	120	91	91	183	90	89	258	91	91	150	90	90	41	68½	59½	200				91	87½	2,133	50
51	133½	132	365	134½	132	170	133	132	97	135	132	352	132½	126	115	95	90	1,909	91	91	1,334	136½	126	3,276	51
52	116	116	21	120	120	2	116	116	5	120	120	31	116	116	4	135	127	1,847	137	129	1,694	120	116	79	52
53	216	190	12,928	198	186½	12,009	217½	206	7,446	194¾	185	1,704	210	190	1,140	120	118	314	122	120	142	217½	176	39,549	53
54																192¾	164½	43,195	198	160	34,617				54
55	86	76	3,065	39	32	3,935	84	77	777½	34	30	121	77	69	805	187	165	1,520				93	25	35,203⅜	55
56	18	14	2,058	14	9⅜	1,845	17½	14	1,561	11	10	175	14	12	580	22	9	6,516	39	14½	9,691	19¾	9½	14,488	56
57	86	85½	16	84	82⅝	75	86½	86	118	81½	79⅛	59	84	83¾	68	87½	76	754	14	7	4,690	89	65⅜	1,235	57
58	67½	66¼	163	67	66	85	66⅜	66½	10	67	65	164	65¾	64¾	112	70	66	395	84	74	472	68⅞	64⅜	739	58
59																49⅞	37	855	73½	65	992				59
60																									60
61	129½	129½	26	126¾	123¾	130										134½	116½	870	126¾	117⅞	190	129½	129½	26	61
62							62¼	56	752	54	54	25	59½	55	155	58	50	229	57	51	1,790	62⅜	50	4,200	62
63	62¾	52	2,494	57	54½	323	103	101	232	100	99	16				103	97½	2,109	100½	99	606	103	99	1,032	63
64	103	101½	92	100	99	95				236¾	232½	2,965				233⅜	211	68,443	241¾	211	46,608½	246	218	43,750	64
65				241	234½	8,120										231½	210	723 5/10							65
66							165	165	44	165	165	10				175	175	131	175	165	55	175	160	348	66
67	164	164	6																						67
68																140	134	342	140	136	267	136	135	616	68
69				136	136	56	136	135	207	136	136	5	136	135	85	230	190	2,427	220	220	476	200	175	150	69
70										220	220	9	180	180	140	49½	49	76	49½	49½	10				70
71																95	95	10	95	95	22	75	75	50	71
72																8.12½	5.97	4,960	8.55	5.50	1,640	8.75	8.00	700	72
73				8.55	6.70	265													73	73	10				73
74																79	39½	30,698	107½	45¾	134,633	154½	92¼	170,629	74
75	144	133½	12,148	107½	96	27,853	154½	139¾	11,525	102	95⅝	14,560	149	104	12,358	120	110	137	125	110	858	115	110	861	75
76	113	113	15	120	115	73	115	112	95	125	110	134	112	112	20	123	107	1,745	144	110	5,179	152	128½	7,582	76
77	146	142	495	136	131½	304	146	144	480	141½	132	2,437	150	145	410	117	105	634	120	113	549	116	112½	714	77
78	114	112½	137	120	115	75	113	113	32	116½	115	110	114	113	9				123	120	1,196	45	19	18,265	78
79	42½	38½	2,365	27¼	20	4,685	45	40	2,600	24⅞	20	796	39	30	390				27½	13¾	5,526	91½	73	897	79
80	91½	77	208	74⅜	73	297	77	77	25	74⅜	74	195	80	80	6	172	123	11,006	74⅜	72½	1,017	120	92	354	80
81	95	95	95	120	120	15	95¼	93	87				94½	92	60				85	85	100	102½	102½	25	81
82																55½	48	2,573	63	49	8,532	78	59	10,991	82
83	78	70	1,212	62	60	989	78	73	732	61	59½	118	74¼	70	215	84½	79	12,890	84	82	581⅛	90	82	460¼	83
84	86	85	31	83	82	10¼	82	82	5	82	82	30	86	84	21	16¾	10	45,919	20½	9½	56,521	45	13½	155,924	84
85	36½	34½	5,116	20	17¼	7,082	44¼	35	28,101	17½	14⅜	3,301	45	25	29,672	113	82	47,934	80	75	31	124	90	6	85
86																									86
87																									87
88	95	95	15																			95	95	15	88
89				31½	30⅝	75				74⅜	74½	20				86	83	31	31½	30	125	32	23	777	89
90										139½	135¼	1,788	134	126¾	1,189	142¾	111	25,273	74⅝	69	120	76½	69½	530	90
91	137	133	1,608	139½	133	8,551	135	133	911	136	134	12				135	135	25	139½	110	37,363	137	126¾	27,509	91
92				135	133	69				65	55	400	57	57	75	60¼	53	1,229	136	116½	557	130	127	52	92
93	59	56	186	55	55	25	59	57	375	100½	99½	113	99	97⅞	130	104	98	1,081	65	55	475	60	45	1,274	93
94	98	97½	54	100	99	157	99	99	46				65	50	486	20	18	206	100½	99	768	100	97½	655	94
95	42	40⅜	218	30	30	1	51¼	42	267				86	86	84				45	20	878	65	33	1,742	95
96	85	85	30				86	84	370	5½	3¾	376	23	15	5,026½	16¾	8½	6,398 1/10	7¼	3	3,439	90	84	496	96
97	21¼	12½	30,090	5¾	4½	361	25	17½	29,280½				66	56½	1,976	50	30½	2,075	35	35	55	25	9	85,620	97
98	61	38½	9,824				69½	55	8,317	42	38	8,032	88	53¾	131,880	20	12¾	4,609	52½	8½	157,918	69½	29	21,480	98
99	66½	60¾	30,082	52½	37	52,333	82	66	113,615	95	90	1,500	107¼	91	1,425	87¼	70	1,119	95	69	7,149	88	34½	644,153	99
100	94¼	91	295	91½	89	1,253	100½	92	2,315	18	16	75	22	22	25	26	16	252	20	16	214	107¼	86	10,437	100
101				20	16	128	22⅝	20	65							81	75	316				25	16	404	101
102							83	80	134	111	111	538	81	73	2,601	144⅜	111	17,194				83	75	229	102
103	90	88	1,052	111½	111	998	88	78	2,750										117⅛	111	17,408	111	73	18,629	103
104																			89	89	5				104
105	23½	23½	60				24	23½	430				24	23⅜	160	46½	29	2,157	29¼	29	506	24	22	877	105
106	90	90	25													101	90¼	583	90	90	64	90	90	30	106
107	97¼	96	83	97¼	97¼	10	97	96½	20	95	95	6	93⅜	93⅜	15	109	100	3,665	101	95	517	98½	93⅜	475	107
108																94	94	25							108
109				100	100	5										105	103	305	100	100	5				109
110	92½	90	215													211	180	2,571	180	180	229	110	90	375	110

TORONTO STOCK EXCHANGE

	STOCKS	JANUARY 1915 High	Low	Sales	JANUARY 1916 High	Low	Sales	FEBRUARY 1915 High	Low	Sales	FEBRUARY 1916 High	Low	Sales	MARCH 1915 High	Low	Sales	MARCH 1916 High	Low	Sales	
1	American Cyanamid Co. Com.				68	63⅜	655													1
2	" " Pref.				66	66	18													2
3	Barcelona				10	9	110				9¾	8½	272				10	9	538	3
4	Bell Telephone				144	143	26	140½	140	39	146	145½	21				148¼	146	35	4
5	Brazilian Com.				53	53	315	57	53	1,819	53	53	425	141	140	25	53	53	13	5
6	" Pref.													53	53	280				6
7	B.C. Fishing and Packing Co																61	61	20	7
8	Burt Co., F. N. Com.				60½	60½	5	55	55	20							79	76	265	8
9	" " Pref.				80	72½	581				79	78	71				93	90¼	170	9
10	Canada Bread Com.				95	92¼	161	89	89	21	92½	91	94	89	89	12				10
11	" Pref.				30	30	10										90	90	10	11
12	Canada Cement Company Com.				90	90	58	90¼	90	88	90	90	10	90	90	56	55½	44⅞	11,611	12
13	" " Pref.				52	38¾	17,413				48¾	43¼	3,557				92	90½	186	13
14	Canada Steamships Co., Ltd. Com.				92	91	55				91	90½	56				20	16	10,035	14
15	" " " Pref.				18⅜	15⅝	1,800				19⅜	16¼	3,249				78⅞	73½	4,001	15
16	" " " Voting Trust				73½	69¾	1,731				76½	72¾	2,484				17¼	15¼	225	16
17	Canadian Locomotive Com.				17⅛	13⅝	425				17½	17	255				61½	56	230	17
18	" " Pref.				60	59½	110										84	82	48	18
19	Canadian Car & Foundry Com.				89	85	8	78	78	2	86	84	29				69	68	75	19
20	" " Pref.				81	75½	180				69¾	63	35							20
21	Canadian General Electric Com.				99	98	45										115	108⅞	1,044	21
22	" " Pref.				114¾	109	821				116¾	108½	1,184							22
23	Canadian Pacific Railway				110½	110½	25							91	91	61	169	164¾	37	23
24	Canadian Salt				179¾	167	46	157	155	37	175	168	158							24
25	City Dairy Com.							110	110	1				164⅞	155	145				25
26	" " Pref.				98	98	1	100	100	2½				110	110	2				26
27	Confederation Life				100	100	1	100¼	100	9	101	100	48	98	98	19				27
28	Coniagas Mines, Ltd. ($5 per share)				350	350	10							101	100	38	100	100	47	28
29	Consolidated Mining & Smelting Co.				5.00	4.00	900	5.25	4.75	400	4.40	4.05	450							29
30	Consumers Gas				142	135	2,629				163¾	140	7,853	4.95	4.20	1,950	4.50	3.90	450	30
31	Crow's Nest Pass Coal Co.				176	176	49	180	176⅛	166	176	176	111				151	146	2,049	31
32	Crown Reserve ($1 per share)				80	75	548				83	79	245	180	177½	71	176	176	87	32
33	Detroit United				52¼	42	3,300				44	44	200				77½	76	80	33
34	Dome Mines ($10 par)				79½	70¾	720				88½	75½	586							34
35	Dominion Canners Com.				28.50	28.50	50				29.25	23.88	698				88	86¾	55	35
36	" Pref.																25.25	23.75	200	36
37	Dominion Coal Co. Pref.																			37
38	Dominion Iron & Steel Pref.																			38
39	Dominion Steel Corporation Com.				47¾	44½	489				88	88	25							39
40	" Pref.										45⅛	42½	690				97¾	97¾	23	40
41	Dominion Telegraph													20	20	25	47⅛	44	815	41
42	Duluth Superior							100	100	6										42
43	Electrical Development Pref.										43¾	40	484	100	100	12				43
44	Hollinger Gold Mines				30.25	28.75	1,240	22.80	22.30	244	30.20	25.25	2,207				49	41⅜	545	44
45	Illinois Traction Pref.				13.25	12.40	8,190	8.25	5.25	22,720	13.36	12.70	8,075	24.25	22.30	403	27.35	26.63	1,200	45
46	International Petroleum Co. ($5 par)													91	91	2				46
47	Lake Superior Corp.													8.10	7.50	1,225	13.25	11.75	1,275	47
48	Lake of Woods Milling Co Com.																			48
49	" Pref.																			49
50	La Rose Consolidated ($5 per share)				.67	.67	100													50
51	Mackay Companies Com.				80⅝	79	1,413	76	73	1,155	.67	.65	1,260	.75	.68	3,550	.63	.60	1,350	51
52	" Pref.				68	66	593	69	67	80	90½	79	5,421	75⅝	73½	477	82	79½	1,315	52
53	Maple Leaf Milling Com.				75	60	2,466	39¾	33	690	68	67	528	70	67	224	68⅝	67	375	53
54	" Pref.				98	94⅞	248	96	90	348	76	70	607	45	39½	777	96	71	8,741	54
55	Mexican Light & Power Com.										98	96¾	129	95	94	182	100	98	287	55
56	" Pref.																			56
57	Minn. St. P. & S. S. M. (Soo) Com.																			57
58	Monterey Railway L. & P. Pref.																			58
59	Monarch Knitting Com.				30	25⅜	8				25⅛	25⅛	5							59
60	" Pref.				82	82	76													60
61	Nipissing ($5 per share)				7.75	7.10	130	5.50	5.50	65	7.25	6.55	745	82	82	15				61
62	Nova Scotia Steel and Coal Com.				102	95¼	1,089				99½	90	1,755	6.55	5.40	865	7.45	6.40	215	62
63	" Pref.													45¾	45¾	50	110⅜	93½	16,568	63
64	Ogilvie Flour Mills Com.																			64
65	" Pref.																			65
66	Pacific-Burt Com.				30	29	66				116	116	25							66
67	" Pref.				83¼	83	40													67
68	Penman's Limited Com.				60⅛	59⅞	370				83	80	18				116	115⅜	54	68
69	" Pref.										62	59¾	59							69
70	Porto Rico Com.										82	82	20							70
71	" Pref.							46	46	25										71
72	Quebec Railway L. H. & P.																			72
73	Rogers, William A. Com.																			73
74	" Pref.				99	99	5				95	95	58							74
75	Russell Motor Car Com.				35	35	11				99	99	5				19	18	275	75
76	" Pref.				68⅜	66	90				32	32	10							76
77	Sawyer Massey Com.										65	65	2				99	99	85	77
78	" Pref.				74	74	5										44	32	250	78
79	Shredded Wheat Co. Com.				103½	102¼	360				110	105	165				75	60	513	79
80	" Pref.				95	95	10							92	92	6	31	25	812	80
81	Spanish River Paper & Pulp Com.				5	5	10							93	93	5	72	69	160	81
82	" " " " Pref.																113¾	107¾	606	82
83	Steel Co. of Canada Com.				40	34⅜	3,841										97½	95	30	83
84	" " " Pref.				94	87½	73				42	34½	8,478				10½	5	759	84
85	St. Lawrence & Chicago				120	115	66				89	86	477							85
86	Tooke Bros., Ltd. Com.										119	116	42				47	39	12,599	86
87	" Pref.																93	89	763	87
88	Toronto Paper Co				46	46	5										165	117	551	88
89	Toronto Railway																21	21	25	89
90	Trethewey ($1 par)				9	18	1,300	111	111	160	43	43	5							90
91	Tuckett Tobacco Co. Com.										111	111	25							91
92	" Pref.													111	111	17	42	42	10	92
93	Twin City Com.				96¼	94¾	350							10	18	3,500	111	111	4	93
94	Western Canada Flour							99½	95	1,096										94
95	Winnipeg Electric							100	100	40	96½	94¾	213	90	90	20				95
														98¼	96	127				
														105	105	10	96½	94½	105	
																	102	102	5	
	RIGHTS																			
96	Consolidated Mining & Smelting Co.																			96

PRICES AND SALES 1916—(WITH COMPARISONS)

	APRIL 1915			APRIL 1916			MAY 1915			MAY 1916			JUNE 1915			JUNE 1916			JULY 1915			JULY 1916			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1				66	66	10				46	39¾	250				44½	44¼	50				40	40	20	1
2				66	66	40				70⅝	65	420				71	70½	100							2
3	12¾	8½	6,857	12½	10¼	2,414	9¾	8½	1,297	14¼	10½	8,088	9	7½	884	14	12	1,090	10	8½	1,344	15⅞	13⅜	3,733	3
4	146	145¾	13	146	143	35	147¼	147	76	147	145¾	77	147¾	147½	18	152	147	232	145¼	144¾	23	151½	147⅞	46	4
5	59½	53	6,140	56	53	7,669	55	53	852	62⅜	50½	12,291	53	53	246	61⅜	57	4,418	53	53	5	61	57	2,444	5
6																									6
7	58	58	290	67	60⅜	435				62	59¾	95				59½	59½	10				59	59	5	7
8				76	75	190				75	74	51				75	73	60				81	80½	40	8
9	89	89	30	92	90	319	89	89	27	95	91⅛	217	89	89	21	95	93	53	89	89	12	95	93	52	9
10	31⅛	30	1,014				30	30	215	26¼	23½	5,605				25	22	784				22	21	165	10
11	90	90	95	90	90	1	90	90	19	88	87½	192	90	90	138	87½	87½	36	90	90	23	88	88	1	11
12	28⅜	28	130	64½	54¼	15,324				69⅜	62	13,235½				73	65¼	11,570				70	59⅞	8,525	12
13				94¼	92	196	90½	90½	12	96¼	93¾	79	90½	90½	6	97	95	273				94⅜	93½	75	13
14	10¾	6⅜	1,945	28⅜	19½	28,724	9	9	10	27⅝	24½	5,270	9½	9	123	30	27⅜	10,715	9½	9	315	28⅝	24¾	2,382	14
15	61½	59	847	82⅜	76½	9,419	59	59	10	86	80	5,137				87½	84	3,617				85	81	1,469	15
16				25⅜	17¾	1,140				25⅜	25	400				26	25	125							16
17	50	30	650	60½	58	419	54	43¼	340	66¼	57	320	42	39	697	65	62	126	51	39¼	1,193				17
18	85	78	78	82½	82¼	25	84½	80	96	84¼	82	60	80	80	49	87¼	85	175	84	78	92	87½	87¼	7	18
19	75¼	50	700	72	70½	80				73¼	65	300	65	65	50	70⅜	70⅝	30	107	75	705	52¾	47	127	19
20										92	88	75				89	89	25				85	82	35	20
21	91⅜	91	664	113	108	1,179	91⅛	91	142	115⅜	110	2,452	91	91	108	120¼	113½	3,496	102	91	912	118½	115	805	21
22				109	109	10				114½	112	56				112	112	65				112	112	7	22
23	172¼	162⅜	147	169	165	298	165	156	170	182⅜	175	331	157¼	144½	162	179⅜	176½	70	145¼	138½	147	180	176	54	23
24													110	110	5										24
25	98	98	1				98	98	1	89	89	1	98	98	14										25
26	101	100	64	100	100	12	100¾	100	46	100	100	30	101	101	3	100	100	52	101⅛	101	21	100	99⅞	20	26
27																									27
28	5.20	4.95	1,710	5.25	4.46	3,090	4.96	4.50	470	5.95	5.00	3,623	5.35	5.00	1,101	5.15	4.95	740	5.00	4.00	1,225	4.95	4.50	110	28
29				157	146⅜	3,225																			29
30	181½	180	125				182¾	182¼	191	169	168	189	182	177	91	170¼	168¼	82	180½	180	136	170	168	345	30
31				76	75¼	138																			31
32	99	85	1,600	57	45	3,370	85	77	300	50	50	65	70	70	200	56½	48	8,500	60	45	14,830				32
33	63	63	10	99	95	145				117⅛	110¼	520				115⅜	112⅜	125				116	116	20	33
34							Listed June 23, 1915			28.50	27.60	511	18.60	16.50	1,000	27.00	27.00	57	24.25	19.15	1,436	26.50	26.00	125	34
35	34⅜	31	601				32	31	470													5½	5½	1	35
36																									36
37																									37
38							78½	78½	10	96¾	96¾	25	81½	79¾	100	90	90	2	88	79½	55	99½	91¾	98	38
39	33	20¼	2,743	52¾	46½	11,673	29¼	27	400	60	48¾	26,752	32⅛	29	769	58⅞	51¾	10,185	37⅜	30	810	56½	51⅜	3,848	39
40																									40
41																									41
42				46½	45½	52										49	41⅜	545				46½	45½	52	42
43																									43
44	24.50	23.50	1,028	30.00	27.00	1,240	27.50	24.10	1,357	30.25	28.75	2,911	26.35	25.50	25	30.00	29.25	1,223	27.25	26.00	1,034	30.00	28.75	206	44
45													91¼	91¼	7										45
46	11.00	7.63	63,985	12.50	12.50	150	10.00	8.75	2,255	10.87½	10.50	510	9.00	8.75	215	11.00	10.00	415	8.75	8.20	800	10.38	10.25	320	46
47																									47
48																									48
49																									49
50	.70	.50	7,704	.79	.55	3,790	.57½	.55	865	.90	.60	5,395	.52	.50	1,510	.67	.60	750	.50	.50	100				50
51	82½	75¾	2,228	80½	78	730	83⅜	78	993	86¼	79½	3,624	80¾	78½	615	85¼	82	825	80	76½	441	83½	82	1,296	51
52	70¼	69½	1,004	68¾	67⅝	565	69½	66½	390	69¼	62⅝	614	68	66¾	353	69¼	67½	608	67⅛	66	753	69	68	437	52
53	60	44	3,911	94½	89	2,155	68	58½	5,389	97½	89½	8,299	63½	59	531	96¼	88⅝	6,999	55	53	443	94¼	88	1,080	53
54	96½	93¾	393	98⅝	96	265	98	95	428	98	96½	437	98	97	241	97	95⅞	665	97	95	419	96	94	225	54
55																									55
56																									56
57																									57
58																									58
59				30	29	15				31	30	7				31	31	19							59
60	82	82	5	82	82	106				82	82	10				82	80	164				83	82	32	60
61	6.40	6.00	1,550	8.10	7.10	2,266	6.05	5.70	1,315	8.75	7.50	2,354	6.00	5.65	3,525	7.75	7.15	865	5.80	5.55	1,551	6.95	6.40	390	61
62	68½	62	210	109¾	104⅜	2,883	67¼	66⅝	35	132½	107	14.954	62¾	62½	143	132	120¾	3,182	75½	59½	910	130¾	122½	570	62
63																									63
64	125	124¾	40							128¼	128¼	50	123	123	50				120	120	10				64
65																									65
66										25	23	75				25	25	25				25	22	78	66
67				80	80	11				80	80	74	80	80	1	80	80	46				80	80	4	67
68	52¼	52	25	62	61½	45				62½	61¾	265				62⅛	62	50				62	62	90	68
69							82	82	25				82	82	1				82	82	4				69
70										41	37	245				49½	41½	490							70
71																									71
72	14	14	10	24	23	75				28	25½	155				30	29	95				33¾	29½	570	72
73										85	85	6				90	85	33				92	90	242	73
74				99	99	48	99	99	28	98	94	55				98	94	17				95	94	36	74
75	11	10	102	52	40¾	551				70	47½	1,577	10	10	10	60	57	172	20	9	103	60½	55	66	75
76	27	25	120	85	71	916	27	26	25	95	85	747	27¼	27	25	89	87	60	45	27	54	93	90	412	76
77				31¾	29	269																22	20	50	77
78				77½	74⅛	435				75	74	145				75	74	215							78
79	92	92	10	113	109½	115	92	92	60	117⅛	113	525				125	119	425				128	121½	270	79
80				97½	97	40	93¼	93½	50				93¾	93¾	10				93	93	30	100	100	10	80
81	5¼	3	105	8¾	8	332	5	5	2	11	8½	2,526	4	4	43	9⅛	8	394	4	3¾	17	11	8	970	81
82										31⅛	31⅜	50				32	32	30				34½	31	26	82
83	15	9	1,991	62½	46½	20,515	16½	13½	2,437	65	58	4,940	16	13⅜	2,709	64	56	1,646	25⅜	14	13.922	59¼	52⅝	2,188	83
84				94	88¾	719				90	88½	1,098	69	69	50	91	89½	862	80	69	292	90	87½	82	84
85				186	164	3,075																			85
86	16	16	5	24	19	77				23	23	5													86
87																									87
88				47	45	20																44	44	15	88
89	117	111⅛	2,975				112	111	75	107	101	716	112¼	111	178	103	99⅜	362				99¾	89½	1,096	89
90	15½	15⅜	1,000	30	19	6,600				30	26	13,800							12	11	4,650	21	20	2,000	90
91	29	29	5																						91
92	90	90	5																			86½	86	8	92
93	101	98	810	97¼	95	335	100¼	97	608	99	96	583	98½	94¾	476	99¼	97	1,622	93	93	169	98	96	193	93
94																									94
95																110	110	25				99½	98	290	95
96																									96

TORONTO STOCK EXCHANGE

	STOCKS	AUGUST 1915 High	AUGUST 1915 Low	AUGUST 1915 Sales	AUGUST 1916 High	AUGUST 1916 Low	AUGUST 1916 Sales	SEPTEMBER 1915 High	SEPTEMBER 1915 Low	SEPTEMBER 1915 Sales	SEPTEMBER 1916 High	SEPTEMBER 1916 Low	SEPTEMBER 1916 Sales	OCTOBER 1915 High	OCTOBER 1915 Low	OCTOBER 1915 Sales
1	American Cyanamid Co. Com.										62	62	50			
2	" " " Pref.															
3	Barcelona															
4	Bell Telephone	11¼	8⅝	1,394	17	14¼	4,827	10½	9⅜	260	16	14	2,205	12½	8¾	3,550
5	Brazilian	144	144	64	148	148	30	144	143¼	35	150⅛	149½	222	143½	140	78
6	" Com.	53	53	40	59½	56⅞	4.470				60½	56½	6,062	58	53	5,628
7	B.C. Fishing and PackingCo Pref.															
8	Burt Co., F. N. Com.				60	60	25				.60	60	20	58½	55	185
9	" " Pref.				80	80	100				82	78	186	65	65	10
10	Canada Bread Com.	89	89	3	93½	93	20	89	89	17	96	93¾	49			
11	" " Pref.	30	30	15	21	20	237				20	19	154			
12	Canada Cement Company Com.	90	90	106	87¼	87	34	90	90	31	87	87	34	90	90	36
13	" " Pref.	28	28	10	69¼	55	14,329	29½	28	684	66½	60½	4,801	39¾	28	9,600
14	Canada Steamships Co. Com.	90½	90½	4	92½	92	57				95	93	70	90¼	90¼	44
15	" " " Pref.	15	9	5,293	31¼	25½	4,420	11⅝	11	390	38½	30½	20,984	15	11¼	4,008
16	" " " Voting Trust	59½	59	255	86⅝	83¾	1,571	59	59	9	91⅝	86½	3,748	69¾	59	954
17	Canadian Locomotive Com.	12.00	8.50	120	29¾	26½	115				35½	34	325			
18	" " Pref.	54½	47½	1,379	59½	58½	54	51	50	310	57	57	3	57½	51½	388
19	Canadian Car & Foundry Com.	84	82	18	88¼	87	24	82	81½	15	90	88	36	82	80¾	49
20	" " " Pref.	120	97⅝	450	50	45	40	111	104	225	47	36	125	110½	105⅝	995
21	Canadian General Electric Com.	127	124½	50	76	73¾	157	118¾	118¾	5	76	66	115			
22	" " " Pref.	109½	98	1,189	118½	115¾	494	101½	99	437	121½	116¾	2,226	132	99	9,629
23	Canadian Pacific Railway	153¾	145¼	129	112	110	66	163½	151⅜	23	179½	177¾	44	110½	110⅜	75
24	Canadian Salt	110	110	2	178	176	44							174¼	160	135
25	City Dairy Com.	98	98	6	130	125	25	98	98	5						
26	" " Pref.	101½	100	88				102	100½	33	99	97¼	59	101	98	36
27	Confederation Life				99½	98½	19							100⅞	100	44
28	Coniagas Mines, Ltd ($5 per share)	4.40	3.75	1,045	4.85	4.25	1,165	4.25	4.00	1,300	4.70	4.70	100	4.40	3.50	935
29	Consolidated Mining & Smelting Co.													Listed Nov. 12, 1915		
30	Consumers Gas				169	168	75	185	183	55	168	168	10	181½	181	16
31	Crow's Nest Pass Coal Co.	185	185	6				64½	55	970	72	71	70	80	63	962
32	Crown Reserve ($1 per share)	59	50	237				39½	32	250	58	58	200	40	37	1,810
33	Detroit United	40	35	1,100	43¾	40½	3,200									
34	Dome Mines ($10 par)				118½	118½	50	22.50	21.00	216	25.00	25.00	15	26.12	21.87	390
35	Dominion Canners Com.	23.63	21.65	700	26.00	26.00	100				15	15	160			
36	" " Pref.															
37	Dominion Coal Co. Pref.							93	93	10	97	91⅔	42	92½	92¼	10
38	Dominion Iron & Steel Pref.				94¼	94¼	100	48½	42	2,409	67¾	55¼	23,459	51⅜	46⅔	4,844
39	Dominion Steel Corporation	45½	37	4,831	57	53¾	2,845									
40	" " Pref.										90	90	50			
41	Dominion Telegraph				46	45½	223				46	45	90			
42	Duluth Superior							26.00	24.50	348				25.75	24 50	850
43	Electrical Development Pref.							91	91	21						
44	Hollinger Gold Mine	25.00	23.75	966							12.50	11.16	605	10.15	9 50	1,085
45	Illinois Traction Pref.															
46	International Petroleum Co. ($5 par)	10.25	9.25	4,000	10.30	10.30	5				134½	134½	50			
47	Lake Superior Corp.	9⅞	9⅛	100												
48	Lake of Woods Milling Com.							.52	.48	1,565	.63	.63	100	.51	.45	415
49	" " Pref.							80	77	646	86¼	84½	2,102	80	77⅔	1,571
50	La Rose Consolidated Mines ($5 per share)	.50	.45	2,475	.61	.61	1,200	68½	67	249	67⅔	66	491	67½	65½	860
51	Mackay Companies Com.	78	76	620	86¼	81¼	2,988	52	51½	210	109	86	9,328	55⅝	50	1,218
52	" " Pref.	67½	66	527	68¾	67½	1,073	95	94½	124	97¼	93¾	265	93½	92¾	184
53	Maple Leaf Milling Com.	55	51	924	90	85	510									
54	" " Pref.	98	94½	129	94½	93¼	290									
55	Mexican Light & Power Com.				15	15	10									
56	" " Pref.															
57	Minn. St. P. & S. S. M. (Soo) Com.															
58	Monterey Railway L. & P Pref.															
59	Monarch Knitting Com.															
60	" " Pref.				32	32	8									
61	Nipissing ($5 per share)	82	82	5	83	82	27	27	25	29	32	32	35			
62	Nova Scotia Steel and Coal Com	6.60	5.00	2,663	7.20	6.90	215				82	80	54	82	82	1
63	" " " Pref.	92	75	4,107	130½	110	527	7.50	5.75	7,257	9.05	7.10	4,590	7.15	6 75	880
64	Ogilvie Flour Mills Com.							89⅜	82⅝	3,679	139½	127½	2,428	97	87	3,740
65	" " " Pref.							111⅛	111½	20						
66	Pacific-Burt Com.	116	116	10				116	116	5						
67	" " Pref.	28	28	30												
68	Penman's Limited Com.	80	80	2				80	80	10	22	22	25	28	28	124
69	" " Pref.							51¼	51¼	10	79⅞	78	18	80	80	6
70	Porto Rico Com.										75½	63	485	61½	52	30
71	" " Pref.				44	40	191				86	85⅔	66	82½	82	60
72	Quebec Railway L. H. & P.				95	95	10				49	43½	75			
73	Rogers, William A. Com.															
74	" " Pref.				90	88	6									
75	Russell Motor Car Com.				94	94	7				86	85	27	18¾	14	625
76	" " " Pref.	20½	15	333	57	57	41	51	21	590	90	87	80			
77	Sawyer Massey Com.	50	45	189	92½	90	90	60	50	448	61	57	123	30	23	447
78	" " Pref.	31	26¼	290				28	26	11	95	92	538	56	50	325
79	Shredded Wheat Co. Com.	70	69	15							27	20	55	29½	27¾	235
80	" " Pref.				131	128	330							74	69	341
81	Spanish River Paper & Pulp Com.	93	93	50	100	100	10				135	131½	120	96	92	215
82	" " Pref.	6	4	442	15	10	3,438	6	5	40						
83	Steel Co. of Canada Com.	35⅜	23⅜	42,410	45	34	276				12⅔	11	2,495	5	5	10
84	" " Pref.	85⅝	77	756	59⅞	53½	3,300	37	32	8,822	40	35½	424			
85	St. Lawrence & Chicago				88¼	87	543	87½	82	1,336	66	58	10,341	36⅞	33½	5,920
86	Tooke Bros., Ltd Com.							102⅝	100	147	94	88	345	88⅜	85⅜	549
87	" " Pref.													115	115	5
88	Toronto Paper Co.															
89	Toronto Railway	111	111	2	53	53	25	35	35	15						
90	Trethewey ($1 par)				93	89½	785				61	54	90	35⅛	35	20
91	Tuckett Tobacco Co. Com.				21	19	900	12	10½	3,100	96	90	312	114	111	1,174
92	" " Pref.													15½	15½	100
93	Twin City Com.				86	86	5									
94	Western Canada Flour				97½	96¾	369	93½	93	84						
95	Winnipeg Electric										93	96½	212			
					95	92	67							97½	93½	448
											95	94	136			
	RIGHTS															
96	Consolidated Mining & Smelting Co.															

PRICES AND SALES 1915—(WITH COMPARISONS)

	OCTOBER 1916			NOVEMBER 1915			NOVEMBER 1916			DECEMBER 1915			DECEMBER 1916			1914			1915			1916		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1													28	27	75							68	27	1,060
2	62¼	60	72				60	58	50							60½	60½	23				71	58	750
3	14½	12⅝	1,182	12½	11	1,852	16	13	2,574	11⅜	9½	903	13½	12	1,757	35⅛	15½	39,625	12¾	7¼	18,341	17	8½	28,790
4	149	148	85	158	145	156	148½	146	31	146	145	36	145⅝	144¾	8	159½	140¼	1,141	158	140	554	152	143	848
5	57⅜	52	12,141	55½	53½	3,957	52⅝	45	10,751	53½	53	555	47	41½	6,550	92	53½	174,511¾	59½	53	19,522	62⅝	41½	67,549
6																								
7	64	58	35	64	60	235							60	60	25				64	55	730	67	58	675
8	81	80	25	70	70	50	87	81	276	73	70	217	88	79	256	88	67½	309	73	65	277	88	72½	2,101
9	94½	93	50	92	89	468	94½	94	86	95	90	171	93½	90¼	150	100	89	1,901	95	89	782	96	90	1,421
10	19⅝	18¾	1,034	30	30	125	19½	18	450				18	16½	334	33	18½	25,952	31½	30	1,369	30	16½	8,773
11	90	87	68	90	90	18	87⅞	87	69				87½	87½	9	92	89½	4,513	90⅜	90	610	90	87	552
12	70½	64	9,537	48⅝	39	10,335	72½	66⅝	11,507	43⅜	37⅞	1,804	72⅜	56⅝	20,313	31⅝	28	2,160½	48⅜	28	22,563	73	38⅜	141,722½
13	94⅞	94	85	90⅝	90½	148	94⅜	93¼	146				95½	93½	55	92⅜	89⅞	261	90⅝	90½	214	97	90½	1,333
14	35⅝	32⅜	3,626	19¾	12⅜	11,435	42½	34⅜	21,526	17⅜	16	968	44⅜	30½	14,406	13	10	348	19¾	6⅝	24,487	44⅜	15⅝	127,137
15	91¾	89	4,055	76½	67½	5,862	93¾	89½	7,647	75½	70	1,135	95½	89	7,585	74½	59	4,623	76½	59	9,072	95⅜	69¾	52,464
16				15⅜	9	960	39	36	225				37½	37½	25				15½	8½	1,080	39	13⅝	3,260
17	57	53¾	41	63	55	303	60	60	10	63	61½	130	58	54	417	45	30	94	63	30	5,390	66¼	53¾	1,730
18	88¼	87	14	82	80	25	88	87⅛	48	90	85	10	91	88	118	90½	85	432	90	78	434	91	82	592
19	41	41	40	108½	91	310	45	43⅜	30	98	89	175	40	38	70	54	48¼	260	120	50	3,610	81	36	1,132
20	75	71½	135	118	107¼	133	82	32	25	112½	106¾	110	83½	75	150	100½	100	15	127	106¾	298	99	66	762
21	122	117½	1,688	124	118⅜	911	126	119	5,020	120	112	806	121½	109½	1,615	114⅜	90¼	8,908	132	91	14,859	126	108	22,024
22				110½	110	445				110½	110⅝	15				108½	107	40	110½	110	535	114½	109	229
23	179½	174	126	193	185	454	173	173	10	183	179½	20	167½	163¾	38	219	173¼	16,438	193	144½	1,569	182⅝	163¾	1,256
24				115	115	5	140	124	182							115	115	13	115	110	16	140	124	207
25										98	98	10				102	98	233	101	98	94½	98	89	2
26	97	97	23	100½	100	40	97	94	56	101	100½	28	92	92	20	101¾	98	274	102	100	414	101	94	387
27							330	330	100							385	385	25				350	330	110
28	5.00	4.99	1,120	5.20	3.55	1,298	4.95	4.80	1,370	5.10	4.15	1,100	5.10	4.70	2,071	8.50	7.00	7,971	5.35	3.50	12,534	5.95	3.90	15,189
29				142	130	962				140½	127	2,278							142	127	3,240	163½	135	15,756
30	166	160	11	178	176	182	165	162	298	176¾	176	18	165	163	106	180	169	2,611	185	176	1,057	176	160	1,363
31	73	72	140	77	74	25	75	73	135	75	74	80				70	50	38,314	80	74	2,274	83	71	1,356
32	54	50	1,010	67	55	3,617	49	49	100	66	55	3,150	45	39	6,400	1.98	1.00	34,980	99	32	26,857	58	39	26,345
33	118⅜	116¼	125	70	70	75	121⅛	117½	460				128	118⅜	475	73¼	65	382	70	63	85	128	70¾	3,281
34	25.50	25.50	100	28.50	25.90	1,115	25.50	24.60	406	30.00	28.00	239	22.00	22.00	50				30.00	16.50	5,096	29.25	22.00	2,312
35	20½	19	158				20	20	40				20	20	5	68⅝	27½	10,894	34⅛	31	1,071	20½	5½	364
36							61⅛	61½	5				65	65	20	96	80	792				65	61½	25
37																105	102⅝	28						
38	94¼	94¼	500				96	94⅛	1,135	95	94⅜	16	97	94¾	22	93	69⅛	235	95	78½	201	99½	88	1,972
39	72⅝	61¼	27,073	53	47¾	4,510	76	68¾	19,767	49½	45	742	80⅞	60	31,913	41¾	20⅛	32,751	53	47¾	22,083	80⅝	42½	159,509
40																102½	99½	167	100	100	18	90	86	171
41	90	86	45				90	89	21				90	89	55	67	55	2,002				49	37	2,570
42	44	43	145				43½	40	224				41½	37	210	117½	71	159						
43																19.25	15.25	12,710	29.50	22.30	8,693	30.25	25.25	10,227
44				27.20	25.00	1,520				29.50	28.00	918				93	91	234	91¼	91	36	88	88	8
45	88	88	5				88	88	3	91	91	66							14.15	5.25	109,680	13.36	10.00	20,655
46	11.13	11.13	50	14.15	9.65	13,195	11.85	11.25	255	13.30	12.85	200	11.85	10.50	805				9⅞	9⅝	100			
47																22⅝	16⅝	1,150						
48	132½	132	60													129⅞	129⅝	50				134½	132	110
49																								
50	.60	.56	450	.77	.50	7,695	.60	.55	690	85	67	1,840	.61	.60	570	1.96	.81	34,355	.85	.45	27,719	.90	.55	15,655
51	87	85	1,439	84⅞	79¾	3,729	87	84	2,003	82¼	79	677	85	82½	1,449	88	75	21,635	84½	73	13,152	90½	78	24,605
52	67⅜	66½	477	67½	65½	1,118	67	65⅜	1,333	67	66	504	66½	64½	368	71	65½	3,109	70¼	65½	6,062	69¼	62⅜	7,462
53	116	105½	11,893	58⅝	50	529	122	108½	5,511	64	49½	1,141	114	98½	3,468	48	24⅝	11,989	68	33	15,763	122	60	61,057
54	98	96	204	93½	93	203	98	96	123	97¼	93	86	98	96	136	101	88	4,178	98	90	2,737	100	93¼	3,274
55																50	32½	146				15	15	10
56																								
57																132	132	15						
58																								
59	35	35	5	25	25	5	39	39	3	25⅛	25	35				40	25	142	27	25	69	39	25⅛	105
60	82	80	12	82	82	45	80½	80	160	82	82	12	82	80	75	90	82	657	82	82	83	83	80	716
61	8.60	7.90	970	8.70	6.75	4,005	9.10	8.50	2.220	8.25	7.60	1,060	9.25	8.75	2.435	8.10	5.50	53,092	8.70	5.00	24,736	9.25	6.40	17,395
62	144	135¼	2,206	107	96¾	5,417	153	139½	3,454	102	97	5,501	149	108	1,085	78⅜	39	2,748	107	45¾	23,792	153	90	50,701
63																120	120	5	111⅛	111⅛	20			
64	145½	145½	10	136⅜	136⅜	3				140⅛	140⅛	100				117	114½	10	140⅛	120	203	145½	128½	60
65																			116	116	15	116	115⅜	79
66	22	20	87	31	28	97	26	25	117	29	28	100	29	26	94	32	28	346	31	28	351	30	20	567
67	80	78	15	80	80	50	79	77½	5	85	80	130	78	78	18	85	80	108	85	80	199	83¼	77½	266
68	72	70½	75	61¼	60	105	77	72⅝	230				73	73	10	55⅜	49¼	201	61¼	51	170	77	59¾	1,819
69	95⅞	85	15				85	85	5	82	82	5				84	80	1,809	82	82	95	95⅞	82	167
70	46	45	60				41½	41	21				37	32½	171	71	45	5,696	46	46	25	49½	32½	1,253
71							90	90	25				90	90	5	102½	101	70				95	90	40
72	35¾	35¾	10	19	19	25	44⅛	38⅞	2,640				44¼	28	1,140	16⅛	15½	210	19	14	660	44⅛	18	4,960
73	85	85	15	95	95	60	85	85	50	99	99	11	94	90	20	147	96	2,468	95	95	60	95	85	437
74	90	90	107	99	99	134	94	91	16	45	30	472	114	65	3,297	106	99	241	99	99	173	99	87	481
75	85	60	2,579	50	30	1,511	113	82	2,108	74	68	225	135	90	4,588	40	5	47	51	9	3,598	114	32	10,785
76	109	94	2,863	79	58	1,796	139	107	4,564	27½	27	50				40	25	36	79	25	3,207	139	60	15,383
77	23¾	23¼	10	38½	25	425	20	20	50	74½	74	20				30	25	65	38½	25	1,011	31¾	20	1,246
78				76	70	395				102	100¼	44	140½	140	125	88	69	378	76	69	771	77⅞	69	960
79	135	132	153	102	97	635	140⅓	136	210				98	98	50	95	78	6,494	102	92	970	140⅛	102¼	3,404
80	98	98	17				98	98	30	6¼	6¼	1	22	15	1,194	94	92½	68	93⅜	93	145	100	95	197
81	21	12¾	10,134⅛	5¼	5	90	24½	17	6,220⅛				65	52	105	16⅜	9	376⅛	6¼	3	750	24⅛	5	28,472½
82	60	39	2,638				70	56	2,483	42	38	2,419	88¼	53	22,035	51	31½	360				70	31	6,032
83	66½	61	12,465	47⅜	37	16,440	81½	65⅜	41,308	94½	90	634	107	98	3,987	20	11	11,186	47⅞	9	97,070	88¼	34½	148,656
84	95	91	296	90½	88	1,292	100	91½	2,162	130	115	747				110	99	321	94½	69	4,909	107	86	11,407
85				120	119½	310										26	15	327	130	100	1,209	186	115	3,734
86				18	16	45													18	16	50	24	19	107
87																61	30	752						
88	75	61	474	39½	39½	10	91	75	1,502	45	45	10	75	75	25	144¾	110	20,051	45	35	55	91	42	2,171
89	90½	86½	698	111½	111	66	85	78	1,267	111	111	44	80	72	546	29	15	17,221	117	111	4,691	111	72	5,811
90				17	15	1,500	17	17	1,000				21	19	1,080	47	28	693	18	10½	13,850	30	17	26,680
91	23⅜	23½	54				25	23½	415							100⅝	93	109	20	29	5	25	23½	469
92	85⅜	85¼	49							90	90	2				108½	99¾	9,082	20	90	27	86½	85¼	62
93	97	96	415	98½	96½	328	96½	95½	314	97	95½	271	95½	93½	327				101	93	4,417	99½	93½	5,038
94	118½	118½	17													210½	186½	3,270	105	100	50	118½	102	22
95	92	91	215																			110	91	733
96	2¾	2½	2,583	7	5½	1,752	3⅞	2½	15,907	6¾	5	2,854	3¼	3⅛	33				7	5	4,606	3⅞	2½	18,523

BANKS QUOTED ON TORONTO STOCK EXCHANGE

	BANKS	1915 JANUARY 1916						1915 FEBRUARY 1916						1915 MARCH 1916					
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Commerce				203	203	1	203	203	14				203	203	100			
2	Dominion							227	227	23				227	227	160			
3	Hamilton							201	201	18				201	201	10			
4	Imperial							210	210	136				210	210	181			
5	Merchants				180	180	2	180	180	10				180	180	3			
6	Molsons																		
7	Montreal																		
8	Nova Scotia							261	261	10									
9	Ottawa										261	261	37						
10	Royal				221¼	221¼	5				221¼	221¼	2				261	261	17
11	Standard				215	215	96				215	215	1						
12	Toronto							215	215	32	211	211	2	215	215	248			
13	Union				140	140	26	211	211	19	140	140	39	211	211	16	215	215	15
								140	140	20				140	140	20			

	BANKS	1915 AUGUST 1916						1915 SEPTEMBER 1916						1915 OCTOBER 1916					
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Commerce				190	185	310	203	203	5	187½	186	120	203	203	24	186	185	45
2	Dominion	227	227	29	210	206	26	227	227	43	220	219	12	227	227	1	215	210	73
3	Hamilton	208	201	154	200	195	12				194	193	16				193½	192	16
4	Imperial	210	210	17	201½	200	219	210	210	11	203	202	142	210	210	11	203	198	96
5	Merchants				177	177	10				175	175	5	180	180	18			
6	Molsons																		
7	Montreal				226½	226½	5										220	220	5
8	Nova Scotia	261	261	7	260	260	5	261	261	5	202	202							
9	Ottawa				204	204	4				212	210	4						
10	Royal	221¼	221¼	29	213	212	22	221¼	221¼	2	221	220	182						
11	Standard	218	216	133	221	218½	51	217¼	217	77	198	197½	65	217	216¾	23	211	211	101
12	Toronto	211	211	8	197½	191	138				136	133	16	211	211	20	221	219¾	220
13	Union	140	140	100	134	131	72						124	140	140	1	197½	195	41
																	135	134½	129

NEW COMPANIES LISTED ON THE TORONTO

	STOCKS	JANUARY			FEBRUARY			MARCH			APRIL			MAY		
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Ames-Holden-McCready Com.	Listed Feb. 11, 1916														
2	" " Pref.	Listed Feb. 11, 1916			20½	20	20	28	22	724	30	26½	385	33½	25	310
3	Canada Foundries & Forgings Com.							73⅝	70	65	75	74⅛	55	78½	73	732
4	" " " Pref.															
5	Consolidated Mining & Smelting Co $25 par										39⅞	38¾	1,265	44¼	38½	30,879
6	National Steel Car Co. Com.															
7	" " " Pref.															
8	Riordon Pulp & Paper Co Com.															
	BONDS															
9	Canada Cement															
10	Dominion of Canada War Loan 1925							94	94	$5,000						
11	Dominion Iron & Steel	85	85	$3,000												
12	Penmans															
13	Sao Paulo Tramway													84	84	$1,000

NEW COMPANIES LISTED ON THE MONTREAL

	STOCKS	JANUARY			FEBRUARY			MARCH			APRIL			MAY		
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Asbestos Corporation Com.															
2	" " Pref.															
3	Canada Foundings & Forgings Pref.															
4	Civic Investment Co.															
5	Consolidated Mining & Smelting Co				163	146	2,740	151	146	1,060	157	146	1,468	88	85	85
6	" " " " $25 par										39	38½	381			
7	" " " " New													45⅛	38½	40,395
8	Maple Leaf Milling Co. Com.															
9	Porto Rico Com.															
10	Price Bros. Com.				60	60	25				64	60	665	60	60	5
11	" " Pref.													60½	60	30
12	Riordon Pulp & Paper Co. Com.															
13	" " Pref.															
14	Wayagamack															
	BONDS AND DEBENTURE STOCK															
15	Asbestos Corporation															
16	Dominion Canners															
17	Dominion of Canada War Loan 1931															
18	Wayagamack															
19	West Kootenay															
20	Winnipeg Street															
	RIGHTS															
21	Consolidated Mining & Smelting Co															

PRICES AND SALES 1916—(With Comparisons)

	1915 APRIL			1916			1915 MAY			1916			1915 JUNE			1916			1915 JULY			1916			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	203	203	11				203	203	124				203	203	9	193	190	111				190	186½	238	1
2	227	227	316				227	227	30	208	208	1	227	227	198	207	204	99	227	227	6	205	202	210	2
3	201	201	27													197	195	13	201	201	6				3
4	210	210	227				210	210	35				210	210	42	201	200	11	210	210	73	204	199	87	4
5	180	180	13							180	180	1	180	180	5							175	175	3	5
6	201	201	5				237⅝	237⅝	12																6
7										261	261	1										229⅜	229⅜	10	7
8	261	261	5				207	207	22																8
9	207	207	14				221¼	221½	4				221¼	221¼	100	215½	215	65	221¼	221¼	1	215½	211½	62	9
10	221½	221¼	3				219	218	66				219	218	79	215½	215	55	220	215	39	217	217	11	10
11	229	215	91	215¾	215	74	211	211	15							200	199	10	211	211	4	199	197	28	11
12	211	211	48				140	140	13	140	140	4	140	140	21	138⅛	137	48	140	140	20	136	134	41	12
13	140	140	66	140	140	6																			13

	1915 NOVEMBER			1916			1915 DECEMBER			1916			1913			1914			1915			1916			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	203	203	6	185½	183	90				185	184	149	224	200	8,511	218	199⅓	5,930	203	203	293	203	183	1,064	1
2	227	227	130	212	208	54	227	227	7	212	208	86	242	212½	6,171	233	218	3,064	227	227	943	220	202	525	2
3	201	201	7	192	192	24				192	190	50	212	199	898	207	198	430	208	201	222	200	190	131	3
4	210	210	2	200	198	69	210	210	10	200	199	119	227	207	3,960	218	210	2,187	210	210	745	204	198	743	4
5				170	169½	12				170	170	2	200⅜	181⅝	238	191	184	268	180	180	49	180	169½	43	5
6													203¼	192½	99	200	194½	48	201	201	5				6
7				222½	222½	22							247	227¹	223	248	229½	94	237⅝	237⅝	12	229⅜	220	42	7
8				255½	255½	5				256⅝	256	9	265½	251¾	290	264¾	257¾	215	261	261	27	261	255½	74	8
9						88							210¼	201	298	208	201	181	207	207	36	204	202	8	9
10	221¼	221¼	10	212	208	189				212	211	13	227½	214½	1,256	227⅜	219	620	221¼	221¼	149	221¼	208	540	10
11	215	215	30	220½	218	15	215	215	5	215	214	241	228	207	3,467	223⅜	208½	1,777	220	215	823	221	214	1,018	11
12	211	211	4	190	190	15	211	211	6	190	190	12	212	201	867	215	203	581	211	211	140	211	190	310	12
13	140	140	5	138	135¾	55				137⅞	135	74	153⅜	135	1,035	145⅜	138¼	543	140	140	266	140	131	618	13

STOCK EXCHANGE DURING 1916

	JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER			1916			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	34½	28	198	20½	20½	10	22	20½	145	22	21⅜	35	25⅜	25	210	23⅜	23½	65	21	21	10	34½	20	2,112	1
2	80½	78	400	65	54	235	58½	58	15	59	59	10	65½	64	95	64½	63½	75				80½	54	1,682	2
3							190	190	25	197	190	18	190	190	15	215	200	174	215	215	20	215	190	252	3
4																									4
5	43⅜	34⅜	6,333	37⅜	33½	2,672	39½	33½	3,215	40	37	5,335	42¼	36	8,563	41⅜	36	7,679	40½	31	4,588	44⅜	31	70,529	5
6																37	31	1,445	31	24	128	37	24	1,573	6
7																92½	83½	949	88	80	51	92½	80	1,000	7
8																			143	116	81	143	116	81	8
9	96¾	96¾	$1,000							97⅜	97⅛	$31,000	99⅛	97⅜	$137,800	96¾	96⅜	$5,000				96⅜	94	$11,000	9
10													87	87	1,000	99	98⅛	101,300	99	98	$84,400	99¼	97¼	364,500	10
11																						87	85	4,000	11
12																84½	84½	500				84½	84½	500	12
13																						84	84	1,000	13

STOCK EXCHANGE DURING 1916

	JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER			1916			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1																			24	23	65	24	23	65	1
2																			60	53	465	60	53	465	2
3																90	90	20				90	85	105	3
4							80¾	79	4,576	82¼	79	19,399	83	80½	19,274	83½	80¾	16,599	82	79	11,658	83½	79	71,506	4
5																						163	146	5,268	5
6	43	34½	13,833	38	33⅜	3,425	39½	33¾	4,321	40½	36½	8,739	43	35¾	16,767	42½	35¾	22,237	40	28¾	9,976	45½	28⅜	120,074	6
7																			32½	32½	25	32½	32½	25	7
8																122	107	1,770	115	96½	1,740	122	96½	3,510	8
9										30	30	448							30	30	448	60	30	901	9
10	66	64	60	76	71	288	85	78	113	92	83½	439	110	105	48	132	130	183	130	120	492	132	60	2,343	10
11																									11
12							67	59	4,514	90	63	11,860	128½	88½	19,862	150	128	13,332	144¾	111	5,082	150	59	54,650	12
13							94	94	15	93	93	15	96	95	122	96	95⅝	70	95	92	318	96	92	540	13
14	55	50	4,421	66	53	3,496	66¼	60	2,220	66¼	60	2,012½	95	66¼	10,140	112⅛	89	13,505	106	91	2,736	112⅛	50	38,530½	14
																			72½	72½	$6,000	72½	72½	$6,000	15
																			90	90	2,000	90	90	2,000	16
15													98½	98½	$5,500	99½	98⅛	$1,022,500	99	98	671,800	99½	98	1,699,800	17
16													90	83	282,700	90	87	15,300	90	86½	22,600	90	82	496,000	18
17																100	100	7,000				100	100	7,000	19
18	84¼	82¾	$43,500	84	82⅛	$54,300	84	82	$36,900	84	82	$40,700							95	95	3,000	95	95	3,000	20
19																									
20																									
													3	2½	11,023	3¾	2½	42,343	3	2¾	27	3¾	2½	53,393	21
21																									

BONDS QUOTED ON MONTREAL STOCK EXCHANGE

	BONDS	1915 JANUARY 1916						1915 FEBRUARY 1916						1915 MARCH 1916					
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Ames-Holden-McCready																		
2	Bell Telephone	96½	96½	$4,500															
3	Canadian Car & Foundry							97	96½	$3,000	97½	97	$1,000	97¾	97½	$6,500	98½	97	$16,500
4	Canada Cement							62	92	1,800	94½	93	47,500	92	92	3.400	100	100	21,000
5	Canadian Converters				93½	92	$15,200										95	94	37,700
6	Canadian Consolidated Rubber	90	90	500				88	88	1,000	91	90	13,000	88	88	2,000			
7	Canadian Cottons				91½	90	27,000				79	79	1,000	80	78	1,900	92½	91	10,000
8	Canadian Locomotive				79½	78	7,500										78	78	1,000
9	Cedar Rapids				88	88	5,000				85½	85	46,700				88½	88½	3,000
10	Dominion Coal				86	85¼	37,600				95	95	4,000	95	95	10,500	87	85	129,300
11	Dominion Cotton							99	98	10,000	99½	99¼	6,000	100	100	5,000			
12	Dominion Iron and Steel				99¾	99	32,500				85	85	18,000				99¼	98¾	3,500
13	Dominion of Canada War Loan....1925				85	85	3,000				98½	97	1,181,000				85	85	41,000
14	Dominion Textile Company, A				97¾	97	361,400										98	97	473,800
15	" " " B				97½	97	2,250										97	97	500
16	" " " C				99½	97	3,000	100	97	2,250	97	97	2,000						
17	" " " D	97	97	1,000	97	97	3,000	97	97	2,000	97	97	2,000	97	97	3,000			
18	Keewatin																		
19	Lake of the Woods Milling Co.	100	100	2,000															
20	Laurentide Paper Co																		
21	Lyall Construction Co																		
22	Montreal Light, Heat and Power....4½%																		
23	Montreal Street Railway																		
24	Montreal Tram																		
25	" " Debenture Stock	81½	81¼	4,500	81¾	81¾	1,600				101	101	1,000	101	100	2,000	102	102	2,000
26	National Breweries, Ltd	99	99	10,000				96	96	1,000	84¼	84	16.500						
27	Nova Scotia Steel & Coal Co							81¼	81¼	3,800				95	95	5,000	86	85	10,200
28	Ogilvie Flour .....Ordinary				84	84	2,000				81¼	81¼	1,200	100	100	8,000			
29	" .....B							85	85	1,000									
30	" C				100	100	4,000							81¼	81½	7,100			
31	Ontario Steel Products, Ltd													99	99	2,000			
32	Penmans													85½	85	4,400	84¾	84	12,100
33	Porto Rico																103	103	2,000
34	Price Bros.																		
35	Quebec Railway, Light and Power Co.				81	78½	19,000	75	75	2,000	83	82	7,200						
36	Rio de Janeiro				50	50	6,500	45	45	6,100	54½	50½	29,400	75	75	400	83	83	7,900
37	Riordon Paper													45	45	11,500	57	54½	32,500
38	Sherwin-Williams Co	97½	97	2,000	101	99	6,000	98	97	18,500	99	99	6,000						
39	Spanish River													97	97	12,000	99	98	2,000
40	Steel Co. of Canada				92⅞	89	9,000				91	90	4,000						
41	Winnipeg Electric				97	97	5,000							97¼	97¼	1,000	93	91	3,600
																	95	95	5,000
	RIGHTS																		
42	Shawinigan Water and Power																		

	BONDS	1915 AUGUST 1916						1915 SEPTEMBER 1916						1915 OCTOBER 1916					
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Ames-Holden-McCready																		
2	Bell Telephone	98½	98	$11,000	98½	98	$3,500	96½	96½	$63,500	88	88	$1,000	97	96½	$6,500	98	98	$1,000
3	Canadian Car & Foundry	102	100	7,000	97	97	500				98	97½	2,500				96¾	96¾	5,000
4	Canada Cement	94½	93	19,100	98½	96½	61,000	94	93	13,500	99	96½	32,400	93½	93	6,800	97½	97	29,200
5	Canadian Converters							89	88	12,000							81	81	1,000
6	Canadian Consolidated Rubber	88	88	7,000	98¾	98¼	1,000				98½	98	7,000	88	88	2,000	99	96	4,000
7	Canadian Cottons	78	78	1,000							83½	83½	3,000	79¾	78	19,500	80¼	80¼	4,500
8	Canadian Locomotive				88	88	500				94½	94½	500						
9	Cedar Rapids				90½	89	46,800				90½	89	53,200	95	95	1,000	90¼	89	20,800
10	Dominion Coal				93½	93½	7,000	99	99	5,000	93¾	93¼	4,000	99½	99	2,000	93½	93	4,000
11	Dominion Cotton	100½	99½	8,000	99½	98¾	12,500	88	87½	30,000	99½	99½	14,500	88	87	39,000	99½	99	5,500
12	Dominion Iron and Steel	87½	87	53,000	90	89	6,000				89	87	19,000				87½	87	9,000
13	Dominion of Canada War Loan.....1925				98¼	97½	702,800	97	97	10,250	98	97½	107,100				99½	97¾	654,200
14	Dominion Textile Company, A	98	98	1,000	97½	97½	2,000				97½	97½	250				97	97	14,500
15	" " " B	98	98	1,000				98	98	1,000	98	97½	3,000				97	97	4,000
16	" " " C				98	97	1,250	98	98	1,000	96	96	500	100	100	1,000	97½	97½	500
17	" " " D				96½	96½	1,000	99¾	99¾	1,000	97	96½	7,000						
18	Keewatin																		
19	Lake of the Woods Milling Co.																		
20	Laurentide Paper Co																		
21	Lyall Construction Co.	84	84	5,000	83½	81½	1,800	101	101	1,000	103	103	3,000						
22	Montreal Light, Heat and Power....4½%	95	95	1,000	93	93	5,000												
23	Montreal Street Railway										93	93	3,000				103¼	103¼	16,000
24	Montreal Tram				91¼	91¼	15,000												
25	" " Debenture Stock	81¼	81¼	6,520	79	75	6,800	81¼	81¼	13,000	79	75	10,500				93½	93½	1,000
26	National Breweries, Ltd							101	100	3,000				81¼	81¼	6,500			
27	Nova Scotia Steel & Coal Co.	85	84	2,000	90	90	17.000				87	87	1,000	100	99	4,500			
28	Ogilvie Flour..... Ordinary							103	103	6,000							76½	75	23,100
29	" .....B							102	102	1,000							95	93½	28,500
30	C	103¼	103¼	5,000	103½	103½	1,000				103½	103½	8,000	104	103	3,000	90	87	20,000
31	Ontario Steel Products, Ltd													104	104	5 000			
32	Penmans										84½	84½	2,000	85	85	3,000			
33	Porto Rico																81	81	200
34	Price Bros.	76¼	76	900	87¼	87	31,400												
35	Quebec Railway, Light and Power Co.	47	45	29,500	70½	68	22,400	52	49	46,700	71	69½	55,200	76	76	6,000			
36	Rio de Janeiro													58	50	125,900	87	87	2,000
37	Riordon Paper							98	98	5,000							71	70	12,300
38	Sherwin-Williams Co.	97	97	1,000	99¼	98	10,300				100	99	3,300						
39	Spanish River							88½	88	6,200				98½	98½	1,000			
40	Steel Co. of Canada	88	88	1,500	96½	94½	6,700				96½	96	4,700	88	88	12,500	99	99	500
41	Winnipeg Electric																84	80	8,500
																	96¼	96	7,000
	RIGHTS																		
42	Shawinigan Water and Power	⅝	⅝	18,421				1½	I	101									

PRICES AND SALES 1916—(With Comparisons)

	1915 APRIL			1916 APRIL		
	High	Low	Sales	High	Low	Sales
1						
2	100	98	$20,000	98	98	$4,500
3				100	100	6,000
4	92	92	21,200	95½	94	12,900
5						
6	88	88	8,000	95	94½	7,500
7	80¼	78	8,000	80	80	9,000
8						
9				89⅜	86½	90,900
10	95	95	3,000			
11	101	100	35,000	99¾	99½	15,000
12	90	90	1,000	85	85	3,000
13				98⅛	97	581,200
14						
15				97¾	97	7,750
16	97	97	4,000	97	97	4,000
17						
18	100	100	1,000			
19	103	103	1,000			
20				101	101	20,000
21				85¼	84	5,300
22	95½	95	27,000			
23						
24						
25	81⅓	81⅓	11,300			
26	99	99	2,000			
27				85¼	85	22,500
28						
29						
30	102½	102½	1,000			
31						
32						
33				83⅜	83½	1,000
34				62½	57½	71,800
35						
36	52	50	48.000			
37						
38						
39	97¼	97¼	1,000			
40				95	95	5,700
41						
42						

	1915 MAY			1916 MAY		
	High	Low	Sales	High	Low	Sales
1						
2	100	99½	$20,500			
3				100	100	$10,000
4	92	92	12,000	96	95	53,400
5						
6	88	88	23,200	102⅜	94½	32,600
7	80	80	1,000	83½	83	76,000
8	90	90	1,000	88	88	12,000
9				89½	88¾	103,600
10	95	95	4,000	95	95	7,000
11	101	100½	52,000	99½	99	20,500
12	87½	85	2.000	87	85	45,100
13				99	97⅞	630,300
14				98	97	6,750
15	100¼	100¼	2,000	97	97	1,000
16	97	97	1,000	97	97	2,750
17						
18						
19				101	101	10,000
20				85	84½	2,700
21				92	92	4,000
22						
23						
24	81¼	81½	1,200	81¼	79	6,700
25	100	100	5,500			
26	85¼	85	500	85	85	8,000
27						
28						
29	103	103	1,000	103	103	5,000
30						
31						
32						
33	80	80	1,000	85	84	3,000
34	76	75	4,000	70	63	82,200
35	50	49½	10,300			
36						
37				100	98½	13,500
38						
39				95½	95	16,200
40	70	70	1,000			
41						
42				1⅛	1⅛	9,397

	1915 JUNE			1916 JUNE		
	High	Low	Sales	High	Low	Sales
1						
2	100	99	$29,000	99	98	$10,500
3						
4	93¾	92⅞	9,800	97½	96¼	18,900
5						
6	88	88	3,000	100	100	4,000
7				83½	83½	11,500
8						
9				90½	89⅜	111,900
10				95½	94	27,500
11	101	100½	18,500	99½	99	13,000
12	87	85¾	16,000	90	87	16.000
13				100	98⅞	1,470,300
14	100	100	500	96	96	2,000
15	100	100	1,000			
16	100	99½	3,000	97	96	12,000
17				96½	96½	2,000
18	100	100	4,000			
19						
20						
21				85	84	2,000
22				93	92	170,000
23						
24						
25	81¼	81¼	1,900	79	75	19,000
26	101	100	32,500			
27	84	84	1,000	90	87½	27,000
28				104	104	8,000
29						
30	103	102½	6,000			
31						
32						
33				87	84	13,500
34	76	76½	3,500	69¼	67	57,500
35	49	49	600			
36						
37						
38	100	100	12,000			
39				97	96	24,800
40				97	96¼	2,500
41						
42				1⅝	1¼	20,110

	1915 JULY			1916 JULY		
	High	Low	Sales	High	Low	Sales
1						
2	98½	97½	$19,500	98½	98	$9,000
3				97¾	97	10,200
4	93½	92¼	20,700	100	97½	52,900
5				81	80	5,000
6	88	88	3,000	100	99¾	7,800
7	78¼	78	4,500	83½	83½	500
8						
9				91	90	94,500
10	95	95	1,000	94	94	2,500
11	100¼	99	14 500	99½	99½	15,500
12	87½	85¾	13,000	90	90	1,000
13				99⅜	97⅝	499,000
14	97	97	1,000	97¼	97¼	2,500
15						
16	100	97	3,000			
17						
18	100	100	500			
19						
20						
21				84	84	1,000
22				92¼	92¼	12,000
23						
24						
25	81¼	81¼	2,700	77	75	23,000
26	100	100	1,000	90	90	3,000
27				90	90	1,600
28				103	103	2,000
29						
30						
31				85	85	300
32						
33				87½	87½	500
34				87½	85	6,500
35	76½	76½	600	71	66	100,200
36	49¼	45	49,200			
37						
38				99	98	1,000
39	99	99	5,000	80	80	1,000
40				96¼	96¼	1,000
41						
42				1⅜	1¼	9,864

	1915 NOVEMBER			1916 NOVEMBER		
	High	Low	Sales	High	Low	Sales
1						
2	96½	96½	$5,000	100¼	100	$8,000
3	100	100	1,000			
4	93	92	11,200	97⅓	97	34,100
5				83	83	1,000
6	88	88	12,000	97	95	3,000
7	79	79	3,000	83	83	5,000
8						
9	85¼	85	15,000	90⅜	90	76,900
10	95	95	8,000	93	93	2,000
11	99⅜	99¼	18,000	99⅜	99	11,500
12	87½	85	13,000	90¾	87⅛	26,000
13				99¼	98½	475,700
14	99⅜	99¾	2,000	97	97	250
15	100	99½	1,500	98	97	1,250
16	99	99	1,000	97	97	5,000
17						
18	100	100	1,000			
19						
20						
21				95	95	6,000
22	96	96	3,000			
23				91½	91½	3,000
24				76	75	22,800
25	81½	81¼	1,800			
26	99¾	99	3,000			
27	84	84	2,500	88	86¼	21,500
28						
29	103	103	2,000			
30				86	86	1,000
31				84½	84½	1,000
32				80	80	5,000
33				85	85	3,000
34	77	76	5,100	72	71	39,000
35	56¾	54	7,200			
36						
37				99⅜	99½	5,000
38						
39						
40	89½	88	2,300	96¼	95¾	1,500
41						
42						

	1915 DECEMBER			1916 DECEMBER		
	High	Low	Sales	High	Low	Sales
1	97	97	$500			
2	97¾	97	11.000	99¾	99¾	$1,000
3						
4	93½	92	30,000	98	97	16,000
5						
6	91	90	18,000	98	96	5,000
7	78	78	3,000	83	83	9,200
8						
9	86¼	85	67,600	92	90⅝	17,500
10				94	93	4,000
11	99⅜	99	11,500	99½	99	9,500
12	85	85	17,000	90¼	87½	28,000
13	98	92½	71,100	99¼	98	251,800
14	98	97	750	97	96	9,250
15	99½	9.)	4,500	98	97	4,250
16	99	97	3,000	98	97	2,000
17						
18	99⅜	99¼	4,500			
19				104½	103½	4,000
20						
21						
22	96	96	5,000	96	96	3,000
23				97	97	13,200
24				95⅝	95⅜	2,000
25	81½	81¼	700	75	75	8,000
26				92	92	1,000
27				89½	89½	1,000
28				103¼	103¼	9,000
29	104	104	1,000	103½	103	27,000
30						
31						
32						
33	78	77	15,400			
34	53	49	19,900	71	66	88,400
35						
36						
37	100	100	4,000	99½	98¾	3,200
38						
39				96	94	1,073
40	90	88	15,165	97	94	9,000
41						
42						

	1913			1914		
	High	Low	Sales	High	Low	Sales
1						
2	101¼	96	$229,000	100	97¾	$16,500
3	106	100	98,800	100	97½	161,500
4	102	95	404,400	106¼	104	40,600
5	88	88	3,000	98	95	338,600
6	96	88	91,000	82	82	2,000
7	83½	78½	131,300	93	88¾	21,800
8	99½	94½	19,800	82⅝	79	78,100
9				98	91	11,600
10	100	96	306,000	100½	98	90,500
11	102¼	100	152,500	101	100	137,500
12	95	83⅞	382,000	91	84	108,000
13						
14	101	98	102,500	101	99	28,000
15	102	98¾	87,250	100½	99¾	85,750
16	100	98	81,750	101	96	36,000
17	100	98½	23,50)	100	100	1,500
18	101	99¾	53,000	100	100	18,500
19	106	101	10,000	105	100	11,000
20	108	104	14,000	105¼	102	7,000
21	88	87½	8,200	88	87	20,900
22	99¾	95	142,000	98¼	96½	56,000
23	100¼	100	369,900	100½	100	39,600
24				100	97	34,500
25	100¼	97	86,000	83¾	75	469,410
26	85	82½	684,373	102	102	3,000
27	91	89	5,100	89½	85½	70,500
28	109	103	25,000	106	103	9,000
29				103	102	17,000
30	106	98	35,000	103	102	14,000
31						
32	92½	85	21,500	90½	84	7,000
33	94	79	92,000	86⅜	85	9,500
34	86	78	50,300	82	78	91,500
35	60	39	723,500	55¼	47	1,126,300
36	96	96	1,000	96	96	5,000
37	98	98	1,000	98	98	19,300
38	100½	96	147,100	101½	98½	78,500
39	97	76½	33,500	75	66	4,500
40	99¼	89½	118,366	93	90	28,400
41	102	97⅞	96,000	102	99½	36,000
42				3	2¼	28,879

	1915			1916		
	High	Low	Sales	High	Low	Sales
1	97	97	$500	88	88	$1,000
2	100	96½	200,000	100½	97	57,500
3	102	100	8,000	100	96¾	52,700
4	94¼	92	149,500	100	92	411,200
5				83	80	7,000
6	91	88	92,700	102½	90	115,900
7	80¼	78	41,900	83½	78	128,200
8	90	90	1,000	94½	88	21,000
9	86¼	85	82.600	92	85	829,700
10	95	95	27 500	95½	93	62,000
11	101	98	179,500	99½	98¾	159.500
12	90	85	184,000	90¾	85	215,100
13	98	92½	71,100	100	97	7,388,600
14	100	97	15,500	98	96	40,250
15	100¼	97	12,250	99½	97	26,250
16	100	97	23.000	98	96	33,000
17	98	98	1,000	97	96½	10,000
18	100	99¼	14,000			
19	103	100	3,000	104½	102	25,000
20	101	101	1,000	101	101	31,000
21	84	84	5,000	83½	81¾	39,600
22	96	95	41,000	96	92	204,000
23	100	100	8,000	97	97	13,200
24	96	96	1,000	95⅝	91¼	20,000
25	81½	81¼	61,000	81½	75	122,700
26	101	99	63,500	95	90	32,500
27	85½	84	11,400	90	84	133,700
28	103	103	6,000	104	103	21,000
29	104	102	6,000	100	100	4,000
30	104	102½	15,000	103½	103	41.000
31	85	85	3,000	86	81	1,500
32				84½	84½	3,000
33	80	80	1,000	87½	80	5,500
34	78	75	37,900	87½	78½	94,500
35	58	45	354,900	72	50	597,400
36						
37						
38	100	97	61,500	101	98	50.800
39				84	80	9,500
40	90	88	37,666	97	89	85,273
41	97½	97¼	1,000	97	94	21,500
42				1⅝	1¼	39,371

LOAN & TRUST COS. QUOTED ON TORONTO STOCK EXCHANGE

	COMPANIES	JANUARY 1915 High	Low	Sales	1916 High	Low	Sales	FEBRUARY 1915 High	Low	Sales	1916 High	Low	Sales	MARCH 1915 High	Low	Sales	1916 High	Low	Sales	
1	Canada Landed & National Invest.				157½	157½	10	162	162	1				162	162	2	157½	157½	34	1
2	" " " " 20% paid																			2
3	Canada Permanent Mort. Corporation				183	183	288	188	188	294	183	183	105	188	188	286	183	183	166	3
4	Central Canada Loan and Savings																			4
5	" " " " 20% paid																			5
6	Colonial Investment & Loan																80	80	30	6
7	Dominion Savings & Investment							78	78	80										7
8	Great West Permanent																140	140	20	8
9	Hamilton Provident and Loan																			9
10	" " 20% paid																			10
11	Huron and Erie Loan and Savings				210	209	17	211	211	53	210	210	55	211	211	12				11
12	" " 20% paid				197	197	3													12
13	Landed Banking and Loan																			13
14	London & Canadian Loan & Agency				132	132	25													14
15	National Trust																			15
16	Ontario Loan & Debenture							223	223	24										16
17	" " " 20% paid				169	169	48													17
18	Real Estate Loan							173	173	34										18
19	Toronto General Trusts																			19
20	" " " New				208	207	81	210	210	49	210	208	139	205	205	20	208	205½	43	20
21	Toronto Mortgage										134	134	38							21
22	Toronto Savings																			22
23	Union Trust Co																			23

	COMPANIES	AUGUST 1915 High	Low	Sales	1916 High	Low	Sales	SEPTEMBER 1915 High	Low	Sales	1916 High	Low	Sales	OCTOBER 1915 High	Low	Sales	1916 High	Low	Sales	
1	Canada Landed & National Invest.	162	162	30	162	162	169	157½	157½	48	163	163	45	157½	157½	10	161	161	30	1
2	" " " " 20% paid							188	183	370	175	172½	504	183	183	882	175	173	93	2
3	Canada Permanent Mort. Corporation	188	188	252	175½	173	204	190	190	6										3
4	Central Canada Loan and Savings										71	71	15							4
5	" " " " 20% paid																71	71	45	5
6	Colonial Investment & Loan	78	78	9				140	140	3	139	138	52							6
7	Dominion Savings & Investment							211	206	66										7
8	Great West Permanent										145	145	14							8
9	Hamilton Provident and Loan	139	139	1										206	205	92	212½	212½	5	9
10	" " 20% paid							223	223	3										10
11	Huron and Erie Loan Savings	211	211	5										134	134	2	134	134	19	11
12	" " " 20% paid													169	169	15				12
13	Landed Banking and Loan																			13
14	London & Canadian Loan Agency	134	131	15																14
15	National Trust	222	223	16																15
16	Ontario Loan & Debenture							205	205	4	210	210	10	205	202½	70	211	210½	14	16
17	" " " 20% paid																135	135	15	17
18	Real Estate Loan																			18
19	Toronto General Trusts	208	205	4																19
20	" " " New																			20
21	Toronto Mortgage	138	138	7																21
22	Toronto Savings																			22
23	Union Trust Co																			23

BONDS QUOTED ON TORONTO STOCK EXCHANGE

	BONDS	1915 JANUARY 1916 High	Low	Sales	High	Low	Sales	1915 FEBRUARY 1916 High	Low	Sales	High	Low	Sales	1915 MARCH 1916 High	Low	Sales	High	Low	Sales	
1	Canada Bread				93½	93	$13,600	93	93	$5,500				93	93	$8,800	93	93	$1,500	1
2	Canadian Locomotive				88	88	1,700	88	88	600	88	88	$1,500				88	88	8,100	2
3	Electrical Development										88½	88½	1,500	90	90	2,000	88	88	1,000	3
4	Porto Rico																			4
5	Quebec Railway, Light and Power										91¾	90¼	2,000							5
6	Rio de Janeiro Tram. Light & Power																93½	92	5,100	6
7	Steel Co. of Canada				92	90	8,500													7

	BONDS	1915 AUGUST 1916 High	Low	Sales	High	Low	Sales	1915 SEPTEMBER 1916 High	Low	Sales	High	Low	Sales	1915 OCTOBER 1916 High	Low	Sales	High	Low	Sales	
1	Canada Bread	93¼	93	$17,800	93½	92¾	$11,600	93	93	$7,800	93¼	93	$2,100	93	93	$18,600	95	93	$13,500	1
2	Canadian Locomotive				95	94	5,000				95	95	3,000				88¼	83	34,000	2
3	Electrical Development				83	83	2,000				83	83	9,500							3
4	Porto Rico																			4
5	Quebec Railway, Light and Power				87⅝	87⅝	5,000				86½	86½	13,000							5
6	Rio de Janeiro Tram. Light & Power				96½	95½	11,400	89½	88	13,100	96½	96⅜	1,500				96½	96	13,000	6
7	Steel Co. of Canada	89	88¾	200										88½	88	8,400				7

PRICES AND SALES, 1916—(WITH COMPARISONS)

	APRIL 1915			APRIL 1916			MAY 1915			MAY 1916		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	162	162	56	157½	157½	37	162	162	36	157½	157½	20
2												
3	188	188	1,325	183	183	230	188	188	522	180	175	1,473
4												
5							78	78	100			
6	78	78	20									
7												
8							140½	140½	100	140	140	16
9							125½	125½	100			
10							211	211	12			
11												
12							147	147	20			
13							136	136	6			
14				134	134	10						
15							173	173	8			
16												
17												
18												
19	210	210	25	208	207	83	208½	208	36	208	208	21
20												
21	138	138	14									
22												
23												

	JUNE 1915			JUNE 1916			JULY 1915			JULY 1916		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1				160	159	12	162	162	4	161	160½	133
2												
3	188	188	187	176½	175	1,215	188	188	165	177½	174¾	677
4												
5												
6							78	78	55	70	70	134
7												
8												
9							140	140	40			
10												
11												
12	211	211	5	214	212	179						
13												
14				144	144	5	147	147	10			
15	134	134	33	133	133	9	134	134	7			
16							223	223	28			
17												
18												
19	210	210	2	208	208	8	208	206	36	210	210	25
20												
21												
22												
23												

	NOVEMBER 1915			NOVEMBER 1916			DECEMBER 1915			DECEMBER 1916		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	158	157½	42				157½	157½	10			
2												
3	183	183	350	172	170	934	183	183	125	171	168⅝	781
4												
5												
6				71	71	87	78	78	553	76	70	160
7	81	81	16									
8												
9							140	140	20			
10							125	125	26			
11	207	205½	42	212	211	119	208½	207	149	212	211½	25
12				40	40	20	197	197	252			
13												
14	131	131	20	135	131½	40	134	132	8			
15				210	210	40						
16				175	175	20						
17												
18												
19	205	205	7	212	212	10	208	207	12			
20												
21										140	140	5
22												
23												

	1913			1914			1915			1916		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	170	152	731	170	155	368	162	157½	239	163	157½	490
2												
3	199	180	21,220	192½	183¾	13,456	188	183	4,758	183	168⅝	6,670
4	195	190	14				190	190	6			
5												
6	86	79	3,698	83	78	2,019	78	78	817	76	70	441
7	79	76½	19	80	77	59	81	81	16	80	80	30
8	130¼	128½	25	128	128	24						
9	137	132	31	140	137	87	140½	139	164	140	138	88
10	120	120	17	120	120	13	125½	125	126			
11	219	209	633	212	212	413	211	205	436	214	209	400
12	210	200	703				197	197	252	197	40	23
13	139	130	126	146	143	36	147	147	30	145	144	19
14	123	113½	1,085	140	125	320	136	131	91	135	132	103
15	225	220	202	230	225	35	223	223	71	210	210	40
16	172	166½	236	173	173	70	173	169	23	175	169	68
17							173	173	34			
18	107¼	100	13	103	102	29						
19	200	183	487	204	189	478	210	202½	348	212	205½	434
20	183	183	7									
21	155	134	210	140	137	205	138	138	21	140	134	58
22												
23	178	178	10									

PRICES AND SALES—1916 (With Comparisons)

	1915 APRIL 1916						1915 MAY 1916					
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	93	93	$6,800	93½	93	$3,800	93	93	$8,900	93	92½	$10,500
2							90	90	3,200	88¾	88½	13,700
3				88	88	1,000						
4				85	85	2,500						
5										84½	84½	100
6										95½	94½	11,000
7				94	93½	5,200						

	1915 JUNE 1916						1915 JULY 1916					
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	93	93	$5,800	93½	93½	$2,400	93	93	$5,000	93	92¾	$2,000
2				90	89	1,500				94	94	3,500
3	88	88	3,500				88	88	500	85	85	1,000
4												
5				68¾	68¾	3,000						
6										87½	87½	500
7				96	95	24,000				96½	96	19,000

	1915 NOVEMBER 1916						1915 DECEMBER 1916					
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	93	93	$2,700	95½	94⅞	$5,100	93	93	$2,000	95	93	$4,900
2				96	95	8,500				95	95	2,000
3	88	88	500	91¾	91	9,500				92½	92	20,500
4												
5										86½	86	12,100
6				86½	86½	1,000				97	96¾	7,500
7	89¾	88	18,200	96⅝	96½	10,200	89¾	89½	7,100			

	1913			1914			1915			1916		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	94	87½	$258,200	97	92	$334,700	93¼	93	$89,700	95½	92⅝	$71,000
2	100	94½	93,700	98	91	5,300	90	88	3,800	96	88	48,500
3	94	86	191,500	93	90	33,500	88	88	4,500	92½	83	80,000
4	90⅝	79	19,500	85	85	1,000	90	90	2,000	85	85	2,500
5	44¾	44¾	2,000	51	50⅝	2,500				68¾	68¾	3,000
6	100	95	177,500	97	94⅝	95,000				87⅝	84½	31,700
7	100	90	72,000	93	81	42,500	89¾	88	47,000	97	90	118,500

BANKS QUOTED ON MONTREAL STOCK EXCHANGE PRICES AND SALES—1916 (WITH COMPARISONS)

BANKS	JANUARY 1915 High	Low	Sales	JANUARY 1916 High	Low	Sales	FEBRUARY 1915 High	Low	Sales	FEBRUARY 1916 High	Low	Sales	MARCH 1915 High	Low	Sales	MARCH 1916 High	Low	Sales
1 British North America							145	145	8				145	145	8			
2 Commerce							203	203	27	203	203	10	203	203	19	203	203	1
3 Dominion										227	227	2						
4 Hamilton																		
5 Hochelaga				149	149	16	149	149	8	149	149	16	149	149	15			
6 Imperial																		
7 Merchants	180	180	12	180	180	3	180	180	21	180	180	11	180	180	43	180	180	14
8 Molsons	201	201	1							201	201	1	201	201	28	201	201	10
9 Montreal	234	234	41	235	234	402	234	234	106	234	234	125	234	234	165	234	234	98
10 Nationale																		
11 Nova Scotia				261	261	12	261	261	15	261	261	14	261	261	11	261	261	7
12 Ottawa				207	207	10	207	207	5									
13 Quebec	119	119	4	119	119	10	119	119	14				119	119	7			
14 Royal				222¼	221¼	255	21¼	221¼	30	221¼	221¼	13				221¼	221¼	22
15 Standard																		
16 Toronto																		
17 Union	140	140	15	140	140	16	140	140	55	140	140	5	140	140	40			

BANKS	APRIL 1915 High	Low	Sales	APRIL 1916 High	Low	Sales	MAY 1915 High	Low	Sales	MAY 1916 High	Low	Sales	JUNE 1915 High	Low	Sales	JUNE 1916 High	Low	Sales	JULY 1915 High	Low	Sales	JULY 1916 High	Low	Sales
1							145	145	28				145	145	22				145	145	3	110¾	110¾	1
2	203	203	5				203	203	8	203	203	3	203	203	6	190½	190	7	203	203	11	190	187	114
3																								
4																								
5	149	149	69				149	149	3							146¾	146¾	2						
6																			149	149	6	148	145	68
7	180	180	13	180	180	10	180	180	13	180	180	30	180	180	150	179½	175	6						
8	201	201	47				201	201	18				201	201	4	195	195	14	180	180	6	179	175	79
9	240	234	270	234	234	176	239	234	206	234	230½	75	239	234	53	230½	230	90	201	201	4	195	194	16
10																			237	234	122	230½	228½	204
11	261	161	15				261	261	76				261	261	68	261	261	2						
12	207	207	13				207	207	17										261	261	3	257½	257½	52
13	119	119	37	119	119	2	119	119	3				119	119	31									
14	221¾	221¼	93	222¾	222¾	7	221¼	221¼	186	221¼	218¼	116	221¾	221¾	7	218¼	215	46	221¼	321¼	1	115	114	2
15																						216	214	30
16							211	211	2				211	211	1									
17	140	140	32				140	140	130	140	140	12							140	140	15	135	133¾	91

BANKS	AUGUST 1915 High	Low	Sales	AUGUST 1916 High	Low	Sales	SEPTEMBER 1915 High	Low	Sales	SEPTEMBER 1916 High	Low	Sales	OCTOBER 1915 High	Low	Sales	OCTOBER 1916 High	Low	Sales
1 British North America				188	186	255				110	110	35						
2 Commerce										187	186	168				110	110	5
3 Dominion																186	183	192
4 Hamilton																		
5 Hochelaga				147	145	60												
6 Imperial										145¼	145	87	149	149	20	148	145	40
7 Merchants	180	180	5	175	174	58	180	180	67									
8 Molsons	201	201	1	194	194	1				174	173	20	180	180	9	170	166	444
9 Montreal	235	234	108	227	224½	84	234	234	139	192	192	10				190	188	12
10 Nationale	132¾	132¾	1							226½	221	48	234	234	329	225	219	187
11 Nova Scotia				259	257½	187												
12 Ottawa	207	207	1							259	256	201						
13 Quebec	119	119	2	107½	107½	5	119	119	4	203	203	5				256	254	57
14 Royal	221¼	221¼	13	214	210	79	221¼	221¼	4	106	101	183				200½	200½	6
15 Standard										212½	210	74	221¼	221¼	5	106	106	2
16 Toronto	211	211	1	197½	197½	8										212	210	252
17 Union	140	140	11	133½	132	61												
										134	133	114	140	140	5	135	134	180

	NOVEMBER 1915 High	Low	Sales	NOVEMBER 1916 High	Low	Sales	DECEMBER 1915 High	Low	Sales	DECEMBER 1916 High	Low	Sales	1913 High	Low	Sales	1914 High	Low	Sales	1915 High	Low	Sales	1916 High	Low	Sales
1				112	111	4							157	145	123	150	145	9	145	145	69	112	110	45
2	203	203	8	185	180	194	203	203	3	186	185	151	224	200	6,681	218	200½	4,497	203	203	87	203	180	1,095
3													236¾	214	91	231⅜	226⅝	44				227	227	2
4	201	201	10										209¾	209¾	5	204¾	202½	27	201	201	10			
5	149	149	22	147¼	146½	46				145	145	20	170	150	1,197	155	148	1,891	149	149	143	149	145	355
6													217	211	48	216	212	26						
7	180	180	12	171	170	270				170	168	58	201	180¾	1,957	193	177	1,201	180	180	351	180	166	1,003
8	201	201	5	186½	185	22	201	201	7	184	182	53	203	185	1,971	205	194	633	201	201	115	201	182	139
9	234	234	333	222	221	60	234	234	273	233	226	126	246	224	3,408	250	227½	1,781	240	234	2,145	235	219	1,675
10										134	134	2	140	131	77	133¾	132¾	76	132¾	132¾	1	134	134	2
11	261	261	5	256½	255	31	261	261	1	257	256	87	266	251	2,987	265	257	1,455	261	261	194	261	254	650
12				202	202	10							210½	202	122	206½	203	20	207	207	36	207	200½	31
13	119	119	10							96	96	4	133	119	931	122	118	437	119	119	112	119	96	208
14				213	211¼	204	221½	221½	1	212	211	161	228	213	3,938	228	219	1,890	221¼	221¼	340	222¼	210	1,259
15																219	218½	2						
16										190	190	3	211	203⅞	233	212	203	118	211	211	4	197½	190	11
17				138	135	119	140	140	2	137	135	37	154½	136	1,548	147½	137	643	140	140	305	140	132	635

DOMINION DEBENTURE STOCK SOLD LAST YEAR

According to figures supplied to *The Monetary Times* by the finance department, Ottawa, the government sold last year $3,250,000 of Dominion of Canada 5 per cent. debenture stock. This stock was offered to Canadian investors at par in October last, so that the sales noted were made during the last three months of the year. The principal is repayable October 1st, 1919. Holders of this stock have the privilege of surrendering at par and accrued interest, as the equivalent of cash, in payment of any allotment made under any future war loan issue in Canada other than an issue of treasury bills or other like short date security. Proceeds of this stock are for war purposes only.

Since the beginning of the war Canada has advanced credits of $270,000,000 to Great Britain, $220,000,000 being advanced last year. Of the total credits, $250,000,000 have been for the purchase in Canada of shells, fixed ammunition, etc., and $20,000,000 for the purchase of wheat. The latest credit of $50,000,000 was arranged on December 29th, 1916. Full details of previous credits appear on page 78.

McDougall & Cowans

MEMBERS MONTREAL STOCK EXCHANGE

93-95 West Notre Dame Street

STOCK BROKERS

PRIVATE WIRES TO NEW YORK, QUEBEC, OTTAWA, WINNIPEG, VANCOUVER, ST. JOHN AND HALIFAX

QUEBEC BRANCH:
116 Mountain Hill
H. S. Thomson, Manager.

WINNIPEG:
Quebec Bank Bldg., Portage Ave.
J. M. Black, W. W. Winans } Managers.

ST. JOHN:
58 Prince William Street
S. A. Thomas, Manager.

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UNITED STATES OUR MONEY MARKET

Loans of $2,215,850,000 Raised There of Which Canada Has Had $306,000,000

Canada sold the bulk of its securities in the United States last year, where various nations have disposed of about $1,770,000,000 of securities and various interests in that country since the beginning of the war to the end of June last. These figures were compiled by the National City Bank of New York.

The securities sales were made in order to meet the trade balance of about $3,777,000,000 for the two years ended June 30th, 1916, in addition to placing $1,100,000,000 loans in the United States and remitting $403,000,000 gold up to that time. The National City Bank bases its estimate on the fact that there is this discrepancy after all other foreign credits have been reasonably accounted for.

To the United States merchandise trade balance of $3,230,000,000 as of June 30th last, are added silver exports of $47,000,000, and the increase of foreign deposits in United States banks of about $500,000,000 to obtain the total balance of $3,777,000,000 above. Against this are deducted $403,000,000 gold imports, $500,000,000 so-called "invisible" offsets and $1,100,000,000 foreign loans, leaving a balance of $1,774,000,000 which the bank says is the indicated total of all sales of securities and interests in the United States within the two years up to June 30th, the period covered by this estimate. The following table makes this clear:—

United States Trade Balance.

United States trade balance for two years ended June 30th	$3,230,000,000
Silver exports	47,000,000
Increase of foreign deposits	500,000,000
Total trade balance	$3,777,000,000
Net gold imports	403,000,000
Dividends and interest	200,000,000
Remittances abroad	200,000,000
Shipping and insurance	100,000,000
Foreign loans	1,100,000,000
Balance or securities sold	$1,774,000,000

The items of trade balance, silver exports, gold imports and amount of foreign loans are matters of record. The other items are estimates, which the bank has tried to arrive at justly, while admitting a difference of opinion among experts. Thus where it is conservatively estimated that dividend and interest remittances abroad are really $300,000,000, about $100,000,000 is reinvested in the United States, leaving only $200,000,000 as an effective foreign credit. Tourist expenditures abroad are not included in the estimate on the theory that foreigners in the United States are spending about what Americans are abroad.

The United States held unmatured obligations of foreign nations, states, cities, or have advanced commercial credits abroad, to the amount of approximately $2,025,850,000 at the beginning of November. As many private credit arrangements have been made, of which there is no record, the total outstanding indebtedness of foreign countries to the United States may be above this figure.

Great Britain, the banker for the Allies, has been the largest borrower. With her half of the $500,000,000 Anglo-French loan, the total of her indebtedness to the United States is $850,000,000. France is next, with $520,000,000, including $100,000,000 for the latest commercial credit arranged in New York for French companies.

Loans in United States.

The following is a list of foreign loans and credits arranged in the United States since the war started, and are still outstanding. In addition to these, United States investors have gone into foreign markets to take advantage of war prices on some of the internal government issues. In the following table, compiled by the Wall Street Journal, (Canadian figures by *The Monetary Times*), offering bases are given, where known:—

Anglo-French 5-year 5s on 5½% basis	$500,000,000
British 2-year 5% col. loan on 5½% basis	250,000,000
British 3 and 5-year col. loan	300,000,000
French 3-year col. loan on 5¾% basis	100,000,000
French commercial credits	170,000,000
British banks extended loan	50,000,000
Miscellaneous credits	*75,000,000
City of Paris 5-year 6s on 6.30% basis	50,000,000
London Met. Water Board 1-year 6% disc.	6,400,000
Canada: Dominion 5, 10 and 15-year 5s	75,000,000
Dominion 1 and 2-year 5s at 5¼%	45,000,000
Other loans, approximately	186,000,000
Newfoundland 3-year 5s at 5¼%	5,000,000
Argentine: 5-year 6s on 6¼% basis	25,000,000
2 and 3-year 6s on 6¼% basis	10,000,000
Six months notes	6,000,000
1-year 5s on 4.70% basis	18,500,000
1-year discounts 5% to 5½% basis	15,000,000
Russia 3-year loan on 6½% basis	50,000,000
Russia 5-year 5½s on 6¾% basis	50,000,000
Italy 1-year 6s on 6% basis	25,000,000
Switzerland 3 and 5-year 5s on 6% basis	10,000,000
Germany 1-year treasury notes 6% basis	10,000,000
Norway 2 and 3-year 6s on 6% basis	3,000,000
7-year 6s on 5.75% basis	5,000,000
Greece bank credits	7,000,000
Chile bank loan	6,000,000
Sao Paulo, Brazil, 2-11-year 6s	5,500,000
Bogota Colombia	5,000,000
Sweden 2-year 6s on 6% basis	5,000,000
China banking loans	4,000,000
China 3-year 6s on 6% basis	5,000,000
Panama serial 5s	1,200,000
12-year 5s on 5.25% basis	1,250,000
Bolivia bank loan	1,000,000
Bordeaux city, France, 3-year 6s on 6¼% basis.	20,000,000
Lyons city, France, 3-year 6s on 6¼% basis	20,000,000
Marseilles city, France, 3-year 6s on 6¼% basis	20,000,000
Britain and France, 4½% exchange bills	100,000,000
Total	$2,215,850,000

*Estimated. Includes $25,000,000 bank credit in United States for British Grain purchases.

European belligerents have done $1,777,350,000 of this borrowing, Canada $306,000,000, and neutral countries, $132,500,000.

Maturities of European obligations held in the United States were estimated by the federal reserve board of the United States in November as follows:—

1916	$ 30,000,000
1917	103,000,000
1918	260,000,000
1919	300,000,000
1920	500,000,000
1921	200,000,000
1923	5,000,000

Information was lacking regarding the remainder of the total.

DEBTS OF BELLIGERENT NATIONS.

The following are the per capita debts of the belligerent nations, compared:—

	August 1—		
	1917.	1916.	1914.
Great Britain	$422.60	$306.40	$74.50
France	475.00	371.25	162.50
Russia	76.85	60.00	26.25
Italy	140.30	119.50	77.75
Entente nations	$192.45	$147.45	$58.40
Germany	$277.95	$211.00	$76.45
Austria-Hungary	175.50	140.60	70.75
Turkey	44.20	40.00	30.00
Central Allies	$204.55	$158.40	$67.40
Grand total	$196.60	$151.60	$61.35

All of the above figures contrast with a present per capita indebtedness for the people of the United States of $10.82.

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BRITISH COLUMBIA'S MUNICIPAL FINANCES

Improved Position Evident—Last Year's New Undertakings Cost Only $50,000

BY R. BAIRD.

During the past year the municipalities of British Columbia have made good progress in improving their financial condition. The heaviest burden of recent years has been the carrying of large amounts of arrears of taxes, and while no definite figures are yet available, the reports from every part of the province are to the effect that tax collections of 1916 have been reasonably good. This improvement is due to better business activity in the province, and also to better conditions in other parts of Canada. Real estate holdings in British Columbia by owners resident in other parts of the Dominion are large and payments of the taxes on these holdings have been much more satisfactory. It is also noticeable that real estate holdings are gradually passing into firmer hands with good results to the municipal treasury. The effect of tax sales has, in some cases, not been all that might be desired, but these sales have still been the means of securing payment of substantial amounts, and have also had the effect of clearing dead matter from the collectors' rolls.

Assessed Valued of Land.

Of the 63 municipalities of this province, 39 have municipally owned water works systems and 19 have electric light and power systems. The arrival of hard times and a slight decrease in population had its effect upon the earning power of these utilities, but there is now every indication that their earnings are coming back to former records, and that their prospects for the future are good.

The assessed values of land last year were reduced from $486,540,635 to $426,614,633, and of improvements from $196,346,306 to $183,625,838. This substantial reduction is due in part to the reduced selling values of property in general, and due also to a certain extent to the elimination from the assessment rolls of the speculative values in certain areas which have not developed according to expectations. Although this reduction in assessed values is a very substantial one and is spread uniformly over the province yet only in 9 municipalities has it been found necessary to increase the general rate of taxation.

No New Undertakings.

One of the noteworthy features of municipal activity in British Columbia during 1916 has been the fact that the municipalities have initiated almost no new undertakings. Complete figures will not be available for a short time, but it is safe to say that undertakings initiated last year will not amount in all to $50,000. This figure when compared with approximately $23,500,000 in the largest year of expenditure is indicative of the fact that the municipalities have taken their policy of economy very seriously.

Following this policy, it has been necessary vigorously to set about the work of stopping the leaks in municipal administration. A saving in costs of administration has necessarily been effected through the cessation of all capital expenditure, but beyond this substantial sums have been saved by the careful scrutiny of the value received for every dollar of expenditure. There is always the possibility that this policy may be carried too far, and it would almost appear that in one respect municipal councils have approached the danger line, in the reduction of the salaries of valuable municipal officials. A capable permanent official is a distinct asset to a municipality, and his knowledge and experience are a means of avoiding difficulties and of saving substantial sums of money.

The principal object before taxpayers and councils for the past three years has been the placing of the finance of the municipality on a sound basis. In this respect, real progress has been made, and credit is due to the work of the individual members of municipal councils. In many instances in this province, the personnel of the council has been practically unchanged since 1914, and each year has added to the capability of these councils in carrying on a safe and efficient administration.

SHORT TERM FINANCING

Great Britain's Policy—Views Expressed by Canada's Minister of Finance

The great amount of short-term financing arranged during the past year indicates that many authorities favor the theory of cheap money after the war. The British government has financed the war largely by short-term borrowing. This policy was challenged in the House of Commons in August, but the chancellor of the exchequer made a spirited defence, laying stress on the attractiveness of treasury bills to foreign nations now Britain's creditors, and the soundness of Britain's financial position after two years of wealth-consuming war. There is apparently no immediate intention of abandoning the present policy in favor of a long-term loan, as is advocated by the chancellor's critics.

Practice and Theory.

It is significant that while the short-term loan policy of the British treasury finds its critics among a certain section of the banking community, there is a large, and apparently growing, volume of financial opinion, which acknowledges the wisdom of the present official policy. The London Times, in its financial editorial columns, for example, has said:—

"By the continuous short-term loan policy, now pursued, with subscriptions and government disbursements constantly reacting upon one another, the monetary position is kept in more satisfactory control. There are no doubt weak spots in a loan policy, which results in £831,000,000 now being carried on treasury bills, but we do not think that the purists, who criticize it, as essentially unsound finance, make sufficient allowance for the novel conditions now ruling. The practical advantages appear to outweigh any theoretical disadvantages, and there is certainly no immediate prospect of any funding scheme."

During the fall, investors commenced to show in inclination to buy longer dated securities in preference to those maturing in three, four or five years, indicating an expectation of lower money rates after the war and the redemption of short dated securities redeemed by lower interest bonds. Hence, it was thought advantageous to buy high income yielding bonds maturing twenty to forty years.

Sir Thomas White's views on the question, as it relates to Canadian national financing, were expressed in his budget speech of February last, when he said:—

"In considering the question of future loans, it is to be pointed out that while there is considerable money on this continent for short-date investment, the amount obtainable diminishes and the rate of interest increases with length of term. My personal view of the policy to be followed in war finance is that it is preferable to face the higher rate payable on long-term issues rather than to make repeated short-date issues whose maturities may have to be provided for by payment or renewal at times when further funds have to be raised for fresh war expenditures. Moreover, it is not, in my opinion, desirable that in the period immediately succeeding the conclusion of the war the government of the day should be hampered in its financing, in the possibly trying conditions of recuperation and reconstruction, by the necessity of funding numerous issues maturing due at brief intervals."

May Be Costly and Dangerous.

In the annual number of *The Monetary Times*, published in January, 1914, Mr. Edward A. Hoare, one of the directors in London of the Bank of British North America, pointed out some of the dangers of short-time borrowing very popular at that time. He said:—"Nothing speeds the flight of time like the maturity of a bill and to float this form of security in anticipation of providing the necessary funds for payment by the issue of stocks and bonds must always be dangerous. That Canada should have adopted this method of finance at a time when the conditions of the money market proved to be so unfavorable was in one sense unfortunate, but it may well be that the experience gained may prove to be valuable, for it has been demonstrated that a method of finance which is convenient and inexpensive for the British government, the government of India, the Dominion of Canada, and a few of the principal cities of the United Kingdom, may become both costly and dangerous when adopted by others who, excellent as their securities undoubtedly are, have not yet attained to the front rank in international credit."

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City of Ottawa	5%	1944	5%
City of St. John, N.B.	4½%	1933	5⅛%
City of Hull, P.Q.	5½%	1926	5½%
City of Saskatoon	5%	1944	5¾%
City of Lethbridge, Alta.	4½%	1941	6%

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Forty Thousand Investors Hold Canadian Pacific Stocks

Canadian Holders Now Total 6,531, a Gain of 161 Per Cent. in Five Years—United States Acquired More Shares Last Year—Statement Furnished to The Monetary Times by Baron Shaughnessy.

Canadian Pacific Railway.

	January, 1911.	June, 1913.	August, 1915.	October, 1916.
Total number of common stockholders—				
In all countries	24,000	27,000	40,468	40,287
In Canada	2,500	3,400	5,138	6,531
Percentage of common stockholders in—				
Great Britain	65%	60%	62.88%	49.25%
Canada	10.41%	12.58%	13.64%	15.13%
United States	9.59%	10.42%	10.39%	22.13%
Germany	10%	10%	5.33%	5.34%
France	5%	5%	5.63%	5.82%
Other countries	....	2%	2.13%	2.33%

How the common stock of the Canadian Pacific Railway is held has always been an interesting study. During the past few years there has been considerable change in the grouping of the holdings. Baron Shaughnessy, president of the railroad company, has on various occasions furnished *The Monetary Times* with figures showing in what countries the stock is held and to what extent. Lord Shaughnessy has kindly given *The Monetary Times* an analysis of the shareholders' list as it stood on October 1st, 1916. This is compared with previous analyses in the above table.

It must be borne in mind, in analysing the figures that the capital stock of the Canadian Pacific Railway has been increased several times during the period under review as follows: In November, 1909, when $30,000,000 of additional stock was allotted at 125, the amount of stock outstanding was $180,000,000. That would be the amount of stock held by the 24,000 shareholders in January, 1911. A further block of $18,000,000 was allotted in January, 1912, at 150; $2,000,000 was sold during 1912 at a premium of $2,860,831.80; and $60,000,000 was allotted at 175 in January, 1913. In June, 1913, August, 1915, and at the present time, therefore, the full $260,000,000 of stock has been issued.

In a little more than four years the number of shareholders had increased 24,468, or over 51 per cent. Last year there was a small decrease in the number. In the past few years, a remarkable change has occurred in the number of holders. Whereas three years ago there were 27,000 holders of the common stock, there were in 1915 40,468, an increase of 13,468, or 49 per cent. Last year, the number dropped to 40,287, but still a good record. These figures seem to indicate that the so-called small investor has been in the market during the past three years getting Canadian Pacific Railway stock, the large holdings having been sold to some extent and picked up by small investors. The increase in the number of holders was probably made to a large degree during the latter part of 1915, by those who had faith in the strength of the company and the maintenance of the 10 per cent. dividend. This faith was rewarded. The number of Canadian holders has increased over 161 per cent. in the last four years, and now stands at 6,531. This is an excellent showing for a country which has done more borrowing than investing.

The number of holders in Great Britain in 1915 was larger than two years previously, but smaller than in 1911. Great Britain probably sold to the United States last year. The French and German holdings have dropped considerably. The volume of shares held by United States investors is not very large, only 10.39 per cent. in 1915, a record which was beaten by Canada, which then held 13.64 per cent. of the total. The United States total has been increased most likely by purchases last year from Great Britain.

The figures in regard to Germany are of unusual interest. In January, 1911, and June, 1913, German holdings were 10 per cent. This figure has been reduced now to 5.34 per cent.

AUTOMOBILES IN CANADA

In Operation There Are 115,597, of which Ontario Accounts for Nearly Half—The Prices Paid

BY PERCY C. CHERRY.

From the manufacturing or production viewpoint the automobile has great bearing on the trade and commerce of any country. The automobile serves to a certain degree as a barometer to conditions because it is a product which is purchased and used to a large extent by individuals and requires a considerable amount of money, varying from $300 or $400 to $8,000 or $10,000 per car to purchase. Most of the figures that are published from time to time emanate directly from the manufacturer. A few particulars from sources outside of manufacturing spheres will prove interesting.

During 1916, there were in Ontario 18,605 new cars purchased up to December 1st, including all makes. Of this quantity, Toronto took 3,243. The figures are not available for the other provinces, except Saskatchewan, which registered 2,845 new cars.

The total registration in Canada during 1916, up to about November 1st, amounts to approximately 115,597 cars. Of this total, Ontario registered nearly half, with a quantity of 52,359.

The comparison of registrations for 1915 and 1916 is as follows:—

	1915.	1916.
Alberta	5,308	8,094
British Columbia	5,806	7,243
Manitoba	8,092	11,727
New Brunswick	1,997	2,866
Nova Scotia	2,671	4,510
Ontario	37,306	52,359
Quebec	10,297	15,047
Saskatchewan	10,235	13,751
	81,712	115,597

In Ontario, we find the total registrations for 1915, 37,306 the total registrations for 1916 up to December 1st, 52,914, and the number of new cars registered in Ontario up to December 1st as 18,605, showing a wastage of the total of the 1915 registrations plus the 1916 new cars less the 1916 registrations, namely 2,997.

In Ontario, the number of automobiles purchased in 1916 at less than $1,500 is over 14,000, making the number of automobiles registered purchased at over $1,500 in the neighborhood of 4,000. This will show that, while the cheaper

(Continued on page 144.)

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BRITISH CONSOLS RECORD

High and Low Prices — Figures Since Removal of Minimum

British Consols have been the centre of interesting events since the outbreak of war. Last year the highest price was 61¾, made in June, and the lowest 56⅞ in May.

In 1914, the price of Consols declined on July 30th to 69, the lowest figure since 1821, when a sale was made at 68¾. The highest price in 1915 was 68⅝, and the lowest 57, reached in November after the minimum price fixed by the London Stock Exchange committee, was removed. British Consols (2½ per cent. consolidated stock) are redeemable only by purchase in the open market.

Converted to War Loan.

When the big British war loan was issued in July an opportunity was given to the holders of Consols to convert their holdings into the new war loan. Consols then stood at the minimum price of 66⅔, fixed by the London Stock Exchange committee. The government said to the holder of Consols, "If you apply for £100 of the new loan we will allow you to convert £75 worth of Consols into £50 of the new war loan." The government thus made Consols exchangeable at a price of 66⅔. The holder had the advantage of being able to apply to the new war loan and the government relieved the holder of a security which he would inevitably have had to write down and which would probably be almost unsaleable. The government gave him instead a highly marketable security. Consol holders who wished to convert had to buy £100 of the new loan, in order to secure the option of exchanging £75 of Consol stock for £50 of the new loan.

Towards the end of June, 1915, the London Stock Exchange committee, at the instance of the British treasury, lowered the minimum price of Consols from 66⅔ to 65.

High and Low Prices.

The following are the details at the highest and lowest prices of Consols each year and the dates when such prices were ruling. Three per cents. were created first about 1720. In 1737 the price touched 107. During the 1745 Rebellion the monthly average price dropped to 75. In 1752 the quotation reached over 107, that being the average of December. Other monthly averages were: 1762, January, 65; 1763, March, 96; 1782, January, 53⅜.

	Highest—		Lowest.			Highest—		Lowest.	
1790	81	Apl.	70½	May	1853	101	Apl.	90¾	Oct.
1791	89¼	Sept.	75¾	Mar.	1854	95¾	Sept.	85¼	Mar.
1792	97	Mar.	72½	Dec.	1855	93¾	Mar.	86¼	Oct.
1793	81	Apl.	70½	Feb.	1856	95¾	July	85¾	Jan.
1794	72¾	Jan.	62¾	Dec.	1857	94¾	Jan.	86½	Oct.
1795	70½	Dec.	61	Jan.	1858	98½	Oct.	93¾	Jan.
1796	70¾	Jan.	53¼	Dec.	1859	97½	Dec.	88¼	Apl.
1797	56¾	Jan.	47½	June	1860	95¾	Jan.	92½	Oct.
1798	58	Nov.	47¼	Aug.	1861	94¾	Nov.	89	July
1799	69	Sept.	52¼	Feb.	1862	94¾	July	90¼	Jan.
1800	67¾	Sept.	60	Jan.	1863	94	May	90	Dec.
1801	70	Oct.	54¼	Jan.	1864	92	May	87	Sept.
1802	79	Apl.	66	Jan.	1865	91½	June	86¾	Dec.
1803	73	May	50¾	July	1866	90½	Dec.	84	May
1804	59	Dec.	53¾	Jan.	1867	96¼	June	89¾	Apl
1805	62	Jan.	57	Apl.	1868	96	May	91¾	Jan.
1806	64½	Aug.	58½	Dec.	1869	94½	June	91¾	May
1807	64¾	Nov.	57½	Jan.	1870	94½	May	88½	Aug.
1808	60¾	June	62½	Jan.	1871	93¾	July	91	Dec.
1809	70½	Nov.	63½	Jan.	1872	93¾	May	91¼	Dec.
1810	71	May	62¾	Sept.	1873	94¾	May	91¾	Dec.
1811	66¾	Jan.	61¾	July	1874	93⅝	May	91¼	Dec.
1812	63	Jan.	55¼	July	1875	95⅝	Nov.	91⅞	Jan.
1813	67½	Dec.	54½	July	1876	97½	July	93⅜	Dec.
1814	72½	July	61½	Mar.	1877	97¼	Nov.	93	May
1815	65¾	Jan.	55¾	June	1878	98	Jan.	93⅝	Oct.
1816	64½	May	59½	Jan.	1879	99⅝	Apl.	94¾	Jan.
1817	84¼	Dec.	62	Jan.	1880	100⅝	Nov.	97¼	Sept.
1818	82	Apl.	73	Aug.	1881	103	May	98¼	Jan.
1819	79	June	64¾	May	1882	102½	May	99	Jan.
1820	70¾	June	65½	Sept.	1883	102¾	Feb.	99⅜	July
1821	78¾	Oct.	68¾	Jan.	1884	102¾	Apl.	98⅞	Dec.
1822	83	Oct.	75½	Nov.	1885	101½	May	94⅜	Apl.
1823	85¾	Dec.	72	Mar.	1886	102⅜	Nov.	99⅜	Jan.
1824	97	Apl.	84¾	Jan.	1887	103¾	May	99⅞	Feb.
1825	94¾	Jan.	75	Dec.	1888	102	Mar.	95½	Dec.
1826	84½	Nov.	74	Feb.	1889	99¼	Jan.	96½	Sept.
1827	89½	Aug.	76¾	Jan.	1890	98¾	May	93¾	Nov.
1828	88¼	Sept.	81	Jan.	1891	97½	Jan.	94¼	June
1829	94¼	Dec.	85½	Jan.	1892	98¼	Dec.	95¼	Jan.
1830	94¼	Jan.	77½	Nov.	1893	99⅝	June	97	Sept.
1831	84¾	May	74¾	Mar.	1894	103⅝	Dec.	98⅜	Jan.
1832	86¾	June	81½	Jan.	1895	108⅛	Sept.	103½	Jan.
1833	91¼	June	84¼	Jan.	1896	114	July	105⅛	Jan.
1834	93	May	87¼	Jan.	1897	113⅞	May	110⅝	Mar.

	Highest—		Lowest.			Highest—		Lowest.	
1835	92¾	Apl.	89¾	Aug.	1898	113⅛	Jan.	106¾	Oct.
1836	92¼	Jan.	86½	Dec.	1899	111½	Jan.	97¾	Dec.
1837	94	Dec.	88	Jan.	1900	103¾	June	96¾	Dec.
1838	95¼	May	90½	Jan.	1901	97⅞	Feb.	91	July
1839	94	May	89¼	Sept.	1902	97⅞	June	92⅛	Dec.
1840	93	June	85¾	Oct.			2½ Per Cents.		
1841	90½	Apl.	87¼	Oct.	1903	92 9/16	Apl.	86⅞	Sept.
1842	100¾	Jan.	92	Dec.	1904	91¼	June	84½	Nov.
1843	97	Mar.	92	June	1905	91 15/16	Mar.	87½	June
1844	101¾	Dec.	96½	Jan.	1906	91¾	Apl.	85 9/16	Oct.
1845	100¾	Jan.	92	Dec.	1907	87 9/16	Jan.	80¾	Aug.
1846	97¾	Feb.	93¾	Dec.	1908	88½	June	83¼	Dec.
1847	94	Jan.	78¾	Oct.	1909	86	Apl.	82 1/16	Oct.
1848	90	Feb.	80	Apl.	1910	83¾	Jan.	78⅛	Dec.
1849	98	Dec.	88¾	Jan.	1911	82⅜	Apl.	79⅛	Jan.
1850	98½	Dec.	94½	Feb.	1912	79 1/16	Feb.	73	Oct.
1851	90	Nov.	95½	Sept.	1913	75⅝	Jan.	71 1/16	Dec.
1852	102	June	95¾	Jan.	1914	77½	Feb.	69	July
					1915	68⅝	Mar.	57	Nov.
					1916	61¾	June	56⅞	May

PRICE OF SILVER

Record of London Prices for the Past Four Years

The following is a record of the price of silver per ounce in London, England, for the past four years, the dates being, each year, approximately those given in the first column:—

Week Ended:—	1913, Pence.	1914, Pence.	1915, Pence.	1916, Pence.
Jan. 1	29	26 7-16	22 5-8	26 11-10
" 8	29 3-8	26 5-8	22 13-16	26 11-16
" 15	29 1-16	26 1-2	22 13-16	27 1-16
" 22	28 7-8	26 7-16	22 5-8	27 3-16
" 29	28 15-16	26 9-16	22 5-8	27
Feb. 5	28 11-16	26 1-2	22 5-8	27 1-8
" 12	28 7-16	26 5-8	22 5-8	26 15-16
" 19	28 1-2	26 9-16	22 7-8	26 7-8
" 26	27 13-16	26 9-16	23	27
Mar. 4	27 7-16	26 7-8	23 1-8	27
" 11	26 5-8	26 13-16	24 15-16	27
" 18	26 3-16	26 3-4	23 5-8	27 3-16
" 25	26 1-16	26 3-4	23 13-16	28 5-8
April 1	26 1-2	26 15-16	23 9-16	29
" 9	27 3-16	26 15-16	23 5-8	29 11-16
" 15	27 1-4	26 13-16	23 9-16	30 3-8
" 22	27 11-16	26 15-16	23 13-16	32*
" 29	27 15-16	27 3-16	23 7-8	35 1-8
May 6	27 11-16	27 1-8	23 9-16	36 15-16
" 13	28 1-8	26 15-16	23 5-8	36 15-16
" 20	27 13-16	26 7-16	23 9-16	36
" 28	27 3-4	26 3-16	23 7-16	34 1-16
June 3	27 5-8	25 13-16	23 5-16	31
" 10	27 1-2	26 1-8	23 5-16	30 1-4
" 17	27 1-4	25 15-16	23 5-16	30 1-2
" 24	26 5-8	25 15-16	23 3-16	31 9-16
July 1	26 13-16	26 1-8	23 1-16	31
" 8	26 13-16	25 7-8	22 9-16	29 5-8
" 15	27	25 1-4	22 9-16	29 9-16
" 22	27 1-8	24 5-8	22 7-16	30 3-16
" 29	27 1-2	24	22 5-16	30 1-4
Aug. 6	27 1-4	26	22 7-16	31 1-2
" 12	27 5-16	26 5-8	23 1-6	31 11-16
" 19	27 1-4	26 1-2	22 7-8	31 5-16
" 26	27 7-16	25	22 15-16	31 1-2
Sept. 2	27 9-16	24	23 5-16	32 1-4
" 9	27 9-16	24 15-16	23 11-16	32 9-16
" 16	27 13-16	24 1-4	23 7-16	32 1-2
" 23	28 9-16	24 1-4	23 5-8	32 3-4
" 30	28 15-16	24	23 3-4	32 7-8
Oct. 7	28 1-4	24	23 15-16	32 1-2
" 14	28 5-16	23 1-2	23 7-8	32 1-2
" 21	28 1-4	22 13-16	23 7-8	32 3-8
" 28	27 5-8	22 3-8	24 1-16	32 1-4
Nov. 4	27 9-16	22 11-16	24 7-16	32 3-4
" 11	27 11-16	22 5-8	24 7-16	34 1-16
" 18	27 3-8	22 15-16	24 13-16	34 1-8
" 25	27 1-16	23	26 1-4	35 3-16
Dec. 2	26 1-2	23 1-16	26 11-16	36
" 9	26 15-16	23	26 7-8	36
" 16	26 5-8	22 15-16	25 15-16	37
" 23	26 5-8	22 3-8	25 13-16	....
" 27	26 5-8	22 11-16	25 7-8	....

*April 25th.

Government of the Province of Manitoba

BALANCE SHEET, NOVEMBER 30, 1915

CAPITAL ASSETS.

DOMINION OF CANADA.		
Capital Account—Settlement under Cap. 32, Geo. V., 1912		$ 7,631,683.85
School Land Sales Fund—Cash retained at Ottawa		3,826,338.96
		$11,458,022.81
PROPERTY ASSETS—Book Values.		
Provincial Buildings, Furnishings and Grounds (Schedule appended)	$11,171,443.74	
Telephone System (Balance Sheet appended)	10,772,557.41	
Grain Elevator System (see Balance Sheet appended)	1,168,565.35	
Emerson Bridge	41,256.34	
Expenditure on Good Roads	324,658.02	
Court House at The Pas—Site	5,942.76	23,484,423.62
CAPITAL EXPENDITURE BY DRAINAGE AND JUDICIAL DISTRICTS, ETC.		
Par value of Securities issued or guaranteed by the Province of Manitoba which will be repaid by Sinking Fund Instalments (see contra)*	$5,727,962.32	
Less—Balance thereof unexpended	418,347.32	
	$5,309,615.00	
Canadian Northern Railway Bond—Par value of Provincial Debentures issued for the Construction of the Minnesota Section (see contra)*	349,000.00	5,658,615.00
INVESTMENT FOR REDEMPTION OF MANITOBA GOVERNMENT STOCK.		
Cash and Debentures held in England	$284,933.79	
Cash on Hand	1,000.00	
Municipality of Strathcona—Debentures	4,000.00	289,933.79
INVESTMENT OF SPECIAL FUNDS—(see contra).		
Cash on Hand	$789,477.63	
Current Account—Due from Revenue	17,153.05	806,630.68
AMOUNTS AVAILABLE FOR SPECIFIC CAPITAL OUTLAY, EXCLUSIVE OF PROVINCIAL BUILDINGS AND GROUNDS.		
CASH ON HAND—		
Good Roads	$648,675.31	
Judicial Districts	250,000.00	
Drainage Districts	168,718.22	
Telephones	298,598.57	
Grain Elevators	27,470.82	
Court House at The Pas	44,057.24	
Total Cash	$1,437,520.16	
Less—		
Current Account—Due to Revenue	24,705.06	1,412,815.10
CURRENT ACCOUNT—(Liabilities unpaid by late Administration).		
Provincial Debentures sold at par to liquidate Old Liabilities	$1,000,000.00	
Deduct—		
Amounts Advanced by Revenue for Expenditure on Public Buildings, etc., from Dec. 1, 1912, to May 15, 1915	537,977.18	462,022.82
		$43,572,463.82

CURRENT ASSETS.

CASH ON HAND		$ 962,334.77
OTHER ACCOUNTS.		
Balance Due from Drainage Districts for Interest paid out	$ 90,836.55	
Revenue Earned—Not yet Collected	123,817.57	
Balance Due on Seed Grain Loans, 1915	8,134.87	
Advance to Public Utilities Commissioner	3,500.00	
Advance to Protect Estates of Insane Persons	2,791.45	
Supplies on Hand	66,293.44	
Cash in Hand of Clerk of Contingencies	15,000.00	
Deposit with King's Printer	2,500.00	
Expenses Paid in Advance	22,564.23	335,438.11
CURRENT ACCOUNT.		
Due from Trust	$6,166.84	
Due from Capital	7,552.01	13,718.85
ADVANCES MADE TO CAPITAL ACCOUNT FOR EXPENDITURE ON PROVINCIAL BUILDINGS AND GROUNDS From May 16, 1915, to date		162,853.67
ADVANCES ON ACCOUNT OF INVESTIGATIONS OF PUBLIC BUILDINGS, REGARDED AS A DEFERRED ASSET (see below)		111,289.41
		$1,585,634.81

CAPITAL LIABILITIES.

STOCKS AND BONDS— (see Schedule appended)	Invested in Provincial Property: Revenue Producing	Invested in Provincial Property: Non-Revenue Producing	Advanced to and repayable by Drainage and Judicial Districts	Together
Manitoba Govt. Stock	$6,975,666.66	$1,946,666.67	$2,344,000.00	$11,266,333.33
Provincial Debentures	5,095,044.67	8,041,933.32	1,845,108.66	14,982,086.65
Drainage Debentures	.....	10,000.00	1,887,853.66	1,897,853.66
Municipal Telephone Debentures assumed by Province	177,000.00	.....	.....	177,000.00
	$12,247,711.33	$9,998,599.99	*$6,076,962.32	$28,323,273.64
SPECIAL FUNDS—(see contra).				
Sinking Funds derived from Drainage and Judicial Districts			$461,011.61	
Other Funds derived from Consolidated Revenue:				
Telephone Replacement Trust			326,160.82	
Elevators Replacement Trust			19,458.25	$ 806,630.68
BANK OVERDRAFT: Incurred in respect of New Parliament Buildings				231,291.12
ADVANCES RECEIVED FROM REVENUE FOR PROVINCIAL BUILDINGS AND GROUNDS From May 16, 1915, to date				162,853.67
CAPITAL SURPLUS: Being Excess of Capital Assets over Capital Liabilities				14,048,414.71

Note.—In addition to the above Liabilities, the Province has guaranteed the Principal and Interest on Securities as follows:—

Canadian Northern Railway Securities	$25,502,873.33
Municipal Debentures, et al	1,418,000.00
(see Schedule appended)	$26,920,873.33

The Province has also guaranteed the Interest only on Municipal Debentures of a total par value of $99,500.00, and has guaranteed the rentals payable to the Northern Pacific Railway Company, in respect of certain Railways in Manitoba leased.

$43,572,463.82

CURRENT LIABILITIES.

ACCOUNTS PAYABLE.		
School Grants	$157,250.00	
Other Accounts	57,439.42	
Interest Accrued	237,411.84	
Sales of Shares Act	302.85	$452,404.11
REVENUE RECEIVED IN ADVANCE. Dominion Government Subsidy, Liquor and Automobile Licenses, Taxes, etc., received in advance		266,545.19
DRAINAGE DISTRICTS, Interest received in advance		51,443.07
REVENUE SURPLUS. Being Excess of Current Assets over Current Liabilities		353,219.62
Surplus as at November 30, 1914	$594,700.96	
Deduct—		
Excess of Current Expenses over Revenue from December 1, 1914, to May 15, 1915	$448,718.98	
Less—		
Excess of Revenue over Current Expenses from May 16, 1915, to November 30, 1915	275,570.46	
Excess of Current Expenses over Revenue for the year ending November 30, 1915	173,148.52	
Amount deposited during the year for Redemption of Manitoba Government Stock	68,332.82	241,481.34
As above		$353,219.62
CURRENT ACCOUNT— (Liabilities unpaid by late Administration). Provincial Debentures sold at par to liquidate Old Liabilities	$1,000,000.00	
Deduct—		
Amounts advanced by Revenue for Expenditure on Public Buildings, etc., from Dec. 1, 1912, to May 15, 1915	537,977.18	462,022.82
		$1,585,634.81

(Continued on page 144.)

Government of the Province of Manitoba—(Continued from page 143.)

DEFERRED ASSETS

School Lands.			
(a) Deferred Payments collectable by the Dominion Government			$ 2,431,960.67
(b) Interest thereon—Not obtainable.			? ? ?
(c) Lands Unsold—(area estimated at Ottawa)—			
Old Province	1,393,997 acres at $5.00	$6,969,985.00	
Added Territory	6,110,293 " 1.00	6,110,293.00	
	7,504,290	$13,080,278.00	13,080,278.00
			$15,512,238.67
as valued by Mr. L. J. Howe, Deputy Provincial Lands Commissioner.			
Provincial Lands.			
(a) Deferred Payments, collectable by the Province		$2,119,054.46	
(b) Interest thereon		236,783.10	
(c) Lands Unsold—			
32,397.43 acres Swamp Lands,			
17,976.71 acres M. and N.W. Lands.			
50,374.14 acres, at $6.50, as valued by Mr. L. J. Howe, Deputy Provincial Lands Commissioner		327,431.91	
			2,683,269.47
Succession Duties and Interest Thereon.			
As estimated by Mr. W. J. Ptolemy, Deputy Provincial Treasurer			443,679.88
Accounts Receivable.			
Special Survey Accounts		$10,552.88	
Well Boring Accounts		18,219.42	
			28,772.30
Cost to Date of Investigations of Public Buildings			111,289.41
			$18,779,249.73

DEFERRED LIABILITIES

Deferred Surplus	
Advanced out of Revenue on Account of Investigation of Public Buildings	$18,667,960.32
	111,289.41
	$18,779,249.73

COMBINED SURPLUS NOVEMBER 30th, 1915

Capital Surplus	$14,048,414.71
Revenue Surplus	353,219.62
Deferred Surplus	18,667,960.32
Total Combined Surplus	$33,069,594.65

J. G. STEELE,
Comptroller-General.

Note.—Attention is drawn to the fact that this Government Statement is on the basis of actual Revenue and Expenditure, and differs therein from the usual cash basis of Government statements in Canada.

AUTOMOBILES IN CANADA

(Continued from page 140.)

cars are to a large extent in great demand, and are chiefly responsible for the great number of cars that are running, at the same time there are people ready to spend a good deal of money upon the purchase of these machines. The total registrations in Ontario of cheaper makes of cars, that is under $1,500, are well over half of the total registrations, and this statement applies also to the Dominion. The Ford cars, for example, in Canada, represent nearly 50 per cent. of the cars running.

When the Ford Company in Canada announces that it is going to distribute in the coming year 30,000 or 40,000 cars, it should be borne in mind that this number includes the export trade as well as the domestic trade, as the Ford Company of Canada controls the Ford market throughout the British Empire, outside of the British Isles. From an announcement of this kind many people are likely to make an error by assuming that this output applies to the total number that will be sold and registered in Canada. That again is likely to lead to mistakes amongst automobile supply manufacturers and others who place dependence upon these statistics in making their plans.

Assuming that the population of Canada is 8,000,000, and that there are 115,597 automobiles running, the automobiles represent possibly $20 per capita, which would aggregate a value amounting to more than $160,000,000.

Satisfactory business conditions prevail throughout New Brunswick. In the agricultural districts, the farmers have been blessed with good crops and are getting good prices for everything they produce.

Great Britain's debt in 1914 was equal to $74 for each inhabitant. On August 1st, 1916, it was equal to $306. Less than a year hence, from present indications, it will be equal to $422. For France the per capita debt had been for many years the largest among civilized nations. That per capita debt was $162 in the middle of 1914. In a space of three years it will have advanced to $475 if the war continues until the summer of 1917. The increase in the per capita debt of Germany was from $76 to nearly three times that amount in the first two years of the present struggle. It will have been increased to $278 if the war is prolonged to August next.

BELGIAN FINANCIERS CONFIDENT

BY M. GOOR.

Trade relations between Canada and Belgium have come to a standstill since 1914 as a result of my country having been invaded and being still occupied by the enemy. Such is also the case as far as financial intercourse and immigration are concerned.

Those who might doubt of the solidity of the Belgian state's credit and of the financial world's confidence in the successful issue of the war, however, will read with interest the following telegram sent from Brussels to the Frankfurter Zeitung by its German correspondent in Belgium:—

"Several Belgian banks have formed a syndicate, with a capital of 40 million francs, for the payment of the dividends due of the Belgian and Congolese annuity fund and to make cash advances for state guarantees.

"The 'Caisse de Reports et de Dépôts' advances, at the rate of 5 per cent. interest, 75 per cent. of the dividend-coupons due of the societies which cannot pay such coupons for want of ready cash. The dividends of all the bank deposits are paid entirely."

Belgian financiers remain confident in the country's destinies.

A commission appointed by the government last year to investigate Canada's railway affairs is now at work considering the problem under the following heads:—

1. The general problem of transportation in Canada.
2. Status of each of the three transcontinentals, Canadian Pacific, Grand Trunk Pacific and Grand Trunk, and Canadian Northern, having special reference to following considerations: Territories served by each system and service it is capable of performing in the general scheme of transportation; physical conditions and capacity; methods of operation; branch lines, feeders, and connections in Canada; connections in United States; steamship connections on both oceans; capitalization, fixed charges and net earnings, having regard to present conditions and probable future development.
3. Reorganization of any of the systems, or acquisition by the state, and in latter case the most effective system of operation.
4. All matters which the board may consider pertinent or relevant to general scope of the inquiry.

BRANDON

The Distributing Centre for Western Manitoba
and
The Second City of Importance in the Province

Brandon has a preferential distributing area of 32,500 square miles of the finest farming lands in the Province, including many small towns. It is served by three railway systems, all connected, and is a divisional point on two transcontinental railways.

First class water, sewers, pavements; electric street railway, light and power; gas and central steam heating.

Population 17,000. Net Debenture Debt $770,431.00

Real Property Assessment $14,175,825.00. Buildings assessed at 50%.

BRANDON HAS THE LOWEST TAXATION AND NET DEBT PER CAPITA OF ANY OF TH PRAIRIE CITIES IN THE WEST

CONSOLIDATED GENERAL BALANCE SHEET
As of October 31st, 1916.

CURRENT ASSETS

Cash	
In Bank	$ 148,280.61
In Hand Cashier	2,311.01
Amounts Due the City	
Revenues Receivable	709,054.16
Accounts Receivable	8,981.18
Stores	39,355.54
Advances	
To Other Accounts	9,707.98
Miscellaneous	3,655.64
Lands Held for Sale	9,243.65
	$ 911,173.81

CAPITAL ASSETS.

Cash in Reserve in General Treasury	70.74
Amounts Due the City	550,291.87
Work in Progress	6,458.64
Land	282,994.06
Structures and Other Improvements	2,741,863.43
Equipment	191,023.64
	$3,772,560.90

SINKING FUND ASSETS.

Cash in Reserve in General Treasury	$ 139,415.46
Amounts Due the City	487,262.31
Investments	
	$ 626,677.77

SPECIAL AND TRUST FUND ASSETS

Cash in Reserve in General Treasury	$ 10,305.84
Amounts Due the City	
	$ 10,305.84

CURRENT LIABILITIES AND RESERVES

Immediate Demands for Cash	
Accounts Payable	$ 8,688.85
Interest on Funded Debt Due and Payable	2,110.25
Cash Reserves	
Capital Funds	70.74
Sinking Funds	139,415.46
Special and Trust Funds	10,305.84
Special Assessments Levied in Advance	1,500.00
Total Demands for Cash and Cash Reserves	$ 161,949.66
Loans to be Repair from Current Revenues	404,156.97
Due to Other Accounts	
Reserves Against Assets Other Than Cash	
For Uncollectible Taxes	22,882.99
For Interest on Funded Debt Accrued not Due	48,937.35
For New Construction, Waterworks	17,894.81
For New Construction, Street Railway	11,851.93
For Depreciation, Waterworks	
For Depreciation, Street Railway	12,734.70
For Fire Insurance	4,908.91
Current Surplus	235,674.31
	$ 911,173.81

CAPITAL LIABILITIES AND RESERVES

Loans to be Repaid from Sale of Debentures	$ 29,943.03
Debenture Debt	
Debentures Issued	3,392,234.91
Less Debentures Unsold	250,000.00
Debentures Outstanding	3,142,234.91
Less Sinking Fund Reserves	626,677.77
Net Debenture Indebtedness	$2,515,537.14
Due to Other Accounts	9,724.18
Reserves	
For Depreciation of Capital Assets	58,678.83
Capital Surplus	1,178,106.08
	$3,772,560.90

SINKING FUND LIABILITIES AND RESERVES

Due to Other Accounts	
Reserves to Retire Debentures when Due	$ 626,677.77
	$ 626,677.77

SPECIAL AND TRUST FUND LIABILITIES AND RESERVES

Due to Other Accounts	16.20
Reserves for Special and Trust Funds	10,289.64
	$ 10,305.84

CLERK
Harry Brown

MAYOR
H. Cater, Esq.

TREASURER
G. F. Sykes

CHARTERED ACCOUNTANTS INDISPENSABLE

Outline of Their Duties—Dominion Association Has 470 Members

BY D. A. McCANNEL.

The term accountant of late years has more generally acquired its original meaning—that of an expert in the science of bookkeeping. The term is sometimes adopted by bookkeepers, but this is an erroneous application. It properly describes those competent to design and control the systems of accounts required for the record of the multifarious and rapid transactions of trade and finance. It assumes the possession of a wide knowledge of the principles upon which accountancy is based. These may be described shortly as constituting a science by means of which all mercantile and financial transactions, whether in money or money's worth, including operations completed, and engagements undertaken to be fulfilled at once or in the future, however remote, may be recorded. The science comprises also a knowledge of the methods of preparing statistics, whether relating to finance or to any transactions or circumstances which can be stated by numeration, and of ascertaining or estimating on correct bases the cost of any operation or transaction. Generally, accountancy may be described as being the science by means of which all operations, as far as they are capable of being shown in figures, are accurately recorded and their results ascertained and stated.

Duties of Practising Accountants.

The duties of practising accountants cover a wide area. They act as trustees, liquidators, receivers and managers of businesses, the owners of which are in default or their affairs in liquidation, both under the directions of the courts and by appointment of creditors and others. They are largely engaged as arbitrators, umpires and referees in differences relating to matters of account or finance. They prepare the accounts of executors and trustees, and the necessary statements of affairs in cases of bankruptcy, both of firms and companies. They prepare accounts for prosecutions in cases of fraud and misconduct; and they are constantly called upon to unravel and properly state the accounts of complicated transactions. Their services are commonly required to certify the profits of businesses intended to be sold, either privately or to companies by means of a published prospectus.

In a large number of financial operations they are called upon to give advice and prepare accounts, and in most business matters requiring arithmetical calculations or involving the investigation of figures, and particularly where a considerable acquaintanceship with the principles of law is needed, are their services utilized.

Audits of Accounts.

One of the most important duties undertaken by accountants is the audits of accounts, and this duty has, of late years, been widely extended. Originally, auditors were appointed to examine and vouch statements of receipts and payments; but the provisions made in the different companies acts in relation to audit, and the requirements of most articles of association of limited companies, put much graver responsibilities on auditors, who are now generally required to certify to the accuracy of balance sheets and of revenue and expense accounts, the performance of which duties involves far more knowledge of accounts than was once required. The efficiency, in most cases, of audits conducted by skilled accountants has led the public to attach exceptional value to their audit certificates, and to demand extensive knowledge and ability in the conduct of the audit of the accounts of public companies.

While the number of practising accountants has of late years been steadily increasing, and their services are correspondingly appreciated, the necessity for controlling those exercising the profession and for improving its status has naturally become apparent.

The history of chartered accountancy in Canada under provincial government charters has been a matter of gradual growth during recent years. Until the year 1910, the chartered accountants' associations in the different provinces were entirely separate institutions, without any connecting links. During this year the Dominion Association of Chartered Accountants, whose charter dates from the year 1902, revised their by-laws so as to include the membership, resident in Canada, of the then formed provincial societies as members of the Dominion Association of Chartered Accountants, with power to include institutes formed thereafter in other provinces in the Dominion, subject to the approval of the Dominion Council. One of the main benefits to be derived from this affiliation is the standardization of the degree of "Chartered Accountant." Reciprocal relation of membership exists in regards to a member in good standing moving from one province to another, and it will thus be seen that it is essential that the knowledge and experience required to obtain the degree in the different provinces should be as much alike as possible.

Membership of Dominion Association.

The memberships of the Dominion Association of Chartered Accountants at the present time, together with the dates of incorporation of the different provincial societies are as follow:—

When incorporated.	Provincial Institute.	Present membership.
1880.....	The Association of Accountants in Montreal	68
1883.....	The Institute of Chartered Accountants of Ontario	143
*1886.....	The Institute of Chartered Accountants of Manitoba	70
1900.....	The Institute of Chartered Accountants of Nova Scotia	32
1905.....	The Institute of Chartered Accountants of British Columbia.....	64
1908.....	The Institute of Chartered Accountants of Saskatchewan.....	47
1910.....	The Institute of Chartered Accountants of Alberta	42
	Members-at-large	4
	Total present membership of the Dominion Association of Chartered Accountants	470

*Charter amended, 1913.

PEOPLE PER RAILWAY MILE, 205

Railroad Development Should be of Assistance to Returning Soldiers

BY A. C. FLUMERFELT.

We may have been prodigal in our railway construction, but it is hoped that this will not be an unmixed evil, although the responsibility is a heavy one. In 1886, when the Canadian Pacific Railway was completed, the population of Canada was something over 5,000,000; the mileage was 12,184; the capitalization per mile, $39,921, and the responsibility for the creation of sufficient business to make this outstanding obligation profitable, and to assist through the channels of the bonds guaranteed by the government—by way of taxation—rested upon the shoulders of 420 people per mile. At the close of 1916, we had about 7,500,000, 35,582 miles of railway, with a capitalization per mile of $52,717, and the carrying load now resting upon the people of Canada has increased over 100 per cent. as against 1886, and is to be borne by 205 people per mile.

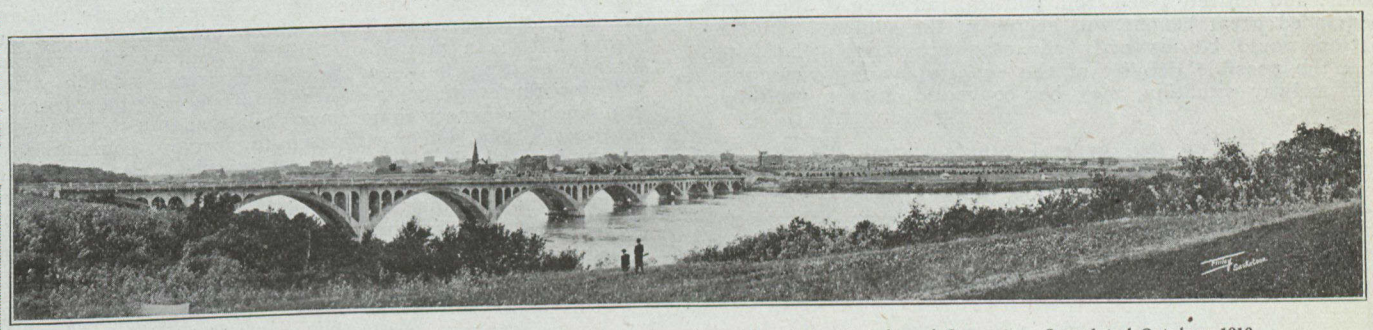
To Help Returned Soldiers.

The railway situation may become a very practical means of taking care of, and making due provision for, our returning soldiers. Furthermore, substantially aiding the productive capacity of Canada, thereby—instead of being a possible burden upon the people—becoming a real and very tangible resource in the further improvement of our national condition, as it affords the facilities for almost unlimited settlement.

The soldier who has left his all, offered his services and risked his life in an effort to maintain British traditions and preserve to the community those principles of liberty, justice and freedom which are our most precious possessions, is

CITY OF SASKATOON

SASKATCHEWAN, CANADA



UNIVERSITY BRIDGE (Photograph taken from University Campus) Constructed in Reinforced Concrete. Completed October, 1916.

Statistical Information

Saskatoon has a distributing area of 48,000 square miles.

Population (according to official census) 1916—21,054.

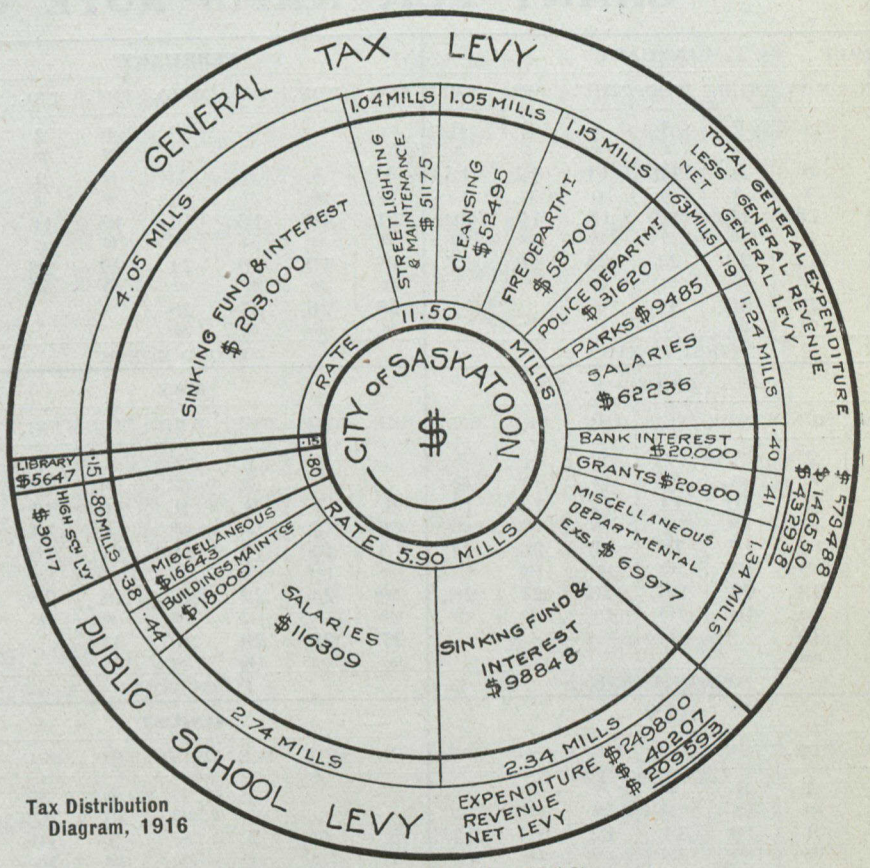
Population 1901— 113.
" 1906— 3,011.
" 1911—12,004.

Area of City—7,901 acres.

Debenture Debt:—
Gross . . . $8,177,818.42

Net debt after deducting Sinking Fund and Public Utility Debentures, . $2,540,632.72

	TAX LEVIES	TAX RATES
General Levy . .	$432,938	11.50 Mills
Public School Levy	209,593	5.90 "
High School Levy	30,117	.80 "
Library Levy . .	5,647	.15 "
Total .	$678,295	18.35 "



Tax Distribution Diagram, 1916

OPERATION OF PUBLIC UTILITIES (First Ten Months 1916)

	Waterworks	Street Railway	Electric Light & Power
Operating Expenses	$48,205.49	$ 94,031.38	$130,614.38
Sinking Fund Interest and Depreciation	23,953.44	44,833.93	83,444.78
Total	$72,158.93	$138,865.31	$214,059.16
Revenue	73,032.71	140,341.92	235,161.19
Profit	$ 873.78	$ 1,476.61	$ 21,102.03

CURRENT EXPENDITURES AND REVENUE

	Expenditure	Revenue	Surplus
1913	$796,744	$811,875	$15,131
1914	723,274	774,589	51,315
1915	637,226	680,827	43,601
1916 (10 months)..	505,177	524,491	19,314

FLOATING LIABILITIES

CURRENT ACCOUNT	CAPITAL ACCOUNT
Bank Loan..$137,000.	Treasury Bills or short term Loans.... Nil
	Accounts payable and Holdbacks, etc.$ 32,187.57
	Cash in Bank.... 172,554.00

C. J. YORATH, City Commissioner.

entitled to receive at the hands of the nation such consideration as will place him in a position at least equal to that he enjoyed prior to the outbreak of war. In a number of addresses I have endeavored to show that Canada is unable fairly to compensate these men in cash, but we have vacant lands, and to spare. If a properly devised plan can be matured and put into operation, under proper supervision, with sufficient funds to assist in the development of these lands, and entirely freed from political influence, I am firmly convinced great benefit will accrue to the soldiers, that the nation would be distinctly advantaged; and furthermore, that the possible liability of the country, as represented in the railway situation, may be converted into a profitable asset.

In casting up the general situation, and having due regard to the progress made prior to August 4th, 1914, giving the fullest consideration to the perfectly splendid effort the nation has made in the twenty-seven months intervening, we are justified in looking forward to the future with every expectation of more marked and permanent progress, and shall have laid the foundation for a greater, broader and more lasting nationhood than the most sanguine has hitherto predicted.

Should the colonies favor an association of British dependencies under the same King, an imperial council, with representatives from all the colonies, seems to me the most probable development. This ideal cannot be created at a stroke. It is a matter of growth, and, as the relations already existing between the British Isles and the various colonies representing the Empire are so cordial, it is not too much to expect that closer relations must follow, and that some plan will be devised to develop community between them which does not presently exist. My hope is that Canada, having made such wonderful strides, will take a prominent and important part in any movement which has for its object the consummation of such a plan.

CHART FOR RAPID NOTE COMPUTATION

1917 JANUARY

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
	1	2	3	4	5	6
	1	2	3	4	5	6
7	8	9	10	11	12	13
7	8	9	10	11	12	13
14	15	16	17	18	19	20
14	15	16	17	18	19	20
21	22	23	24	25	26	27
21	22	23	24	25	26	27
28	29	30	31			
28	29	30	31			

FIRST MONTH

FEBRUARY

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
				1	2	3
				32	33	34
4	5	6	7	8	9	10
35	36	37	38	39	40	41
11	12	13	14	15	16	17
42	43	44	45	46	47	48
18	19	20	21	22	23	24
49	50	51	52	53	54	55
25	26	27	28			
56	57	58	59			

SECOND MONTH

MARCH 1917

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
				1	2	3
				60	61	62
4	5	6	7	8	9	10
63	64	65	66	67	68	69
11	12	13	14	15	16	17
70	71	72	73	74	75	76
18	19	20	21	22	23	24
77	78	79	80	81	82	83
25	26	27	28	29	30	31
84	85	86	87	88	89	90

THIRD MONTH

APRIL

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
1	2	3	4	5	6	7
91	92	93	94	95	96	97
8	9	10	11	12	13	14
98	99	100	101	102	103	104
15	16	17	18	19	20	21
105	106	107	108	109	110	111
22	23	24	25	26	27	28
112	113	114	115	116	117	118
29	30					
119	120					

FOURTH MONTH

MAY

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
		1	2	3	4	5
		121	122	123	124	125
6	7	8	9	10	11	12
126	127	128	129	130	131	132
13	14	15	16	17	18	19
133	134	135	136	137	138	139
20	21	22	23	24	25	26
140	141	142	143	144	145	146
27	28	29	30	31		
147	148	149	150	151		

FIFTH MONTH

JUNE

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
					1	2
					152	153
3	4	5	6	7	8	9
154	155	156	157	158	159	160
10	11	12	13	14	15	16
161	162	163	164	165	166	167
17	18	19	20	21	22	23
168	169	170	171	172	173	174
24	25	26	27	28	29	30
175	176	177	178	179	180	181

SIXTH MONTH

JULY

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
1	2	3	4	5	6	7
182	183	184	185	186	187	188
8	9	10	11	12	13	14
189	190	191	192	193	194	195
15	16	17	18	19	20	21
196	197	198	199	200	201	202
22	23	24	25	26	27	28
203	204	205	206	207	208	209
29	30	31				
210	211	212				

SEVENTH MONTH

AUGUST

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
			1	2	3	4
			213	214	215	216
5	6	7	8	9	10	11
217	218	219	220	221	222	223
12	13	14	15	16	17	18
224	225	226	227	228	229	230
19	20	21	22	23	24	25
231	232	233	234	235	236	237
26	27	28	29	30	31	
238	239	240	241	242	243	

EIGHTH MONTH

SEPTEMBER

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
						1
						244
2	3	4	5	6	7	8
245	246	247	248	249	250	251
9	10	11	12	13	14	15
252	253	254	255	256	257	258
16	17	18	19	20	21	22
259	260	261	262	263	264	265
23 30	24	25	26	27	28	29
266 273	267	268	269	270	271	272

NINTH MONTH

OCTOBER

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
	1	2	3	4	5	6
	274	275	276	277	278	279
7	8	9	10	11	12	13
280	281	282	283	284	285	286
14	15	16	17	18	19	20
287	288	289	290	291	292	293
21	22	23	24	25	26	27
294	295	296	297	298	299	300
28	29	30	31			
301	302	303	304			

TENTH MONTH

NOVEMBER

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
				1	2	3
				305	306	307
4	5	6	7	8	9	10
308	309	310	311	312	313	314
11	12	13	14	15	16	17
315	316	317	318	319	320	321
18	19	20	21	22	23	24
322	323	324	325	326	327	328
25	26	27	28	29	30	
329	330	331	332	333	334	

ELEVENTH MONTH

DECEMBER

SUN.	MON.	TUE.	WED.	THU.	FRI.	SAT.
						1
						335
2	3	4	5	6	7	8
336	337	338	339	340	341	342
9	10	11	12	13	14	15
343	344	345	346	347	348	349
16	17	18	19	20	21	22
350	351	352	353	354	355	356
23 30	24 31	25	26	27	28	29
357 364	358 365	359	360	361	362	363

TWELFTH MONTH

CITY OF WINNIPEG

STATEMENT OF GROSS AND NET DEBT AS AT 30th APRIL, 1916

	Gross Debt	Sinking Fund	Net Debt
General	$ 8,944,818.13	$ 1,140,142.79	$ 7,804,675.34
Local Improvements, City's share	1,170,740.27	367,946.03	802,794.24
Local Improvements, Ratepayers' share	12,853,847.14	3,413,854.48	9,439,992.66
Fire Service Waterworks, Special Assessment	1,264,632.28	192,338.85	1,072,293.43
Public School Board	3,500,000.00	176,869.73	3,323,130.27
Water Works	6,990,768.54	1,111,406.67	5,879,361.87
Hydro-Electric System	7,402,000.00	356,992.59	7,045,007.41
	$42,126,806.36	$ 6,759,551.14	$35,367,255.22
Less Investment Reserve (Sinking Fund)		150,000.00	
Less Surplus (Sinking Fund)		46,352.74	
			196,352.74
Net Debt			$35,170,902.48

During the fiscal year ending April 30th, 1916, the net debenture debt of the City was reduced by the sum of $1,107,091.41 and since the expiration of the City's fiscal year the debt of the City has been still further reduced by the sum of $475,288.00 as a result of Stock Conversion transaction.

ASSESSMENT

Assessed value for taxation, 1916	$278,732,370.00
Exemptions not included above	44,757,910.00

TAX RATE, 1916

For School purposes	4.011 mills
For Municipal Commissioner	.293 "
For Patriotic Tax	1.254 "
For Public Parks	.5 "
For Municipal Expenditure	9.642 "
	15.7 mills

POPULATION—201,981

AREA—14,685 Acres

PUBLIC UTILITIES

Results for last fiscal year as follows:

	Surplus after deducting operating charges only	Surplus after deducting operating and fixed charges	Year ending
Water Works Plant	$523,850.50	$47,293.98	March 31, 1916
Electric Light Plant	681,020.63	79,690.57	April 30, 1916

ALBERTA AS MORTGAGE INVESTMENT FIELD

Government Will Do All Possible to Improve Security and Retain Investors' Confidence

BY WM. TOOLE,
(President of the Mortgage Loans Association of Alberta.)

There has been much unfavorable publicity in regard to the so-called advanced legislation affecting farm mortgage securities in Alberta. The criticisms in *The Monetary Times*, and other leading financial papers in Canada, the United States and Great Britain, during the last two or three years, are, unfortunately, justifiable, but nevertheless might, and no doubt in many instances have, created a misapprehension as to the attractiveness and general safety of our farm mortgage securities.

So far as injurious legislation is concerned, Alberta is no exception to other provinces in Western Canada, and while the adverse and trying publicity has had the effect of stopping, to a certain degree, an increasing flow of capital, and has caused many large investors much concern and anxiety, it has, nevertheless, turned light so vividly on to the real root of the trouble as to cause the farmers, who, when all is said and done, are the backbone and principal sinews of the province, to take notice. They have the remedy in their own hands, and are asking most embarrassing and pertinent questions of their representatives who are responsible for much of the injurious legislation. Through their organizations they are taking the matter firmly and sincerely into consideration, and from present indications Alberta legislation will in future be more thoughtfully enacted as to make this province what it always should have been, one of the finest fields for investment of capital in Canada, both as regards the material and personal security.

The president of the United Farmers of Alberta, Mr. H. W. Wood, has given much time and careful counsel to the providing of cheap money in increasing quantities for the farmers in all parts of the province. In addition to being an experienced farmer, he is an advanced thinker, an interesting and thoughtful speaker, and a staunch advocate of all the high moral obligations of an agreement. He is now cognizant of the many obstacles which have tended to deprive the farmers and citizens, generally, of Western Canada of obtaining loans at low rates of interest as compared with other parts of the world.

Apart entirely from the high moral and sentimental aspects which should enter into all negotiations, it is recognized all over the world that any effort by the state to deprive individuals of using to the fullest extent their good personal covenants, which it generally takes years to establish, is seriously interfering with the rights of the subject. In a new country where conditions are not as stable as in the old communities, the personal covenant has a greater influence on the rate of interest and amount which can be borrowed than the mere physical property which is mortgaged as collateral to the personal obligations.

Will Ask for Amendments.

These matters have been discussed at many meetings in the province and other parts of Western Canada during the last year, and there is every reason to be satisfied with the sentiments expressed, and to anticipate that at an early date, possibly before this article is printed, the people of Western Canada will request the Dominion and provincial governments, in no mistakable language, to amend certain objectionable legislation, and to accord to capital seeking legitimate investment in Western Canada the same welcome and protection as that offered and enjoyed in other parts of the world. There should be no favors asked or given by either the borrower or lender—just a "square deal."

With confidence fully restored, so far as the personal element is concerned, Alberta can offer to the financial institutions, and individual lenders of the world, a field for investment so diversified and bountiful in natural resources as to attract the most experienced and discriminating agent or trustee. To those who already have capital invested in the province, or who are seeking investment, it might be an opportune occasion to point out that despite the many vicissitudes of the past few years Alberta's material security is, unquestionably, improved, and the greatest sufferers, by reason of the hurriedly enacted legislation, interfering with vested interests, covenants, etc., are the farmers who have been unable to borrow as freely as farmers offering similar security in countries where vested interests, carrying the approval of the state, are protected.

It has been demonstrated during the past 30 years, with increasing evidences each year, that we have in Alberta a magnificent diversified agricultural province, twice as large as Great Britain and Ireland. Statistics regarding the areas and general progress of the province are obtainable from the department of agriculture. They should be obtained and carefully perused. Attention should be directed to the tremendous yields of the various varieties of grain, and the general agricultural development during the last few years. Our wheat, cats, barley and other cereals have not only attracted domestic attention, but have taken first prizes at large agricultural centres in the United States, and our winter wheat is so superior as to warrant a special grading known as "Alberta Red." It is also interesting to investors in our farm securities to know that not only one farm, but several in the province have this year broken the world's record for the largest number of bushels of wheat grown on 1,000 acres. Two farms—namely, the Crowfoot Farming Company, located 75 miles east of Calgary, close to Crowfoot Station, thrashed from 1,020 acres 55,777 bushels, and the Noble farm, adjoining Nobleford Station, on the Calgary-Aldersyde branch, 20 miles north of Lethbridge, thrashed from 1,020 acres 53,500 bushels, equal to 53½ bushels per acre. These farms are, at least, 75 miles from each other, as the crow flies.

Mortgage Loans Association.

The Mortgage Loans Association of Alberta, was organized a couple of years ago. The objects of its organization are to take care of investments, watch legislation, and offer its united counsel to the governments and other important bodies, so that the betterment of the security, both moral and physical, will attract the attention of the money lending sources of the world. We have every reason to believe that our association was inaugurated at a most opportune period. Many large investors have personally informed me that if such an active organization had not come into existence they would have stopped loaning in the province.

Our premier, the Hon. Arthur L. Sifton, and members of his cabinet, have given our delegations cordial and interested receptions. Some changes for the better have been made, and many improvements promised. They recognize that much good will be accomplished by the numerous conferences that have taken place during the past year, and that what the majority want they will get. It is very pleasant, and must be reassuring to large investors—and many institutions have millions in farm mortgages in this province—to know that the premier has expressed himself as being in sympathy with the objects of our association, and of doing anything he can to improve the security and retain the confidence of investors.

We are just as human in Alberta as inhabitants in any other part of the world, and consequently must have our fights and squabbling, and outsiders must not treat too literally or seriously what we say to or call each other.

After an experience of 28 years in Western Canada, and for the past 24 years in Calgary, closely associated with the agricultural development and mortgage loan business of the province, in which period I have loaned many millions to farmers and citizens of Alberta, and have not yet had to report any losses, I can see no cause for anxiety or nervousness in regard to mortgage investments, provided, of course, the ordinary precautionary and recognized business methods are adopted. We are passing through an unprecedented period, which is taxing the financial fabric of the oldest and wealthiest countries of the world, and it would be unreasonable to expect a new country to be free from temporary difficulties, and if mortgagees having trouble will only be patient, and not discourage the mortgagors who are trying to take care of the securities, I believe that bad cases will adjust themselves in this province much more quickly than we would have been justified in anticipating a couple of years ago.

Safety first must be our watchword until normal conditions return. It is better to show a poor statement with arrears of interest for the time being, than to injure the security by unwisely harassing and embarrassing the faithful, struggling caretaker-mortgagor, who through no fault of his own, finds himself in a rough sea, but with Western courage intends sticking to and safely docking the ship.

ASSOCIATED MORTGAGE INVESTORS

(INCORPORATED)

FARM MORTGAGE BANKERS

WESTERN CANADIAN FARM MORTGAGES
FOR INVESTMENT TO YIELD

6% (net)

TITLES GUARANTEED BY GOVERNMENT.
INVESTMENT PROTECTED BY THIS
COMPANY'S AGREEMENT

Saving Purchaser harmless against loss by delinquent interest, taxes, insurance or other charges and costs of collection of principal, if any. Guaranteeing payment of interest to customer on date due in par funds.

INVESTOR HOLDS AND CONTROLS ALL PAPERS

Mortgages are completed with Company's Own Funds and resold to

INDIVIDUAL INVESTORS
ESTATES
TRUSTEES
BANKS
INSURANCE COMPANIES

Owing to this Company's confidence in Western Canada, and its constantly growing business, it is now engaged in expanding its field and field organization, and is in even better position than before to serve its present clients and prospective customers on the strength of

Ten Years' Successful Experience in Alberta

Based on

Forty Years' Successful Experience in the United States

Address inquiries to the Office of the Treasurer

KINGMAN NOTT ROBINS

GRANITE BUILDING ROCHESTER, NEW YORK

AFTER THE WAR IS OVER

Will Canada Be Prepared to Meet the New Conditions? —Matters of Serious Concern

BY R. J. YOUNGE.

Canada is getting on with the war, and there are those who say that nothing else matters. In a large measure this is true, and yet the business interests of the country cannot disregard the trumpet call to action sounded so forcibly by the minister of trade and commerce a few months ago.

In order to meet successfully the conditions which will follow the war, preparation and organization are absolutely necessary. Great Britain and France, absorbed as they are in the great conflict, and bleeding at every limb, are not ignoring after-the-war problems. Their statesmen and business men are already coming together and planning for trade conditions which will be essential to the well-being and prosperity of their people. Why not Canada?

While we are getting orders for war equipment of all kinds; while we are getting high prices for our farm products; while we are building up a large national debt; while we are getting a big fighting army; and while we are getting large loans from the United States, let us not forget that the time is coming when these orders for war materials will suddenly cease, when the prices for farm products will decline, when our soldiers returning from the front must be cared for and provided with work, and when our borrowings must be repaid.

The call for increased production and wider markets has been sounded, but the call will avail us nothing unless we respond to it with organization. If the war were to cease to-morrow, Canada would be found absolutely unprepared to meet the conditions she would be called upon to face.

Canadian business men are inclined to depend too much in this great crisis upon our Dominion government. True, the problems of trade, like the problems of war, are becoming more and more national. The governments of all the allied countries are taking a lesson from German trade organization, and we may naturally expect our government to lead the way for our business interests. But our statesmen are entitled to the earnest co-operation of our business men. Of what use are preferential tariffs in the allied markets, the reports of trade commissions in finding wider markets, the subsidization of direct steamship lines, and the establishment of a Canadian commercial museum, unless our business men—manufacturers, bankers, transportation companies—are willing to organize their forces to take advantage of the opportunities which will be offered to them?

Matter of Serious Concern.

It is true that the trade conditions now prevailing make it exceedingly difficult to formulate either plans or policies. Many classes of raw materials for manufactured products are scarce, or even unprocurable; it is impossible to secure labor in many manufacturing districts; ocean tonnage is exceedingly scarce, and rates are abnormally high. Altogether the situation is perplexing and discouraging. But disconcerting as it may be, it is a matter of more serious concern that no step towards national co-operation is being taken to consider what should be done by the business interests of Canada in order to prepare for the future.

To repeat the magnificent trade opportunities which are open to Canadian producers, to emphasize again the plans for preparedness which are being taken by Great Britain, France and the United States, as well as by Germany, and to recount the many reasons why Canada, in order to provide for her necessities in the future, must begin now to organize her own prosperity—all these outstanding truths have been told to us so often that we must beware lest our familiarity with them should breed in us a shortsighted contempt.

The Canadian people have made, and are making, a heroic effort to win the war. No chapter in the history of the great conflict is more glorious than the story of the bravery of the Canadian soldiers. Those of us who are not at the front, and who are entrusted with the passive problems of the war, involving the future welfare of our people, will surely not shrink from facing the business questions which must be solved at this critical moment in our national career.

BRITISH COLUMBIA WANTS PRODUCERS

Nature Has Endowed the Pacific Province With Natural Wealth—Scope for Farmer, Miner, Fisherman and Forester

BY P. DONNELLY.

What has British Columbia to offer?

To the capitalist:—A most profitable field for investment. Golden opportunities in every line of human endeavor. The natural resources of the province are illimitable.

To the manufacturer:—A wealth of raw material. Unsurpassed shipping facilities by land and sea. Increasing markets and a steadily increasing demand for British Columbia manufactured goods locally, in the provinces of Saskatchewan and Alberta, also the Antipodes and the Orient. With the last-named the trade possibilities are wide.

To the lumberman:—The largest and most compact area of merchantable standing timber left in the world to-day, and the amount is estimated by the provincial minister of lands to total not less than four hundred billion feet. The recent ante-bellum report of the royal commission on forestry regards British Columbia as containing "the richest of the Empire's forest lands," and adding that "the value of the standing timber is destined to rise to heights that general opinion would consider incredible." The British Columbia coast climate produces as much timber in sixty years as can be grown elsewhere in the Dominion in a century. British Columbia has the largest area of pulp woods in all Canada, and as a field for the manufacture of pulp and paper stands without rival.

Great Opportunities Offered.

To the fisherman:—The largest and most varied fisheries in the Dominion. Over 7,000 miles of coast line presents an ideal field for the development of a great fishing industry in all its branches. There are upwards of sixty varieties of food-fishes found in British Columbia waters. The demand for fish is increasing and the supply is inexhaustible, because the favorable conditions of the enormous and mostly sheltered coast line helps the propagation and natural increase of the fish.

To the fruit-grower:—Many thousands of acres of suitable soil and proper climate for fruit-growing. All the hardier fruits, as well as peaches, grapes, apricots, melons, etc., are grown. Wherever fruit is shown in competition, British Columbia fruit has invariably carried off important awards, not only on this continent, but also in Europe. The industry is expanding rapidly. The Okanagan district shipped in excess of three thousand carloads of all fruits. The Pacific liner sailing at the time of writing for the Antipodes took out close to fifty thousand boxes of British Columbia apples.

Much to be Prospected.

To the miner:—Mineral resources which are great, but as yet are mostly unprospected. Their extent will have a great influence on the future of the country. There are yet 300,000 square miles more known to be richly mineralized waiting for the prospector. British Columbia possesses the only great deposits of iron on the western coast of America, which indicates the establishment of blast furnaces, rolling mills, etc.

A survey of the province's stock-in-trade must impress the permanent community and any careful observer that the natural resources are of incalculable value, and that their exploitation for the common benefit has not begun. War, the scarcity of money, the lack of ships, economic depression, etc., cannot destroy the unbounded natural resources. The wealth of mines, forests, fisheries and the agricultural possibilities still exist. The needed population will come, and will find there is room and abundant use for the right people, that the province offers everything that makes life worth the living. After the war the province will gradually fill up as emigrants discover they can land as cheaply in British Columbia, via the Panama Canal, as they can in the middle west, via the Atlantic seaboard. The comparative handful of population whose lives and hopes are centred in British Columbia have no fears for the future and in the province's destiny their faith remains firm and unshaken.

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GROWTH OF THE COMPANY

	Assets	Reserve
1905 - - -	$ 127,860.22	$ 1,115.13
1910 - - -	369,084.37	16,000.00
1915 - - -	1,019,966.53	70,000.00

The Empire Loan Company issues Debentures in sums of $100.00 and upwards for terms of from one to five years, bearing interest at 5%. Sterling Debentures for £25 and upwards, with interest coupons payable in London, England, are also issued. These Debentures are a charge on the Company's Assets of over one million dollars, and the Debenture holders are further secured by the deposit of mortgages with a trustee to the amount of one and one-half times the total outstanding debenture debt.

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UNIFORM ASSIGNMENT ACTS NECESSARY

Irritating Phase of Canadian Business Should Be Removed

BY HENRY DETCHON.

Is a national bankruptcy act desirable for Canada? Are the present conditions under which insolvent estates are being wound up such as to justify an appeal to the federal government to enact federal legislation? If so, what form shall this federal legislation take? If federal legislation is passed, will the position of creditors be improved or otherwise?

These are questions which have been agitating the ranks of the credit men, the legal fraternity and the retail merchants from ocean to ocean for a number of years.

At present, we have in each province Assignments Acts dissimilar and to some extent confusing. In the four provinces of Ontario, Manitoba, Saskatchewan and Alberta the provisions of these Assignments Acts are largely uniform, the acts in the three prairie provinces having been based largely upon the Ontario Act.

In British Columbia, the provisions are somewhat similar, but still there are differences which should be adjusted in order to bring these five provinces into uniformity.

Lack of Uniformity.

For instance, in Ontario, Manitoba and British Columbia assignments can be made to any person, but a provision is inserted providing that the creditors, should they so desire, shall have power to change such assignee. In Saskatchewan assignments can only be made to trust companies and no change can be made by the creditors. In Alberta no change can be made by the creditors except by action through the courts. In the province of Quebec, an assignment can be made to any person, but the permanent curator must be approved by the court. In the maritime provinces, sheriffs are the persons through whom assignments are handled.

In some provinces, the acts provide for the appointment of inspectors to supervise the winding up of the estate; in others this does not apply. In one province only, viz., the province of Quebec, is provision made for a creditor demanding from a proved insolvent debtor that he make an assignment. In no province is provision made for the obtaining by a honest debtor of a discharge from his liabilities after turning over to the creditors all that he has.

Insolvency is the Worst.

No one will dispute the desirability of uniformity throughout Canada of acts dealing with insolvency. Of all of the irritating phases of business life, the dealing with insolvency is the worst. More attempts have been made to improve insolvency legislation than almost any other class of legislation, and yet we have not arrived at a happy solution of the problem yet.

A bankruptcy act was in operation a number of years ago in Canada, having been put upon the statute books through the influence of Sir John Abbott. It was repealed within a few months at the request of the maritime provinces.

The United States has a national bankruptcy act which has been responsible for two very desirable reforms, viz., it brings all of the states into uniformity and it puts a limit on preferences.

The English bankruptcy act of 1869 was repealed as not being workable, and a new act, known familiarly as the Joe Chamberlain Act, came into operation in 1883. This has been amended from time to time since that date. The acts in Australia and New Zealand have apparently failed to accomplish their objects, because at the present juncture a new act is being considered, containing what are considered a number of improvements.

Advantages of Federal Act.

What are the advantages of a federal act for Canada? A bankruptcy act would contain a provision whereby a debtor, being proved to be insolvent, would be compelled, unless he did so voluntarily, to make an assignment. At present, except in Quebec, an insolvent debtor need not turn over any of his assets. It is necessary in order to bring a defaulting debtor to time to issue a writ, obtain judgment and levy execution. This takes time, is a costly procedure, and needs to be resorted to by each individual creditor in order that his claim may be protected, and even then a debtor does not need to assign. He may lose his assets, but during the process of law has ample opportunity to line his pockets, if he is that class of debtor. It should be possible (as in the province of Quebec) to compel an insolvent debtor to turn over his assets at the will of the creditors to some properly constituted assignee. It would bring all of the provinces into uniformity. It would accomplish the discharge, after examination, of an honest debtor. So far as Canada is concerned, these are the three outstanding advantages that would accrue.

Some of the Disadvantages.

What are the disadvantages? The increased cost that it has been proved conclusively attends the winding up of estates under every bankruptcy act that ever has been put upon the statute books of any country. Coupled with this is the slow procedure consequent upon every move of the liquidator having to be submitted and approved of by the court, whichever it would be, whether an existing court or a specially appointed one having jurisdiction over insolvency matters. Another disadvantage is the removal from provincial jurisdiction of the present rights exercised by the provinces covering insolvency legislation.

It has been stated that the wholesale men of Western Canada, believing that the recuperative powers of a debtor trading in the west, owing to peculiar conditions existing there, were very large, were averse to supporting any legislation providing for the discharge of an honest debtor. Provided that proper safeguards were instituted protecting creditors against fraud in this connection, I think the wholesale men would be prepared to accept this innovation in exchange for the power to compel an assignment.

Wanted, a Federal Act.

The suggestion that has now been put forward, and which should meet with universal approval, is, that the Canadian Bar Association, owing to the position it occupies as representing the legal fraternity from coast to coast, being a non-political body and being non-provincial, but representing Canada as a whole, could very well devote some of its time to drafting an assignments act which would be acceptable to all of the provinces. This would meet two of the objections urged against the present system of winding up estates, if all of the provinces fell into line, viz., it would bring about uniformity and would prevent opposition from provincial legislatures to a federal act and leave the jurisdiction regarding insolvency in the hands of each provincial legislature.

At present debtors can be examined under the assignments act with respect to any fraudulent transaction. The creditors, through their inspectors, would be in absolute control of the assets of an insolvent debtor; the remuneration of trustees could be fixed on scientific lines. If necessary, clauses could be inserted governing the dishonest handling of business previous to assignment, and, if it were deemed advisable, the courts as at present established could be used in any case where it was necessary to invoke the law.

Can, however, the provinces legislate to compel an insolvent debtor to assign and the creditor to grant a discharge? Power, no doubt, could be granted by the federal government for this purpose.

The feeling exists in most countries where there is a bankruptcy act, that estates can be handled more cheaply and more expeditiously under private trust deeds than through the machinery of the bankruptcy courts. If this is so, we should bend our efforts, not towards the passage of a federal bankruptcy act, but for a uniform assignments act for all the provinces. What we desire in bankruptcy legislation is efficiency and despatch coupled with a minimum of expense.

During the five months ending April, 1916, imperial supplies to the extent of 417,160 tons were shipped through the port of St. John. This amount was 154,206 tons in excess of any other Canadian port. During the past fiscal year, the exports through the port of St. John aggregated $120,042,590, as compared with $43,872,932 in 1914-15. It is probable that the current fiscal year will be another record-breaker, as far as exports are concerned. Imports have not increased in the same ratio, but a healthy progress is being maintained. For the fiscal year 1915-16 imports were valued at $11,165,463, for 1914-15, $9,112,916.

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EXTENSION OF PRIMARY PRODUCTION

This is Canada's Pre-eminent Economic Problem—Opportunities for Expansion

BY JAMES WHITE.

The cardinal feature of our recent economic history has been the immense capital expenditure incurred mainly for industrial development of a secondary character—railways, manufacturing, municipal improvements, etc. Only a minor portion of our huge borrowings has been devoted directly to the extension and improvement of agriculture, mining, fishing and other primary industries which form the real source of our economic strength and upon which the chief burden of our investments must ultimately fall. While the financial position of the Dominion is regarded as essentially sound, it is, nevertheless, clearly recognized that the capital outlay of approximately $3,000,000,000 since 1900, calls for prompt and rapid increase in basic production.

The immediate situation has undoubtedly benefited rather than suffered from war conditions. The phenomenal agricultural output of 1915 and the employment of a large portion of our industrial plant in the production of military supplies have served very materially to relieve the situation. On the other hand, the crops of the past season have been reduced through various causes and we are now facing an almost inevitable decline of primary output as an ever-increasing portion of our labor force is diverted to military purposes. That tendency must continue until the supreme task of the empire has been achieved. On the conclusion of the conflict our pre-war economic problem will be accentuated by the necessity for shouldering a substantial national debt, for readjusting to ordinary channels secondary industry which is now highly organized for military purposes and for returning a great army to peaceful occupations, preferably to various branches of primary industry. In the meantime, therefore, as much energy as can safely be spared from the prosecution of war must be devoted to preparation for peace that the Dominion may attack its economic tasks no less vigorously than it has performed its military duties.

Opportunity for Expansion.

It is infinitely easier to advise than to achieve the required increase in primary production, but considerable study has been made in recent years of the manner and direction in which further development can best be secured. The appointment of the Commission of Conservation in 1909 specifically to promote the better utilization of Canada's natural resources may be said to have anticipated the identical economic problem which now confronts the Dominion. Increased industrial output is contingent upon: (1) adequate measures to maintain the permanent productivity of existing industries and prevent the depletion of such resources as forests, fisheries, lands, etc.; (2) definite knowledge regarding the extent and nature of resources available for additional exploitation. As these are precisely the objects which have been engaging the attention of the Conservation Commission during the past seven years the results of its studies have an important bearing upon our present problem.

Agriculture is the Backbone.

From 1900 to 1913, agriculture, the industrial backbone of Canada, achieved splendid progress, but there is still almost unlimited opportunity for expansion. Investigations by the Commission of Conservation into actual farming methods revealed the striking fact that, through greater attention to weed control, proper rotation of crops, seed selection and other farm processes, the field crops of Canada could be doubled within 20 years without any addition from the occupation of new lands. Recent agricultural development has resulted chiefly from the colonization of new areas in western Canada. In the future, no effort should be spared to increase production through more intensive as well as through more extensive cultivation.

Animal husbandry has not kept pace with the growth of field husbandry. Our favorable balance on foreign trade in animal produce declined from $43,000,000 in 1901 to less than $4,000,000 in 1913, indicating that immediately prior to the outbreak of war, this branch of primary industry was little more than self-supporting. While this condition is undoubtedly a natural and almost inevitable accompaniment of western development, it is evident that the rebuilding of our live-stock industry to a point where it will produce a substantial national surplus is urgently required. At the same time, it is demonstrable that the world's stock of cattle, horses, sheep and hogs has declined enormously and, when the war is ended, livestock prices will not decline but may even increase owing to the insistent demand for breeding stock.

The chief contributing factors, therefore, in increased agricultural output must be found in more intensive and scientific farming, the further extension of cultivated areas and development in the various branches of the livestock industry.

Timber Imports and Exports.

With regard to forestry industries, the natural advantages for increased exploitation are equally favorable. Probably two-thirds of the land area of Canada south of the 60th parallel is chiefly valuable for timber production. The existing stand of coniferous saw timber, exclusive of large amounts of hard woods, pulp woods, etc., is estimated in round numbers at 800 billion feet. As the annual lumber cut has never exceeded five billion feet lumber operations can be greatly extended without endangering the available timber supply. In British Columbia alone, with an estimated timber stand of 400 billion feet, the annual cut can be increased several-fold without encroaching on capital assets.

In view of these conditions the fact that our timber imports from 1901 to 1913 increased ten times as fast as our exports is a matter for some concern. Since the outbreak of war, however, the remarkable growth of our pulp trade has helped to offset this tendency and it is probable that this branch of forest industry will continue to enjoy steady development. Increased exploitation of the forest resources of British Columbia depends largely upon the building up of foreign trade and the essential requirements in that undertaking are better shipping facilities, strong selling organization and general improvement in the machinery for capturing and retaining foreign business. The necessity for co-operation among British Columbia lumbermen, if they are to compete successfully in foreign markets, is enhanced by the steps recently taken among their United States competitors to retain and increase their present trade abroad. The efficient and intelligent exploitation of our forests requires continuation of the work undertaken by the Commission of Conservation in ascertaining the extent of our available timber supplies while it is also essential that further efforts be made to reduce our enormous annual loss from fire and to secure the setting aside as forest reserves of areas mainly suitable for timber production.

Output of Fisheries.

The actual growth and production from Canada's fisheries during recent years is considerably less than is indicated by the values of the annual catches. In view of the great rise in prices, value statistics are deceptive and furnish no reliable indication of real progress. With regard to fisheries, in fact there has been no substantial increase in output of late years except in British Columbia. Elsewhere the apparent increase is accounted for almost entirely by the rise of prices.

Effective steps, however, have been and are being taken to assist the fishing industry. Packing and curing methods which, for many years, have been extremely deficient, will, no doubt, improve under the administration of the Fisheries Inspection Act of 1914; rapid transit of fish from the seaboard to interior markets is receiving careful attention; excellent results are being effected by the campaign to educate consumers regarding the food values of fish. From these measures it is hoped to secure more extensive exploitation, but, if any net increase of production is to be attained, effective steps must be taken promptly to prevent the impending depletion of such valuable fisheries as the lobster, Fraser River salmon and Pacific halibut, and to rehabilitate the smaller but valuable oyster, shad and other fisheries. A thorough system of practical industrial training for fishermen is the most urgent requirement and will probably contribute more than any other single measure to the improvement and expansion of the fishing industry.

While the mining industry has experienced steady and substantial growth in the annual output it is noteworthy that our imports of mineral products have increased much more rapidly than our exports. Whereas in 1901 we had a favorable trade balance on this item of approximately $24,000,000, in 1913, the balance was an adverse one of over $8,000,000.

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Post war figures are not quoted inasmuch as they are of little or no value in indicating the position of our mineral industry under peace conditions. It may be pointed out that the relatively slow increase in the value of our exports is accounted for by the fact that Canada has been exporting unrefined ores the valuation of which is much less than that of the refined product. Steps should be taken to secure domestic refining of Canadian minerals both for home consumption and export as well as the establishment of basic industries such as the smelting of all metals, the manufacture of nitric and sulphuric acid and of nitrogen products from the air, the by-product coking of coal, etc.

Coal Mining Methods.

A special investigation conducted by the Commission of Conservation into coal mining methods in Western Canada revealed the waste of unmarketable slack coal varying from 10 to 35 per cent. of the total output. The utilization of by-product coke ovens promotes the profitable use of low grade and slack coal and in addition to various other valuable commodities would produce coke as a fuel supply competing with anthracite in western Canada. The chief problems relative to the improvement of our mineral industry include the provision of a thorough system of technical and industrial training with special emphasis on the development of scientific research. A special committee of the Canadian Mining Institute has also drawn attention to the need for governmental action to correlate information in such a way as to bring the producer of raw material into closer relation with the manufacturer and the latter into touch with the needs of consumers both at home and abroad.

Canada's splendid water powers comprise one of her chief assets, and, with respect to this form of natural wealth, there need be no concern as to greatly increased production in the near future. In fact the outstanding feature of this branch of industrial development is the competition for the right to exploit such resources as are available. The demand for power in connection with the manufacture of pulp, with the electro-chemical industry, and with the great variety of purposes served by hydro-electric systems, is such that water-power development experiences no difficulty in attracting capital or in finding a market for its output.

WESTERN CANADA'S REFUNDING PLAN

About $7,000,000 Have Been Transferred from London to New York

Last year, arrangements were made to transfer a large part of the debts of Manitoba and Saskatchewan provinces and Winnipeg city, from London to New York. The arrangements were in the hands of Messrs. J. P. Morgan and Company, New York. The British treasury consented to the plan but did not impose a penalty tax for refusal to surrender the securities in response to the treasury's invitation. The following table shows the gross amount mobilized to mid-November by the British treasury in connection with these securities:—

Manitoba province	$3,100,000
Saskatchewan province	2,000,000
Winnipeg city	2,800,000
	$7,900,000

Debts in London.

The total debt of Manitoba, Saskatchewan and Winnipeg in the United Kingdom is $58,000,000, of which it was hoped to purchase at least $36,000,000 in Great Britain, refinancing that amount in New York. The position may be tabulated as follows:—

Borrower.	Debt in London.	Minimum likely to be refinanced in New York.
Manitoba	$16,000,000	$10,000,000
Saskatchewan	9,000,000	6,000,000
Winnipeg	33,000,000	20,000,000
	$58,000,000	$36,000,000

In the case of Manitoba particularly, the process is simplified by the fact that the provincial securities are practically all registered stock and the provincial government can therefore furnish the treasury officials with the names and addresses of the holders.

The new bonds are being made payable both in London and New York in sterling in London and at 4.8666 in New York. This will give a wider market, more especially after the war, as it is thought by some that within ten years the bulk of these securities may be back in London again.

Mobilization is Slow.

It was anticipated that a much larger sum would have been secured, and the view of some of those closely associated with this matter is that the British investor apparently prefers the bonds of the Canadian provinces as an investment to the bonds of his own government; otherwise it is difficult to see the reason why the total amount outstanding should not have been secured. This assumption takes it for granted that the price offered was entirely satisfactory in view of the fact that it was the price suggested by the British treasury board.

The fact that investors are allowed to lend their securities to the British treasury under the mobilization scheme, has probably affected the result of the Western-Canadian refunding plan to some extent also.

HOW ST. JOHN HAS HELPED

Busy Port of New Brunswick—Canadian Ports Should be Used More Freely

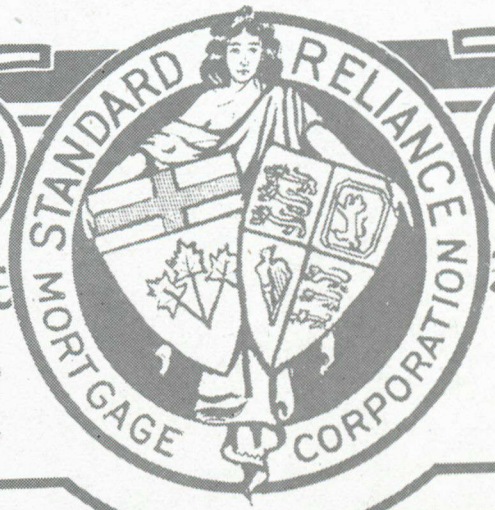
BY R. E. ARMSTRONG.

Since the beginning of the war, the port of St. John, New Brunswick, has not only fixed itself more firmly on the map of the world, but it has also contributed much to the map-making changes that are now in progress in Europe. The same is true of her sister port of Halifax. Working together, when winter had sealed the ports of the St. Lawrence, these twin maritime ports have accomplished wonders in the forwarding of troops and in the shipment of supplies to Great Britain and her allies.

The satisfactory results which the port has achieved for Canada during the war emphasize the importance of Canadian exporters and importers taking fuller advantage of the eastern ports of Canada, rather than of United States ports. If we are to build up Canada and make of it a power within the empire, we cannot afford to dissipate our forces or wealth by patronizing foreign ports or foreign railroads. So far as it is reasonably possible, the ports and railways of Canada should be used for the business of Canada. It is not good business, and it is not patriotic—after Canada has spent so much on transcontinental railways and on port development, for Canadian shippers to use foreign ports and foreign railways.

Comprehensive schemes of port development are in progress at the ports of St. John and Halifax. At St. John, the federal government and the Canadian Pacific Railway have united their forces in developing a great terminal system on the western side of the harbor. Last winter pier 15 was added to the pier system. This winter, pier 16 will be available for use. A fleet of dredges is at work at East St. John getting that part of the harbor ready for a dry dock and for a system of piers that will ultimately provide 25 additional ocean berths. The Government Railway has awarded a contract for the erection of a half-million bushel elevator (to be increased to a million bushels next year).

In order to provide more direct connection with the Transcontinental Railway than the present Government Railway connection at Moncton affords, the Valley Railway is being built from Gagetown to tap the Canadian Pacific Railway at Westfield, 14 miles from St. John. Later on, it is intended to bring the Valley Railway on an independent line from Westfield to the city. The Transcontinental connection of this line will probably be at McGivney Junction, from which point there is already rail connection over government track to Fredericton. Between Fredericton and Gagetown the Valley line has been in operation for two years past. The greater portion of the Valley Railway is along the banks of the river St. John, where the scenery is among the most beautiful in Canada.



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CANADA'S MUNICIPAL BOND SALES

United States Supplied About Three-fifths of the Funds Borrowed

Canada's municipal bond sales, compiled from the exclusive records of *The Monetary Times*, during 1916, totalled $51,977,542, as compared with $67,393,000 in 1915 and $79,133,994. These were sold as follows:—

In	1914.	1915.	1916.
Canada	$34,483,359	$31,910,214	$19,640,778
Great Britain	32,347,435	.....	.....
United States	12,303,200	35,483,114	32,336,764
	$79,133,994	$67,393,000	$51,977,542

The Monetary Times' monthly record of sales in the United States market during 1913 shows the total was $20,168,053 and for the past three years as follow:—

	1914.	1915.	1916.
January	.....	$ 340,000	$ 3,183,215
February	$ 50,000	6,471,000	899,500
March	18,000	6,543,947	595,000
April	25,000	7,100,825	2,158,306
May	1,750,000	600,000	7,219,000
June	2,100,000	.....	3,393,243
July	1,130,000	890,000	3,631,200
August	35,000	750,000	97,300
September	90,000	6,748,342	200,000
October	.....	1,589,000	.....
November	170,200	4,000,000	7,894,000
December	6,935,000	450,000	3,065,000
	$12,303,200	$35,483,114	$32,336,764

Practically $16,000,000 less was borrowed by Canadian municipalities last year than in 1915, when a reduction of about $12,000,000 was shown. In 1914 a reduction of $32,000,000, as compared with 1913 took place, so that the total amount of municipal bonds sold in 1916 was, as in 1915, less than the amount which the London market alone absorbed in 1913—namely, $69,632,350. In 1914 only $32,347,435 were sold in that market and in 1915 and 1916 no municipal bonds were sold there.

The sales in Canada by municipalities of each province during 1916, compared with those of 1915 and 1914, were as follow:—

	1914.	1915.	1916.
Ontario	$14,202,245	$14,540,346	$ 5,728,468
Quebec	6,283,100	5,921,500	8,039,800
New Brunswick	375,000	631,000	342,850
Nova Scotia	472,317	707,850	602,900
Manitoba	2,930,958	2,562,076	849,021
Saskatchewan	3,945,374	5,177,742	1,410,333
Alberta	3,823,302	668,118	2,000,745
British Columbia	2,451,063	1,686,582	666,661
Prince Edward Island	.....	15,000	.....
	$34,483,359	$31,910,214	$19,640,778

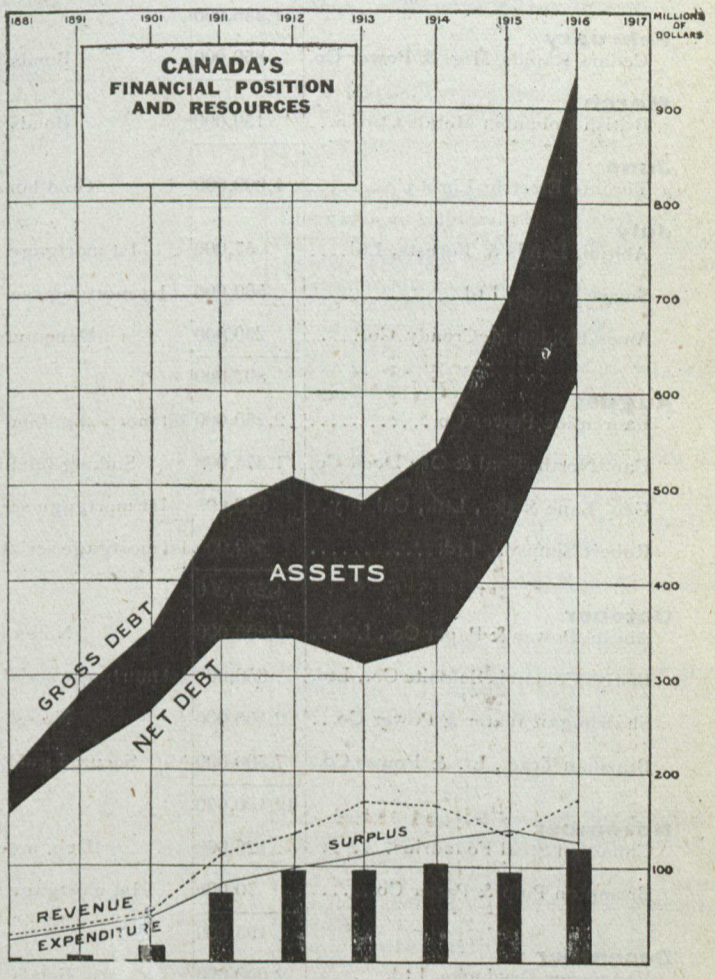
The Monetary Times' bond record shows the sales in the Dominion during the twelve months of 1916, compared with the six previous years. This is printed below:—

Canadian Municipal Bond Sales, by Months, for the Years 1910-1916.

	1910.	1911.	1912.	1913.	1914.	1915.	1916.
January	$ 881,838	$ 420,337	$ 2,133,531	$ 1,337,500	$ 1,953,137	$ 1,784,947	$ 1,909,441
February	1,272,977	1,037,287	2,596,378	1,038,806	5,995,336	3,047,011	1,419,909
March	1,169,730	6,271,925	1,926,716	335,492	5,123,176	2,572,357	2,027,741
April	6,805,078	3,910,288	927,160	3,693,857	2,847,953	8,603,094	1,979,852
May	5,964,896	3,946,047	1,928,748	880,630	6,400,755	3,464,281	2,649,000
June	2,187,588	3,983,670	1,690,344	2,435,726	4,617,857	2,395,744	3,043,283
July	1,536,424	1,594,566	1,967,476	1,591,924	2,180,758	1,618,422	1,521,525
August	1,312,953	1,493,507	1,649,547	526,300	395,395	1,087,415	852,447
September	2,841,486	1,748,778	1,998,605	1,663,260	535,050	2,768,484	960,435
October	2,211,461	1,730,075	1,060,597	3,452,282	2,874,872	1,245,874	1,361,665
November	2,202,781	2,915,765	1,396,664	2,481,062	622,049	1,645,892	1,246,480
December	566,113	1,243,593	491,590	1,113,400	937,022	1,676,693	669,000
Totals	$29,043,325	$30,205,838	$19,767,256	$20,550,239	$34,483,359	$31,910,214	$19,640,778

The following are the particulars of municipal bond sales in the United States market by provinces:—

	1914.	1915.	1916.
Ontario	$ 1,635,000	$14,389,342	$ 9,474,315
Quebec	9,000,000,	8,425,000	6,687,500
British Columbia	365,000	4,703,772	5,838,473
Manitoba	53,000	1,200,000	4,300,000
Saskatchewan	250,000	640,000	158,500
Nova Scotia	.....	.....	725,000
Alberta	1,000,200	6,125,000	5,152,556
New Brunswick	.....	.....	.....
	$12,303,200	$35,483,114	$32,336,764



CANADA'S FINANCIAL CONDITION, 1881-1916

This consolidated chart has been prepared for *The Monetary Times* by Mr. Hew Wood, Montreal. It shows from top to bottom, gross debt, assets (difference between gross and net debt), net debt, consolidated fund revenue, surplus (difference between revenue and expenditure) and expenditure. Columns show growth of gold held by Canada's Receiver-General.

CANADIAN BOND SALES IN THE *UNITED STATES*, 1916

Borrower	Amount	Securities	Rate %	Term Years	Remarks
		CORPORATION			
January	$				
Porto Rico Telephone Co.....	95,000	Bonds	6	30	Of an issue of $130,000, Morris, Imbrie & Co., New York, handled $95,000, the remainder being sold in Canada
St. Maurice Paper Co.....	1,250,000	Bonds	6	30	
Teck Hughes, Gold Mines, Ltd...	100,000	1st mortgage bonds	7	5	Offered at 85 and accrued interest
	1,445,000				
February					
Cedars Rapids Mfg. & Power Co.	850,000	Bonds	5	40	Sold to Chase & Co., Boston, public offering of $800,000 at price to yield 5.65%
March					
British Columbia Metals Corp'n...	150,000	Bonds	....	....	Sold in New York
June					
Toronto Electric Light Co.....	1,000,000	Gold bonds	5	3	Sold to Dominion Security Corporation and W. A. Read & Co.
July					
Abitibi, Lands & Forests, Ltd....	57,000	1st mortgage bonds	7	5	Offered by Peabody, Houghteling & Co. at par and interest
Smart Woods, Ltd.....	500,000	1st mortgage serial bonds	6	15	Offered by Peabody, Houghteling & Co. at par and interest
Ames-Holden-McCready Co.....	250,000	Debentures	6	5	Sold at par. This was an issue of $500,000, about half being sold in Canada and half in the U.S.
	807,000				
August					
Laurentide Power Co.....	2,250,000	1st mort. skg. fund gold bonds	5	30	This was part of issue of $3,750,000, $1,500,000 of which was sold in Canada
Can. North. Coal & Ore Dock Co.	1,375,000	Sinking fund bonds	5	20	Offered by C. H. Jones & Co., New York, at 88.60
Geo. Lane & Co., Ltd., Calgary..	330,000	1st mortgage serial bonds	6	15	Purchased by Associated Mortgage Investors, incorporated Rochester, N.Y.
Robert Simpson, Ltd.....	300,000	1st mortgage serial gold bonds	6	(1917-31)	This was part of an issue of $600,000, half of which was sold in Canada. Issued at par
	4,255,000				
October					
Abitibi Power & Paper Co., Ltd...	1,500,000	Notes	6	3	Purchased by Peabody, Houghteling & Co., Chicago
British Columbia Sulphite Co., Ltd.	650,000	1st mortgage serial gold bonds	6	(1917-26)	Offered by Peabody, Houghteling & Co., on 5% and 5½% basis according to maturity
Shawinigan Water & Power Co...	2,500,000	Notes	5	2	Offered by Stone & Webster, Curtis & Co., and Chase & Co., at 99¾ and interest
Brazilian Trac., Lt. & Power Co..	7,500,000	Secured gold notes	6	3	Offered by Wm. A. Read & Co., New York, at 99 and interest
	12,150,000				
November					
Canadian Steel Foundries.....	125,000	Deb. notes	6	ser. mth. to 1917	This was an issue of $500,000, balance of $375,000 being sold in Canada
Brompton Pulp & Paper Co.....	70,000	1st mortgage bonds	6	20	This was an issue of $700,000, the balance of $630,000 being sold in Canada
	195,000				
December					
Vancouver Drydocks, Ltd.....	2,000,000	Bonds	....	....	Sold to Breed, Elliott & Harrison, Cincinnati,
Southern Canada Power Co	35,000	Bonds	6	35	Offered by Nesbitt, Thomson & Co., Montreal. This issue was one of $400,000, of which $365,000 was sold in Canada.
	2,035,000				
Total Corporation.....	22,887,000				
		RAILROAD			
January					
Canadian Northern Railway.....	2,500,000	Gold notes	5	1	Repayable January 10th, 1917
Duluth, Rainy Lake & Win'pg. Ry.	2,000,000	Bonds	5	5	Offered at 95¾ and interest
Winnipeg Electric Railway.....	750,000	Gold notes	6	2	Offered to public at par and interest
	5,250,000				
May					
Edmonton, Dunvegan & B.C. Ry..	2,420,000	Bonds	4½	30	Sold to Provident Savings Bank & Trust Co., Cincinnati, and Breed, Elliott & Harrison, Chicago; sold on a 5.60% basis; offered to the public at 84.56 and interest
July					
Canadian Northern Railway.....	6,000,000	Gold notes	6	1 & 2	
August					
Grand Trunk Railway.....	2,000,000	Collateral gold notes	5	2	Purchased by Blair & Co., New York, and offered to public at 98½ and interest
Canadian Northern Railway.....	1,750,000	Gold notes	5	1	Sold at 99½
	3,750,000				

CANADIAN BOND SALES IN THE *UNITED STATES*, 1916—*Continued*

Borrower	Amount	Securities	Rate %	Term Years	Remarks
		RAILROAD—*Contd.*			
November	$				
Toronto Railway Co.	1,250,000	Gold notes	6	1 & 2	Offered to public on 5 and 5¼% basis
Min., St. Paul & Sault St. Marie Ry.	1,500,000	Equipment bonds	4½	10	Sold privately; principal repayable semi-annually from May, 1917, to Nov. 1926, in 20 equal instalments
	2,750,000				
December					
Montreal Tramways Co.	2,000,000	Gold bonds	5	....	Purchased by Harris, Forbes & Co., Inc., Harris Trust and Savings Bank, and Coffin & Burr. Offered at 96½ and Interest.
Total Railroad	22,170,000				
		GOVERNMENT			
January					
Nova Scotia	500,000	Debentures	5	10	Sold to Harris, Forbes, Inc.
Manitoba	1,000,000	Bonds	5	3	Sold by province at 97½ and interest
	1,500,000				
March					
Manitoba	800,000	Bonds	5	3	Sold to Wood, Gundy, & Co., at 98.30 net. This was an original issue of $963,000, later increased to $1,073,000, of which approximately $800,000 was sold in the U.S., and the remainder in Canada
British Columbia	1,000,000	Bonds	4½	25	Sold to Macneill & Young at 84.72
Dominion Government	25,000,000	Bonds	5	5	Sold to Morgan syndicate at 99.56
Dominion Government	25,000,000	Bonds	5	10	Sold to Morgan syndicate at 97.13
Dominion Government	25,000,000	Bonds	5	15	Sold to Morgan syndicate at 94.94, less 2⅝% commission
	76,800,000				
April					
Saskatchewan	1,000,000	Bonds	5	5 & 10	Sold to Provident Savings Bank & Trust Co., Cincinnati, on 5¼% basis
Alberta	1,650,000	Bonds	5	10	Sold to Wood, Gundy & Co. at 95.63. Issue was one of $2,000,000, the remaining $350,000 was placed in Canada
	2,650,000				
May					
Ontario	4,000,000	Bonds	5	10	Sold to National City Bank, New York, at par
June					
Nova Scotia	1,000,000	Bonds	5	10	Sold to Wood, Gundy & Co., at 100.28
Quebec	4,000,000	Bonds	5	10	Sold to J. P. Morgan & Co., Brown Bros., and Harris, Forbes & Co., at 99.20.
British Columbia	2,000,000	Bonds	4½	10	Sold to Macneill & Young at 91½
	7,000,000				
September					
Dominion Government	30,000,000	Bonds	5	15	This was an internal loan of $100,000,000, of which it is estimated $30,000,000 went to the United States
December					
Ontario	2,000,000	Gold Bonds	5	10	Sold to Campbell, Thompson & Co., Toronto, on joint account with New York interests, at 99.596
Saskatchewan	500,000	Bonds	5	15	Sold to Harris, Forbes, Inc., at 96.31
*Manitoba	3,100,000	Refunding Bonds	....	....	
*Saskatchewan	1,375,000	Refunding Bonds	4½	10	
*Saskatchewan	625,000	Refunding Bonds	5	10	
	7,600,000				
Total Government	129,550 000				
		MUNICIPAL			
January					
Victoria, B.C.	1,000,000	Treasury certificates	5	3	Offered to public at 98.75 and interest
Victoria, B.C.	271,000	Treasury certificates	5	3	Dated February 1st, 1916
North Vancouver, B.C.	7,973	Bonds	5	3-10	
London, Ont.	555,492	Bonds	5	3-10	
Edmonton, Alta.	1,348,750	Bonds	6	5	Sold to Wood, Gundy & Co. This was part of issue of $2,075,000, of which $726,250 was sold in Canada. Offered to public at par and accrued interest
	3,183,215				
February					
Cardston, Alta.	35,000	Bonds	6	....	Sold to Sweet, Causey, Foster & Co., Denver, at 93.55
Revelstoke, B.C.	51,500	Bonds	6	15	Bought by Spokane & Eastern Trust Co.
Revelstoke, B.C.	13,000	Bonds	5½	20	Bought by Spokane & Eastern Trust Co., Spokane, at 90, less expenses of $53.
Burnaby, B.C.	800,000	Bonds	6	20	Sold to Wood, Gundy & Co. This was an issue of $1,000,000, of which $200,000 was sold in Canada
	899,500				

**Issued in connection with the Western Canada Refunding Scheme* (*see page 158*).

CANADIAN BOND SALES IN THE *UNITED STATES*, 1916—*Continued*

Borrower	Amount	Securities	Rate %	Term Years	Remarks
		MUNICIPAL—*Contd.*			
	$				
March					
Maisonneuve, Que.	355,000	Bonds	6	10	Sold to Macneill & Young, Toronto
Prince George, B.C.	140,000	Bonds	6	10 & 15	Sold to Terry, Briggs & Slayton, Toledo, at 87.50
Medicine Hat, Alta.	100,000	School bonds	5	1926-1942	
	595,000				
April					
Sault Ste. Marie, Ont.	83,306	Bonds	5½ &6	15,20,30	Bought by Spitzer, Rorick & Co. on a 5⅝% basis
Prince Rupert, B.C.	1,600,000	Bonds	6	30	Sold to Spitzer, Rorick & Co., Toledo, on a 7% basis
Quebec, Que.	475,000	Bonds	5	5	Sold to Brent, Noxon & Co., at 98.77
	2,158,306				
May					
Vancouver, B.C.	1,700,000	Tax arrears certificates	6	....	Sold to Spitzer, Rorick & Co., at about 98
Montreal, Que.	1,850,000	Gold bonds	5	20	Sold to Ames & Co., Toronto, and R. M. Grant, Boston, at 98.867. Issue was $2,000,000, of which $150,000 was sold in Canada
Toronto, Ont.	3,669,000	Serial bonds	5	1-32	Sold to Martens & Co., Toronto, and Hirsch, Lilianthal & Co., N.Y., at 99.637
	7,219,000				
June					
Westmount, Que.	107,500	Bonds	4½	44	Sold to Coffin & Burr, on a 5% basis, plus interest
Calgary, Alta.	1,568,806	Bonds	5	20, 30	Sold to Spitzer, Rorick & Co. at 88.1250.
Ottawa, Ont.	1,032,517	Bonds	5	20, 30	Sold to Dominion Securities Corporation at 100.101
North Vancouver, B.C.	225,000	Treasury notes	6	3	Sold to W. L. Slayton & Co., Toledo, at 97 and accrued interest
Halifax, N.S.	460,420	Bonds	5	30	Sold to Dominion Securities Corporation at 100.53
	3,394,243				
July					
Edmonton, Alta.	2,000,000	Tax debentures	6	2	Sold to Otis & Co., Cleveland, at 98⅞ and interest
Iroquois Falls, Ont.	40,000	Serial bonds	6	9 to 15	Offered by Peabody, Houghteling & Co., at par and accrued interest
Greater Winnipeg Water District.	1,500,000	Bonds	5	5	Offered to public at 98.91 and interest. Purchased by Dominion Securities Corporation, Wood, Gundy & Co., and C. Meredith & Co.
Saskatchewan Drainage Dists.	91,200	Bonds	....	1946	Sold to Wood, Gundy & Co., Toronto, at 99.01 and interest. This was an issue of $114,000, of which $22,800 was sold in Canada
	3,631,200				
August					
Humboldt, Sask.	67,300	Bonds	6	1946	
Nelson, B.C.	30,000	Bonds	5	20	Sold to Spokane & Eastern Trust Co., at 86½ and interest
	97,300				
September					
Parish St. Pierre Claver, Montreal	100,000	Gold bonds	5	10	
Lethbridge, Alta.	100,000	Notes	6	3	
	200,000				
November					
Toronto, Ont.	2,594,000	Serial bonds	5	1917-1936	Purchased by A. H. Martens & Co. at 99.477 and interest
Toronto Harbour Commission	1,500,000	Bonds	4½	40	Purchased by Wood, Gundy & Co. at 89.814
Montreal, Que.	3,800,000	Gold bonds	5	40	
	7,894,000				
December					
Halifax, N.S.	265,000	Bonds	5	1951	Sold to R. M. Grant & Co., Boston, at 98.59
*Winnipeg, Man.	2,000,000	Bonds	5	10	Offered by Harris, Forbes, Inc. & Brown Bros. at 97⅜ and interest
*Winnipeg, Man.	800,000	Bonds	....	.....	
	3,065,000				
Total Municipal	32,336,764				

**Issued in connection with the Western Canada Refunding Scheme* (*see page 158*).

BOND SALES IN *CANADA*, 1916

Borrower	Amount	Securities	Rate %	Term Years	Remarks
		CORPORATION AND RAILROAD			
January		Bonds	6	30	Part of issue of $130,000, the remainder being sold in the United States
Porto Rico Telephone Co.	$ 35,000				
Dominion Cotton Mills Co.	100,000	1st mortgage gold bonds	6	20	These bonds were the unsold balance of those held in escrow against the $950,000 odd of 4½% first mortgage bonds, which became due and were paid January 1st, 1916. The 6s. were offered in exchange to holders of the 4½s., a number being taken up in this way. A number were also sold in Canada and England prior to January 1st. The $100,000 noted here, therefore, represents the unsold balance as at January 1st, 1916.
	135,000				
June					
Sudbury Copper Cliff Suburban Electric Railway	70,000	1st mortgage bonds	6	20	Sold to Jarvis & Co., Toronto
July					
Ames-Holden-McCready, Ltd.	250,000	Debentures	6	5	Sold at par. This was an issue of $500,000, about half of which was sold in the United States and half in Canada
Price Bros. & Co	500,000	Collateral trust serial notes	6	1—5	A block of $500,000 of this issue was purchased by the Royal Securities Corporation
	750,000				
August					
Laurentide Power Co.	1,500,000	1st mortgage bonds	5	30	This was part of an issue of $3,750,000, $2,250,000 of which was sold in the United States
North Atlantic Fisheries	250,000	Bonds	6	....	Preferred shareholders asked to subscribe at 75. Bonds issued to meet pressing obligations
Robert Simpson, Ltd.	300,000	1st mortgage serial gold bonds	6	1917—31	This was part of an issue of $600,000, half of which was sold in the United States. Issued at par.
	2,050,000				
October					
Plaster Quarries, Ltd.	100,000	1st mortgage gold bonds	7	10	Offered at 90, with bonus of 50% common stock
November					
Toronto Furniture Co.	200,000	Gold mortgage bonds	6	30	Offered at 90, with bonus of 25% common stock
Canadian Steel Foundries	375,000	Debenture notes	6	ser. mth. to 1917	This was an issue of $500,000, balance of $125,000 being sold in the United States
Brompton Pulp & Paper Co.	630,000	1st mortgage bonds	6	20	This was an issue of $700,000, the balance of $70,000 being sold in the United States
	1,205,000				
December					
Southern Canada Power Co.	365,000	Bonds	6	35	This issue was one of $400,000, of which $35,000 was sold in the United States.
Total Corporation and Railroad.	4,675,000				
		GOVERNMENT			
March					
Manitoba	273,000	Bonds	5	3	This was an original issue of $963,000, later increased to $1,068,000, of which approximately $800,000 was sold in the United States and the remainder in Canada
Ontario	8,350,000	Bonds	4	10	Issued under the Electric Power Act of Ontario for purchase of Seymour power plants; bonds are now property of the Sun Life Assurance Company, acting for the original beneficiaries
	8,623.000				
September					
Dominion Government	70,000,000	Bonds	5	15	This was an internal loan of $100,000,000, of which it is estimated $30,000,000 went to the United States.
Total Government	78,623,000				

MUNICIPAL*

Sales in	Amount	Sales in	Amount	Sales in	Amount
	$		$	$	$
January	1,909,441	May	2,649,000	September	960,435
February	1,419,909	June	3,043,283	October	1,361,665
March	2,027,741	July	1,521,525	November	1,246,480
April	1,979,852	August	852,447	December	669,000

* Details of these sales appear on page 161.

SUMMARY OF CANADIAN BOND SALES, 1915 and 1916 in Canada, Great Britain and United States, by months and classes.

Bonds	Sold in United States	Sold in Canada	Sold in Great Britain	Sold in United States	Sold in Canada	Sold in Great Britain
January	1915	1915	1915	1916	1916	1916
Government	$3,700,000	.....	.....	$1,500,000	.....	.....
Municipal	340,000	$1,784,947	.....	3,183,215	$1,909,441	.....
Railroad	.....	.....	.....	5,250,000	.....	.....
Corporation	.....	750,000	.....	1,445,000	135,000	.....
	4,040,000	2,534,947	.....	11,378,215	2,044,441	.....
February						
Government	11,675,000	.....	.....	.....	.....	.....
Municipal	6,471,000	3,047,011	.....	899,500	1,419,909	.....
Railroad	.....	.....	.....	.....	.....	.....
Corporation	7,000,000	.....	.....	850,000	.....	.....
	25,146,000	3,047,011	.....	1,749,500	1,419,909	.....
March						
Government	.....	.....	$25,000,000	76,800,000	8,623,000	.....
Municipal	6,543,947	2,572,357	.....	595,000	2,027,741	.....
Railroad	2,000,000	.....	.....	.....	.....	.....
Corporation	.....	1,660,000	.....	150,000	.....	.....
	8,543,947	4,232,357	25,000,000	77,545,000	10,650,741	.....
April						
Government	6,000,000	1,000,000	.....	2,650,000	.....	.....
Municipal	7,100,825	8,603,094	.....	2,158,306	1,979,852	.....
Railroad	.....	.....	.....	.....	.....	.....
Corporation	48,000	825,000	.....	.....	.....	.....
	13,148,825	10,428,094	.....	4,808,306	1,979,852	.....
May						
Government	8,500,000	1,500,000	.....	4,000,000	.....	.....
Municipal	600,000	3,464,281	.....	7,219,000	2,649,000	.....
Railroad	.....	.....	.....	2,420,000	.....	.....
Corporation	.....	450,000	.....	.....	.....	.....
	9,100,000	5,414,281	.....	13,639,000	2,649,000	.....
June						
Government	1,000,000	.....	.....	7,000,000	.....	.....
Municipal	.....	2,395,744	.....	3,394,243	3,043,283	.....
Railroad	.....	.....	16,175,000	.....	70,000	.....
Corporation	.....	.....	.....	1,000,000	.....	.....
	1,000,000	2,395,744	16,175,000	11,394,243	3,113,283	.....
July						
Government	45,000,000	.....	.....	.....	.....	.....
Municipal	890,000	1,618,422	.....	3,631,200	1,521,525	.....
Railroad	.....	.....	.....	6,000,000	.....	.....
Corporation	.....	400,000	.....	807,000	750,000	.....
	45,890,000	2,018,432	.....	10,438,200	2,271,525	.....
August						
Government	.....	.....	.....	.....	.....	.....
Municipal	750,000	1,087,415	.....	97,300	852,447	.....
Railroad	11,500,000	.....	.....	3,750,000	.....	.....
Corporation	.....	.....	.....	4,255,000	2,050,000	$5,000,000
	12,250,000	1,087,415	.....	8,102,300	2,902,447	5,000,000
September						
Government	3,000,000	.....	.....	30,000,000	70,000,000	.....
Municipal	6,748,342	2,768,484	.....	200,000	960,435	.....
Railroad	.....	.....	.....	.....	.....	.....
Corporation	.....	.....	.....	.....	.....	.....
	9,748,342	2,768,484	.....	30,200,000	70,960,435	.....
October						
Government	1,200,000	.....	.....	.....	.....	.....
Municipal	1,589,000	1,245,874	.....	.....	1,361,665	.....
Railroad	.....	.....	.....	.....	.....	.....
Corporation	2,400,000	.....	.....	12,150,000	100,000	.....
	5,189,000	1,245,874	.....	12,150,000	1,461,665	.....
November						
Government	30,350,000	75,980,000	.....	.....	.....	.....
Municipal	4,000,000	1,645,892	.....	7,894,000	1,246,480	.....
Railroad	4,000,000	.....	.....	2,750,000	.....	.....
Corporation	1,400,000	.....	.....	195,000	1,205,000	.....
	39,750,000	77,625,892	.....	10,839,000	2,451,480	.....
December						
Government	4,200,000	.....	.....	7,600,000	.....	.....
Municipal	450,000	1,676,693	.....	3,065,000	669,000	.....
Railroad	.....	.....	.....	2,000,000	.....	.....
Corporation	600,000	400,000	.....	2,035,000	365,000	.....
	5,250,000	2,076,693	.....	14,700,000	1,034,000	.....

NOTE.—The above summaries include the internal War Loans of $100,000,000 each, issued in November, 1915, and September, 1916.

CANADIAN BOND ISSUES IN *GREAT BRITAIN*, 1916

Borrower	Amount	Securities	Rate %	Term Years	Remarks
August					
Canadian Vickers, Ltd.....	£1,000,000 / $5,000,000	Debentures	6	20	Redeemable by sinking fund

RECAPITULATION OF CANADIAN BOND SALES, 1915 and 1916

Sold in	Government		Municipal		Railroad		Corporation		Totals	
	1915	1916	1915	1916	1915	1916	1915	1916	1915	1916
	$	$	$	$	$	$	$	$	$	$
Canada	78,480,000	78,623,000	31,910,214	19,640,778	.....	70,000	4,485,000	4,605,000	139,875,214	102,938,778
United States	114,625,000	129,550,000	35,483,114	32,336,764	17,500,000	22,170,000	11,448,000	22,887,000	154,056,114	206,943,764
Great Britain	25,000,000	.....	.....	.....	16,175,000	.....	.....	5,000,000	41,175,000	5,000,000
										*356,882,542
	218,105,000	208,173,000	67,393,328	51,977,542	33,675,000	22,240,000	15,933,000	32,492,000	335,106,328	314,882,542

NOTES.—In addition to the above loans, advances for war purposes have been made to Canada by the Imperial Government, and Canada has established credits here for the British Government. These loans are not included in the above figures.
The sales of Canadian bonds in the United States during the month of December, 1914, were $26,590,000. No sales were made between August and November, 1914, inclusive, on account of the financial conditions then prevailing.
*Included in this sum are $8,000,000 of a total of $50,000,000 Canadian bonds repurchased Great Britain nce the war commenced. The inclusion of the $42,000,000 of unclassified repurchases brings the total of Canadian bond sales in 1916 to $356,000,000.

SALES OF CANADIAN BONDS IN CANADA, GREAT BRITAIN AND THE UNITED STATES, 1905—1916

Year	Sold in Canada	Sold in Great Britain	Sold in United States	Total	Year	Sold in Canada	Sold in Great Britain	Sold in United States	Total
	$	$	$	$		$	$	$	$
1905	35,149,921	85,621,395	9,256,782	134,874,531	1911	44,989,878	204,269,143	17,553,967	266,812,988
1906	23,304,958	26,563,700	4,118,350	53,987,008	1912	37,735,182	204,236,394	30,966,406	272,937,982
1907	14,761,683	63,095,057	4,779,000	82,635,740	1913	45,603,753	277,470,780	50,720,762	373,795,295
1908	24,585,140	165,455,031	6,316,350	196,356,521	1914	32,999,860	185,990,659	53,944,548	272,935.067
1909	60,433,964	194,356,788	10,367,500	265,158,252	*1915	114,275,214	41,175,000	178,606,114	335,106,328
1910	39,296,462	188,070,128	3,634,000	231,000,590	*1916	102,938,778	5,000,000	204,943,764	**356,882,542

*Including internal war loans of $100,000,000 each, issued in November, 1915, and September, 1916. Of the first loan, $25,000,000, and of the second loan, $30,000,000 is estimated to have gone to the United States.
**Included in this sum are $8,000,000 of a total of $50,000,000 Canadian bonds repurchased in Great Britain since the war commenced. The inclusion of the $42,000,000 of unclassified repurchases brings the total of Canadian bond sales in 1916 to $356,000,000.

CANADA'S YEARLY FIRE WASTE

Large Increase in Losses — Northern Ontario Added $2,000,000 and Quaker Oats Fire $1,250,000

According to the carefully compiled register of fire losses of *The Monetary Times* the losses during 1916 amounted to $20,487,509, as compared with $13,670,527 in 1915.

	1910.	1911.	1912.
January	$ 1,275,246	$ 2,250,550	$ 3,002,650
February	750,625	941,045	1,640,153
March	1,076,253	852,380	2,261,414
April	1,717,237	1,317,900	1,355,055
May	2,735,536	2,564,500	2,251,815
June	1,500,000	1,151,150	4,229,412
July	6,386,674	5,384,300	1,741,371
August	1,667,270	920,000	1,164,760
September	894,125	1,123,550	883,949
October	2,195,781	580,750	1,416,218
November	1,943,708	1,506,500	1,184,010
December	1,444,860	2,866,950	1,769,905
Totals	$23,593,315	$21,459,575	$22,900,712

The following are comparisons of other features of the fire waste:—

	1914.	1915.	1916.
Average monthly loss	$2,026,751	$1,139,210	$1,707,292
Loss per capita	$3.15	$1.78	$2.56
Fires with damage of $10,000 or over	302	237	216

The following record of *The Monetary Times* shows Canada's fire losses month by month for the last seven years:—

1913.	1914.	1915.	1916.
$ 3,913,385	$ 2,796,312	$ 1,249,886	$ 1,649,217
2,037,386	2,920,749	1,019,556	3,275,600
1,710,756	2,660,666	1,631,696	1,466,501
1,470,622	1,916,235	1,463,747	1,460,437
2,123,868	1,935,516	881,855	1,850,205
3,069,446	1,267,416	1,157,156	494,557
2,579,698	2,033,139	773,269	3,039,634
3,034,775	2,921,379	403,693	1,057,109
1,468,324	1,356,281	1,116,109	981,703
1,383,572	1,326,565	1,290,325	1,077,815
2,200,486	1,524,932	1,087,980	923,235
1,354,300	1,661,822	1,595,255	3,271,496
$26,346,618	$24,321,012	$13,670,527	$20,487,509

Here are the $10,000 and over fires, month by month, compared with the four previous years:—

Month.	1912.	1913.	1914.	1915.	1916.
January	51	22	41	35	28
February	19	26	45	25	30
March	30	19	28	24	30
April	20	23	31	22	13
May	34	35	29	23	23
June	27	39	23	18	9
July	23	40	29	11	13
August	19	45	16	10	14
September	16	33	13	20	12
October	24	27	18	17	14
November	18	28	11	13	14
December	37	21	18	19	18
Totals	318	358	302	237	218

Buildings Burned.

The following is *The Monetary Times* list of structures burned during 1916, with comparisons:—

	1912.	1913.	1914.	1915.	1916.
Dwellings	602	1,002	750	676	362
Barns and stables	243	324	208	138	125
Stores	241	350	321	384	148
Hotels, etc.	82	79	56	46	41
Factories	105	128	98	59	63
Business sections & blocks	56	109	74	44	38
Warehouses	52	51	31	26	25
Elevators	14	19	10	7	2
Banks	6	9	3	5	6
Offices	27	36	28	18	16
Schools and colleges	17	35	26	11	12
Mills (various)	23	20	26	12	13
Churches	19	29	27	14	14
Pool rooms	6	7	7	5	5
Stations	6	9	10	4	8
Theatres	5	5	3	2	3
Hospitals	6	8	3	2	4
Garages	14	34	17	21	14
Asylums	2	1	..	2	..
Moving picture shows	3	12	6	10	4
Post-offices	5	4	2	1	..
Boat-houses	15	11	6	4	6
Sheds	20	70	40	29	30
Laundries	9	11	6	5	1
Engine houses	4	1	3	1	..
Power-houses	8	7	1	..	1
Halls	4	14	8	6	6
Brick and lime kilns	2	2	1	..	..
Foundries	9	12	5	2	6
Machine shops	5	4	2	3	5
Saw mills	36	45	30	12	10
Steamers, etc.	10	10	5	6	7
Blacksmith shops	4	7	4	..	..
Granaries	..	4	1	4	..
Boiler rooms	1	1	..	..	2
Slaughter houses	3	..	2	..	..
Gasoline launches	24	42	12	4	9
Villages	5	4	2	1	..
Newspaper offices	8	8	3	4	4
Restaurants	12	22	15	10	6
Canneries	..	1	..	..	..
Lumber camps	2	1	2	6	..
Lumber mills and yards	10	19	15	24	8
Skating rinks	2	5	11	4	2
Mining plants	6	5	..	2	..
Tanneries	1	3	4	3	1
Apartment houses	4	8	12	5	4
Ice houses	3	5	2	3	3
Evaporating plants	10	1	2	2	2
Round Houses	4	1	1	2	2
Convents and monasteries	2	..	..	2	4
Bakeries	..	12	2	4	2

Industries Destroyed.

Other structures destroyed included 1 oil plant, 1 tool house, 1 brewery, 1 assay office, 1 packing plant, 1 briquette plant, 1 gas plant, 1 experimental farm building, 1 fog alarm station, 1 agricultural building, 1 ordnance depot, 1 shipyard, 1 railway yard, 1 still house, 1 lighthouse, 2 barracks, 2 bridges, 2 incinerators, 2 greenhouses, 2 car barns, and 5 clubs.

The following is *The Monetary Times* list of the causes of Canadian fires last year, with comparisons:—

	1912.	1913.	1914.	1915.	1916.
Electrical defects	50	46	38	55	25
Lamps and lanterns upset and exploded	62	49	32	20	4
Defective and overheated stoves and furnaces	60	137	92	51	44
Sparks from engines, chimneys, etc.	53	56	38	41	12
Candles, tapers, etc.	6	5	7	6	2
Defective and overheated pipes, chimneys, etc.	68	150	90	62	29
Smoking cigarettes, etc.	10	15	12	..	4
Forest, bush and prairie fires	14	20	13	17	5
Live coals and hot ashes	16	23	14	8	3
Lightning	50	34	36	119	50
Incendiarism	86	87	62	31	20
Matches	50	91	58	69	36
Gasoline and gas explosions	50	39	58	20	12
Spontaneous combustion	28	20	34	18	14
Burning rubbish	9	4	5	..	..
Tramps	4	11	5	3	..
Rats and mice	5	10	8	2	..
Cigar and cigarette stubs	9	32	18	15	5
Thawing out pipes	4	13	13	5	6
Hot box	1	2	..	..	2
Oil stoves upset and exploded	13	7	14	13	4
Fireworks	1	6	3	2	2
Defective gas appliances	13	13	16	21	6
Bonfires	3	2	..	..	..
Explosions	2	2	10	5	4
Grease and oil	5	4	4	2	1
Engine back firing	6	11	15	9	4
Articles too near fire	..	..	5	12	6

Other causes were 1 heater exploded, 1 smoke box, 1 burst waterfront, 1 upset lamp, 1 pot of tar, 2 upset stoves and 2 lighting fires with coal oil.

The following table compiled by *The Monetary Times* shows deaths caused by fire during the last seven years:—

	1910.	1911.	1912.	1913.	1914.	1915.	1916.
January	27	27	27	14	26	3	10
February	15	12	11	21	18	11	23
March	20	18	24	22	27	23	23
April	37	20	15	11	22	14	6
May	15	28	18	33	8	5	14
June	52	13	6	18	12	2	6
July	15	110	9	9	8	13	268
August	11	22	16	29	3	14	30
September	10	13	6	27	9	27	6
October	16	17	21	15	9	7	39
November	19	20	22	24	14	12	12
December	19	17	28	13	19	11	94
Totals	256	317	203	236	175	141	532

Destructive to Animal Life

The Monetary Times has compiled the following list of animals destroyed last year, the total being compared with those of previous years:—

	1912.	1913.	1914.	1915.	1916.
Horses	184	712	165	166	150
Cows	154	314	194	222	112
Pigs	59	584	151	50	168
Poultry	961	3,698	6,265	2,125	650

There was also destroyed 25 sheep, 10 calves, 2 dogs, 147,800 bushels wheat, 5,050 bushels oats, 300 bushels barley, 1,000 tons hay, 2 carloads flour, 2 carloads fertilizer, 5 carloads straw, 2,000 bushels potatoes, fish valued $100,000, wool valued $20,000, 250,000 cases eggs, 500,000 lbs. butter, 1,000 boxes cheese, 20 automobiles, 20 sleighs, 12 railway cars, 4 locomotives, 6 buggies, 4,000,000 shingles.

"Canada's Financial Position," by Hew Wood, appears on page 161.

Losses of property by fire in the United States for the seven-year period ending with 1916 are: 1916, $213,539,670; 1915, $172,033,200; 1914, $221,439,350; 1913, $203,408,250; 1912, $206,438,900; 1911, $217,004,575; 1910, $214,003,300.

COMPANIES COMMENCING OR RESUMING DIVIDENDS OR BOND INTEREST IN 1916

COMPANY	DIVIDEND ANNOUNCEMENT	Dividend declared in
Abitibi Power & Paper Co.	Initial dividend of 1¾% on preferred stock	December
Alberta Farmers Cooperative Elevator Co.	Initial dividend of 8%	November
Brandram Henderson, Ltd.	Initial dividend of 3% on common stock	December
Camaguey Electric Co.	Interim dividend of 1% on stock. First dividend for more than a year	January
Campbell Flour Mills Co.	Initial dividend of 2% on common stock at rate of 4% per annum	May
Canada Cement Co.	Common stock dividend of 3%	February & August
Canada Foundries & Forgings, Ltd.	Interim dividend of 10% on common stock	January
" " " "	First regular distribution of 4% for 4 months' period, and bonus of 3% on common stock	April
" " " "	Dividend of 3% and bonus of 3% on common stock	July
Canada Paper Co.	Cash dividend of $28 per share, discharging 6 years' arrears on preferred stock	July
Canada Steamships, Ltd.	Quarterly payment of 1¾%, applicable to arrears on cumulative preferred stock. Previous dividend paid June, 1914	March
" " "	Quarterly payment of 1¾%, applicable to arrears on cumulative preferred stock, then amounting to 10½%	June
" " "	Quarterly payment of 1¾%, applicable to arrears on cumulative preferred stock. The year 1917 is entered with arrears, including the 1916 dividend, totalling 14%	September
Canadian Cereal & Flour Mills Co.	Half-yearly payment of 3%, first since 1913	March
Canadian Cottons	Initial dividend of 1% on common stock	June
Civic Investment and Industrial	Initial quarterly dividend of 1% on common stock basis	October
Coniagas Mines	Dividend of 5%	February
Crow's Nest Pass Coal Co.	Quarterly dividend of 1½%. Previous dividend paid was 1% in 1911	February
Dominion Iron & Steel	Half-yearly payment of 3½%, applicable to arrears on cumulative preferred stock. Previous dividend paid April, 1914	March
Dominion Power & Transmission Co.	Initial half-yearly dividend of 2% on common stock	May
Dominion Steel Foundries	First dividend on common stock, 8%. In October, 1915, the company paid 14% arrears on cumulative dividends on preferred stock	January
Eastern Car Co.	Dividend of 9% on cumulative preferred stock, covering, at 6% per annum, the stock for a period of 18 months	January
Grand Trunk Railway	Dividend of 2½% on 4% guaranteed stock. This, with 1½% declared in October, 1915, made the full dividend of 4% for the year. Previous annual dividend had been cut to 3½%	February
" " "	Dividend resumed on preferred stock, 5%	November
Howard Smith Paper Co.	Full year's dividend of 7% preferred shares, for year 1914	December
Howard Smith Paper Co.	Dividend of 12½%, 7% being for year 1915 and 5½% for 1916	
Hudson's Bay Co.	Dividend of 20% on common shares. No dividend was paid in previous year. In 1913-14, 40% was paid	August
Imperial Oil Co.	Stock dividend of 100%	
Lake Superior Paper Co. / Spanish River Pulp & Paper / Ontario Pulp & Paper	Interest due in 1915 and 1916 on 1st mortgage 6% bonds was postponed until June 1st, 1922. Regular bond interest payments were resumed in 1916	September
Maple Leaf Milling Co.	Interim dividend of 3% on common stock, with declaration that stock would go on a regular 8% basis in July, 1916	March
Maritime Fish Corporation	Initial dividend of 3½% on preferred stock for half-year	May
National Steel Car Co.	Current year's dividend of 7% paid; matter of deferred dividends left in abeyance	March
North American Magnesite	Dividend of 22% on common stock	March
Ottawa, Light, Heat & Power Co.	Dividends of 1½% on common stock paid for last quarter of 1915, and 1½% for first quarter of 1916, 3% in all	February
Penn Canadian Mining Co., Ltd.	Initial dividend of 5%	November
Price Bros.	Initial dividend of 6% on common stock	August
Provincial Paper Mills	Common stock put on a 4% basis	December
Right of Way Mines, Ltd.	Dividend of 1½% (previous dividend, 1% in 1914)	September
Riordon Pulp & Paper Co.	Initial and interim dividend of 1½% on common stock; quarterly dividend of 1% and bonus of 1%	April; Oct.
Smart Woods, Ltd.	Dividends of 1¾% on preferred stock, and of 1¾% on deferred dividends on preferred	September
" " "	Dividend of 1¾% for quarter and dividend of 7%, thus leaving no dividend arrears	December
Steel Co. of Canada	Dividend of 3½% on cumulative preferred stock and regular quarterly dividend of 1¾%, thus paying all dividend arrears	March
" " " "	Initial dividend of 4% on common stock	November
Tooke Bros., Ltd.	Dividend of 3½% on preferred stock, leaving accrued dividends of 8¾%	June
" " "	Quarterly dividend of 1¾% on preferred, together with 1% on account of arrears, leaving arrears of 7¾	November
Toronto Paper Co.	Half-yearly dividend of 2%	July
Trethewey Silver Cobalt Mine	Dividend of 5% (previous dividend, 5%, July, 1914)	December
Windsor Hotel Co.	Dividend of 4% for year ended October 31st, 1916; no dividends were paid in 1915; 4% in 1914; 5% in 1913; and 10% previously	November

LIST OF COMPANIES REDUCING DIVIDENDS DURING 1916

COMPANY	DIVIDEND REDUCED ON			Dividend reduced in
	Stock	From	To	
		%	%	
Bank of British North America	Common	8	7	March
Winnipeg Electric Railway	Common	10	8	March

LIST OF COMPANIES PASSING DIVIDENDS DURING 1916

COMPANY	DIVIDEND PASSED		Dividend passed in
	Stock	Rate	
		%	
Canadian Western Natural Gas, Light, Heat and Power	Common	4	March
Carriage Factories	Preferred	7	February, then making a year's dividends in arrears
City Dairy Co	Com. and Pfd.	8 and 7	October and December
Duluth Superior Traction	Common	Semi-annual 1%	January
*Ford Motor Co. of Canada	Common	6	October
Montreal Abattoirs	Preferred	7	
Ready's Breweries (St. John)	Common	4	June
" " "	Preferred	7	June

*Dividends were formerly paid at rate of 10% quarterly on old capitalization, which is approximately 6% quarterly on present capitalization.

LIST OF COMPANIES DEFERRING BOND OR DEBENTURE INTEREST DURING 1916

COMPANY	INTEREST DEFERRED ON		Interest deferred in
	Security	Rate	
		%	
British Columbia Breweries	Bonds	6	July. Agreement reached to postpone for 3 years interest due in 1915
Canadian Northern Railway	Debenture Stock	5	June
Pacific Coast Collieries	Bonds	6	Decision in March to defer bond interest for 1916
Tuplin Silver Black Fox Company	Bonds	6	September
Western Canada Power	Bonds	5	January. Proposal to exchange 2 years' coupons for preferred stock

LIST OF COMPANIES INCREASING DIVIDENDS DURING 1916

COMPANY	DIVIDEND INCREASED			Dividend Increased in
	Stock	From	To	
		%	%	
British Columbia Fishing & Packing	Common	3½	4	March
Burt Co., F. N.	Common	4	6	December
Canadian General Electric Co	Common	7	8	November
Detroit United	Common	6	7	June
Dominion Bridge	Common	Quarterly dividend 2	2+3	July
Dominion Steel Foundries	Common	2	2+3	May
" " "	Common	2+3	2+8	November
International Nickel	Common	Quarterly 5	Quarterly 8	May
Kaministiquia Power Co.	Common	6	7	July
Montreal Stock Yards Co.	Common	8	8+5	February
Nipissing Mines Co	Common	5	5+5	September and December
Ogilvie Flour Mills	Common	8	8+4	September
" " "	Preferred	8	10	December
Ontario Steel Products	Common	4	7	July
Paton Manufacturing Co.	Common	Half-year 4	4+2½	February (Total dividend for year, 10½%)
Penman's, Ltd.	Common	4	4+1	January
" "	Common	4	4+1	December
Pennsylvania Water and Power	Common	4	5	September
Riordon Pulp & Paper Co.	Common	Quarterly dividend 1	1+1	October
Seneca Superior Silver Mines	Common	Dividend of 10% and bonus of 20%		August
Toronto Paper Co.	Common	4	6	November

Last Year's Statistics of Canadian Development

Statistical Summary of Trade, Production, Banking, Borrowing, Industry and other National Factors (with comparisons)

Table 1.—Canadian Imports (Merchandise).

Fiscal Year.	Value.
1906	$287,207,412
*1907	252,268,999
1908	364,237,864
1909	299,768,166
1910	385,835,103
1911	462,041,330
1912	533,286,663
1913	686,604,413
1914	635,511,492
1915	497,451,902
1916	530,245,594

*Nine months.

Table 2.—Canadian Exports (Merchandise).

Fiscal Year.	Value.
1906	$246,657,802
*1907	192,087,233
1908	263,368,952
1909	259,922,366
1910	298,763,993
1911	290,000,210
1912	307,716,151
1913	377,068,355
1914	455,437,224
1915	461,442,509
1916	779,290,070

*Nine months.

Table 3.—Total Trade of Canada (Merchandise).

Fiscal Year.	Value.
1906	$ 533,865,214
*1907	444,356,232
1908	627,606,816
1909	559,690,532
1910	684,599,096
1911	752,041,540
1912	841,002,814
1913	1,063,672,768
1914	1,090,948,716
1915	958,894,411
1916	1,309,545,664

*Nine months.

Table 4.—Primary Production.

(Field crops, forests, mines, fisheries.)

Year.	Total.
1908	$703,590,000
1909	816,274,000
1910	701,085,000
1911	901,709,000
1912	909,358,000
1913	907,311,000
1914	975,380,006
1915	1,138,908,671
*1916	1,241,029,350

*Estimated by *The Monetary Times.*

Table 5.—Capital Subscriptions in the United Kingdom (Including Public War Loans).

Year.	Amount.
1907	£131,436,382
1908	204,667,536
1909	213,098,768
1910	232,142,731
1911	196,216,492
1912	211,337,980
1913	248,237,207
1914	539,080,884
1915	1,242,030,562
*1916	1,332,472,000

*To December 23rd. Cabled to *The Monetary Times* by The London Statist.

Table 6.—Canadian Flotations in London.

Year.	Amount.
1906	£ 6,427,500
1907	11,203,711
1908	29,354,721
1909	37,411,723
1910	38,453,808
1911	39,855,517
1912	32,456,603
1913	47,363,425
1914	36,777,271
1915	8,235,000
1916	1,000,000

Table 7.—Canadian Municipal Bond Sales in Canada.

Year.	Amount.
1909	$31,532,960
1910	29,043,325
1911	30,295,838
1912	19,767,256
1913	20,550,239
1914	34,483,359
1915	31,910,214
1916	19,640,778

Table 8.—Canadian Municipal Bond Sales in United States.

Year.	Amount.
1910	$ 350,000
1911	2,334,461
1912	3,876,406
1913	22,168,053
1914	12,303,200
1915	35,483,114
1916	32,336,764

Table 9.—Canadian Municipal Bond Sales in Great Britain.

Year.	Amount.
1905	£ 78,000
*1906	.....
1907	822,942
1908	3,930,521
1909	2,109,500
1910	15,347,000
1911	26,618,745
1912	26,860,245
1913	69,323,350
*1914	32,347,435
1915	No sales
1916	No sales

*No sales were made in London in 1906 and none have been made since the declaration of war in August, 1914.

Table 10.—Canadian Municipal Bond Sales.

(In Canada, Great Britain and United States.)

Year.	Total.
1906	$ 9,087,008
1907	14,430,540
1908	46,461,021
1909	36,278,528
1910	29,740,325
1911	59,249,040
1912	50,493,907
1913	112,041,642
1914	79,133,994
*1915	67,393,000
*1916	51,977,542

*Canada and United States only.

Table 11.—Bank Deposits (after notice).

October.	Amount.
1906	$390,909,519
1907	416,787,636
1908	414,789,347
1909	480,837,606
1910	549,016,725
1911	586,451,045
1912	640,097,928
1913	621,511,207
1914	659,806,682
1915	701,336,850
1916	814,297,404

Table 12.—Bank Deposits (on demand).

October.	Amount.
1906	$181,408,733
1907	170,498,311
1908	190,144,091
1909	250,968,487
1910	280,838,612
1911	331,953,562
1912	383,814,572
1913	389,856,507
1914	348,732,830
1915	392,042,193
1916	489,230,234

Table 13.—Bank Clearings.

Calendar Year.	Amount.
1906	$3,997,969,065
1907	4,321,441,616
1908	4,142,233,379
1909	5,203,269,249
1910	6,153,701,587
1911	7,391,368,207
1912	9,143,196,764
1913	9,260,163,171
1914	8,073,460,725
1915	7,796,781,250
1916	10,557,187,917

Table 14.—Bank Deposits (on demand and after notice).

October.	Amount.
1906	$ 572,318,252
1907	587,285,947
1908	604,903,438
1909	730,806,093
1910	829,855,337
1911	918,404,607
1912	1,023,912,500
1913	1,011,367,714
1914	1,008,539,512
1915	1,093,379,043
1916	1,303,527,638

Table 15.—Bank Call Loans in Canada.

October.	Amount.
1906	$56,878,521
1907	46,843,488
1908	42,102,565
1909	56,996,065
1910	64,561,641
1911	69,088,467
1912	76,959,866
1913	71,118,255
1914	70,201,939
1915	74,574,270
1916	90,412,023

Table 16.—Bank Call Loans Abroad.

October.	Amount.
1906	$ 60,536,737
1907	47,446,488
1908	70,239,118
1909	129,964,353
1910	103,279,774
1911	88,722,640
1912	101,186,983
1913	93,346,810
1914	81,201,671
1915	120,681,624
1916	189,346,216

Table 17.—Bank Current Loans in Canada.

(Including Loans to Municipalities).

October.	Amount.
1906	$531,019,479
1907	579,860,498
1908	519,263,607
1909	579,837,956
1910	679,820,039
1911	768,492,008
1912	879,676,655
1913	862,313,367
1914	863,939,028
1915	826,467,984
1916	812,541,752

Table 18.—Bank Assets and Liabilities.

(Percentage of cash assets to liabilities of Canadian chartered banks.)

October.	Percentage ratio.
1907	17.9
1908	23.3
1909	20.2
1910	20.0
1911	21.9
1912	20.3
1913	19.4
1914	24.2
1915	25.7
1916	24.9

Table 19.—*Canadian Commercial Failures.

Year.	No.	Assets.	Liabilities.
1906	1,184	$ 6,499,052	$ 9,085,773
1907	1,278	9,443,227	13,221,250
1908	1,640	12,008,113	14,931,790
1909	1,442	10,318,511	12,982,800
1910	1,262	11,013,396	14,514,650
1911	1,332	9,964,604	13,491,196
1912	1,357	8,783,409	12,316,936
1913	1,719	12,658,979	16,979,406
1914	2,898	30,909,653	35,045,095
1915	2,661	39,526,358	41,162,321
†1916	1,788	19,450,020	26,422,441

*Figures of R. G. Dun and Company, Toronto.
†From December 1st, 1915, to November 30th, 1916.

Table 20.—*Railroad Earnings.

Calendar Year.	Amount.
1906	$103,051,000
1907	117,648,000
1908	113,405,000
1909	122,642,000
1910	156,340,000
1911	174,239,000
1912	203,921,000
1913	218,723,000
1914	178,702,000
1915	183,321,980
*1916	233,039,926

*Canadian Pacific, Canadian Northern, and Grand Trunk systems. †December returns estimated.

Table 21.—Building Permits (25 towns and cities).

Year.	Value.
	$ 58,140,294
*1906	58,587,987
*1907	51,223,398
*1908	66,112,729
1909	96,761,784
1910	127,378,469
1911	186,580,431
1912	149,144,475
1913	85,298,443
*1914	27,877,779
*1915	34,088,160
*1916	

*Figures for 1914 are for 23 towns and cities: for 1906, 41; 1907, 51; 1908, 73; 1915 and 1916, 33.

Table 22.—Immigration to Canada.

Fiscal Year.	Number.
*1906-7	124,667
1907-8	262,469
1908-9	146,908
1909-10	208,794
1910-11	311,084
1911-12	354,237
1912-13	402,432
1913-14	384,878
1914-15	144,789
†1915	32,514
1916	46,156

*Nine months. †Immigration season only, April to October inclusive.

Table 23.—Canadian Fire Losses.

Year.	Amount.
	$18,905,538
1909	23,593,315
1910	21,459,575
1911	22,900,712
1912	26,346,618
1913	24,300,000
1914	13,670,527
1915	20,487,509
1916	

Table 24.—Canadian National Debt (net).

Fiscal Year.	Amount.
	$267,042,977
1906	263,671,860
*1907	277,960,860
1908	323,930,279
1909	336,268,546
1910	340,042,052
1911	339,919,461
1912	314,301,625
1913	335,996,850
1914	408,122,214
1915	555,027,542
1916	

*Nine months.

BANK CLEARING HOUSE RETURNS

Clearing House	January			February			March			April		
	1914	1915	1916	1914	1915	1916	1914	1915	1916	1914	1915	1916
BRANDON	$ 2,311,316	$ 1,800,094	$ 2,357,266	$ 1,662,018	$ 1,607,772	$ 1,898,712	$ 2,004,746	$ 1,874,818	$ 2,051,131	$ 2,173,674	$ 2,082,368	$ 2,033,936
BRANTFORD	2,841,181	2,117,412	2,785,764	2,238,297	1,837,122	2,519,061	2,385,922	2,067,332	2,529,318	2,635,187	2,086,265	2,615,687
CALGARY	16,293,215	11,892,944	15,296,712	12,930,884	10,970,041	14,969,045	14,431,284	13,995,258	15,410,550	16,767,187	12 316,684	16,296,622
EDMONTON	15,609,722	8,654,331	8,573,985	12,791,319	8,322,480	8,202,342	9,242,814	9,242,340	9,008,980	14,527,255	8,574,523	8,997,895
FORT WILLIAM	3,508,691	1,758,673	2,010,463	2,827,477	1,558,750	1,692,064	2,710,147	1,967,524	1,657,554	2,904,117	1,874,433	1,836,161
HALIFAX	9,028,732	8,391,755	12,039,418	6,947,763	6,695,377	8,884,825	7,674,558	7,379,290	8,659,520	8,887,233	7,643,167	9,015,268
HAMILTON	13,187,339	10,788,238	14,839,201	11,440,792	9,763,668	13,788,455	12,391,477	10,873,859	14,768,780	12,616,469	11,922,395	15,128,703
KITCHENER			1,863,415			1,807,113			2,199,260			2,215,479
LETHBRIDGE	2,074,061	1,314,916	1,880,092	1,589,111	1,123,192	1,611,981	1,856,984	1,282,143	1,909,819	1,763,296	1,317,478	1,858,603
LONDON	7,829,699	7,945,433	7,800,806	6,155,267	6,521,750	6,925,362	6,940,901	6,811,196	8,452,952	7,481,999	7,170,617	7,759,754
MEDICINE HAT	1,789,685	888,721	1,334,407	1,732,484	760,431	1,176,089	1,755,867	1,033,314	1,493,754	1,720,402	904,557	1,475,414
MONTREAL	224,224,521	188,434,337	261,581,500	210,183,428	163,498,912	238,208,669	212,186,053	198,451,527	264,580,604	226,507,036	199,617,220	269,945,748
MOOSE JAW	4,277,024	2,811,532	3,992,525	3,166,123	2,377,649	3,377,220	3,819,086	3,310,186	3,654,556	3,872,177	3,136,551	3,449,846
NEW WESTMINSTER	1,725,721	1,107,170	884,294	1,462,615	1,048,074	771,176	1,731,554	1,154,672	908,811	1,834,836	1,216,117	1,029,602
OTTAWA	17,501,145	17,055,167	18,354,205	14,320,671	15,040,081	16,529,849	16,747,318	18,692,064	17,559,212	18,399,879	18,411,618	18,815,907
PETERBOROUGH		1,773,303	2,234,818		1,414,762	1,861,847		1,794,369	1,897,365		1,695,271	1,918,514
QUEBEC	13,479,997	11,221,993	13,893,532	11,193,841	10,285,824	12,004,916	12,502,734	11,439,078	13,250,146	12,516,631	11,981,412	14,467,260
REGINA	9,139,448	5,823,527	8,857,690	6,618,789	4,424,297	6,572,600	7,534,741	5,428,883	7,117,057	7,847,694	5,494,028	7,050,435
ST. JOHN	6,741,493	6,445,659	6,725,023	5,831,733	5,422,158	6,188,026	6,065,668	6,349,112	6,719,912	6,346,025	6,261,978	6,698,503
SASKATOON	6,385,692	3,214,947	4,790,673	4,430,814	2,830,671	4,163,761	5,119,383	3,224,124	4,193,942	5,486,916	3,247,194	4,384,976
SHERBROOKE						1,152,583			2,194,050			2,120,496
TORONTO	185,007,052	146,700,771	194,964,304	164,627,410	125,550,919	175,366,901	167,870,606	143,765,630	186,521,542	180,394,211	144,776,746	186,270,201
VANCOUVER	41,353,351	24,842,677	21,924,554	34,054,576	19,489,666	21,002,208	41,714,259	21,833,220	25,216,415	36,900,365	21,295,868	21,859,400
VICTORIA	11,639,478	8,139,927	5,729,678	10,086,102	5,998,874	5,209,323	11,043,187	6,635,016	6,619,812	10,987,272	6,814,060	5,642,791
WINNIPEG	116,381,841	102,143,672	145,723,005	82,058,074	89,877,318	122,832,955	91,710,153	100,143,890	123,883,432	102,167,246	107,277,914	131,002,911
TOTALS	$712,330,404	$575,267,199	$760,497,330	$608,349,588	$496,419,788	$678,717,083	$644,445,968	$578,749,319	$732,458,474	$684,637,107	$587,118,464	$743,889,112

BANK CLEARING HOUSE RETURNS—*Continued.*

(See page 175 for summaries.)

Clearing House	May 1914	May 1915	May 1916	June 1914	June 1915	June 1916	July 1914	July 1915	July 1916	August 1914	August 1915	August 1916
BRANDON	$ 1,934,798	$ 1,853,151	$ 2,071,287	$ 1,985,410	$ 1,765,924	$ 2,128,412	$ 2,052,8[illegible]	2,058,848	$ 2,624,982	$ 1,766,876	$ 1,764,203	$ 2,611,038
BRANTFORD	2,596,322	2,078,474	2,806,081	2,562,358	2,169,052	2,509,636	2,709,258	2,325,666	2,800,569	1,978,287	1,917,414	2,403,806
CALGARY	18,618,352	11,976,562	18,585,568	23,079,089	12,090,461	17,169,065	20,879,699	11,404,102	18,305,071	15,880,301	10,433,985	18,713,089
EDMONTON	14,809,080	7,770,732	9,274,539	15,135,945	9,243,638	8,525,573	15,317,009	8,567,282	8,498,667	11,693,266	7,950,764	10,616,144
FORT WILLIAM	3,688,632	1,898,416	2,213,925	4,027,723	1,739,719	2,376,941	4,154,262	1,958,559	2,541,474	2,896,673	1,512,064	2,547,350
HALIFAX	8,421,594	8,031,552	10,365,346	8,178,882	9,915,556	10,527,852	9,558,076	9,587,722	11,374,667	8,808,297	8,725,491	9,975,969
HAMILTON	13,727,441	12,267,228	16,819,597	13,225,451	12,864,156	16,443,307	13,434,967	12,832,549	16,550,551	11,422,751	13,095,120	15,864,278
KITCHENER	.....	.....	2,483,050	.....	.....	2,364,147	.....	.....	2,007,140	.....	.....	1,991,086
LETHBRIDGE	1,817,603	1,359,429	2,110,429	2,013,539	1,192,738	1,840,719	1,739,054	1,297,056	2,251,235	1,618,364	1,454,382	2,907,669
LONDON	7,675,575	7,396,129	9,139,424	7,339,427	7,721,083	8,028,975	7,807,314	7,679,220	8,718,756	7,016,338	7,358,661	8,003,529
MEDICINE HAT	1,926,341	947,191	1,653,898	2,139,936	835,429	1,396,051	1,708,934	792,606	1,428,348	1,462,861	726,910	1,676,966
MONTREAL	234,782,296	203,618,435	333,428,627	234,737,813	196,646,272	320,737,140	268,847,983	211,147,708	326,715,007	190,434,006	224,452,501	296,013,018
MOOSE JAW	3,728,007	2,476,596	3,730,978	4,007,615	2,773,580	3,542,445	3,770,564	2,443,277	3,851,749	3,247,255	2,560,706	4,223,031
NEW WESTMINSTER	1,791,500	1,226,709	1,259,234	907,428	1,084,430	1,386,665	1,786,407	1,174,001	1,259,331	1,553,791	1,029,261	1,392,489
OTTAWA	17,162,740	17,433,467	22,384,431	17,530,901	17,197,520	22,621,590	17,717,427	17,321,694	22,748,421	16,960,770	14,657,981	19,890,475
PETERBOROUGH	.....	1,507,347	2,247,055	880,363	1,716,871	2,340,661	1,768,868	1,674,958	2,277,538	1,598,877	1,629,557	2,343,781
QUEBEC	12,995,173	12,524,395	17,157,382	14,632,544	13,188,189	15,973,856	15,741,169	14,374,764	16,662,264	13,517,193	13,949,741	16,769,606
REGINA	7,472,062	5,915,020	8,413,335	9,789,963	5,575,660	8,930,033	8,233,956	5,004,129	8,918,126	6,832,267	5,785,215	10,509,885
ST. JOHN	6,345,546	6,484,402	8,293,187	6,927,076	6,242,920	7,975,302	8,094,476	7,118,322	7,807,281	6,437,732	6,638,508	8,463,056
SASKATOON	4,921,951	3,073,901	4,842,667	5,110,060	2,901,624	4,542,312	4,990,469	2,974,844	4,474,456	4,041,977	3,104,738	5,728,997
SHERBROOKE	.....	.....	2,389,708	.....	.....	2,226,335	.....	.....	2,244,755	.....	.....	2,332,347
TORONTO	180,771,533	150,352,850	230,467,743	181,904,536	161,404,956	234,373,961	198,337,755	161,709,156	208,759,891	143,924,791	140,624,050	187,511,224
VANCOUVER	38,089,799	22,669,043	26,080,473	37,467,108	22,500,450	27,127,873	38,574,409	23,712,152	27,481,846	33,598,185	24,246,715	28,550,714
VICTORIA	11,185,071	6,156,906	6,655,310	10,915,671	5,857,043	6,919,085	11,981,270	6,588,614	7,715,591	9,824,821	5,979,244	7,629,000
WINNIPEG	120,647,216	92,622,1418	169,187,263	109,197,659	77,738,643	150,375,516	108,860,139	75,614,528	166,054,953	87,424,502	66,444,845	194,133,827
TOTALS	$ 715,108,632	$ 581,640,076	$914,060,537	$ 713,696,497	$ 574,415,914	$882,383,452	$768,066,344	$589,361,757	$884,072,669	$ 583,940,181	$ 566,042,056	$862,802,374

Clearing House	September 1914	September 1915	September 1916	October 1914	October 1915	October 1916	November 1914	November 1915	November 1916	December 1914	December 1915	December 1916
BRANDON	$ 2,023,254	$ 1,878,252	$ 2,351,227	$ 3,084,979	$ 2,481,602	$ 2,729,126	$ 2,842,055	$ 4,081,203	$ 3,061,658	$ 2,555,452	$ 3,883,937	$ 3,003,743
BRANTFORD	1,981,161	1,991,039	2,656,570	2,435,630	2,597,398	3,511,648	2,052,314	2,702,880	3,734,978	2,253,392	2,750,226	3,451,952
CALGARY	15,311,248	12,013,785	17,168,029	17,666,193	17,185,475	22,599,898	14,822,508	22,308,991	31,104,342	14,989,913	23,170,311	27,481,680
EDMONTON	11,246,864	7,182,158	8,166,865	10,684,145	7,630,775	9,978,543	10,333,744	10,110,802	12,101,255	10,910,994	12,584,652	12,401,167
FORT WILLIAM	3,146,682	1,560,744	2,259,794	3,616,485	2,225,900	2,627,000	2,724,866	2,841,303	2,928,392	2,492,699	3,944,820	2,782,041
HALIFAX	7,979,600	8,375,614	10,090,284	8,619,844	9,314,878	11,231,403	7,812,491	10,025,337	11,898,271	8,343,037	10,328,846	11,935,054
HAMILTON	11,788,302	12,312,115	16,643,543	13,080,057	13,756,796	18,609,949	10,999,870	15,422,731	20,793,631	11,619,670	15,521,416	20,561,092
KITCHENER	.....	.....	1,913,014	.....	.....	2,320,392	.....	.....	2,367,553	.....	.....	2,534,787
LETHBRIDGE	1,723,375	1,381,138	2,624,753	1,753,354	2,196,972	3,694,571	1,614,260	2,823,286	4,056,386	1,655,028	2,997,488	4,442,286
LONDON	6,386,175	6,887,872	7,247,901	7,313,066	7,575,277	9,051,682	6,537,113	8,176,725	9,246,609	7,541,362	8,530,824	9,654,810
MEDICINE HAT	1,578,805	949,460	1,571,989	1,420,368	1,562,219	2,343,157	1,301,697	1,906,437	3,323,682	1,231,482	2,195,919	2,796,747
MONTREAL	203,588,919	206,673,288	295,337,209	226,518,230	253,982,655	355,590,527	201,353,029	282,437,024	397,168,404	197,991,187	299,162,549	363,298,547
MOOSE JAW	3,600,373	2,861,396	4,211,620	4,419,982	4,828,924	5,691,044	4,026,808	6,490,154	7,125,673	3,911,337	6,563,768	6,120,755
NEW WESTMINSTER	1,572,190	1,147,837	1,252,284	1,429,125	1,115,285	1,283,291	1,244,550	1,067,874	1,286,976	1,244,975	1,088,651	1,203,850
OTTAWA	17,467,683	17,306,374	26,669,383	17,822,601	17,804,649	25,487,446	18,119,824	19,885,360	24,781,653	19,911,640	20,830,545	25,207,027
PETERBOROUGH	1,804,079	1,548,213	2,223,912	1,787,488	1,769,968	2,468,871	1,689,176	2,097,648	2,440,995	1,807,114	2,288,410	2,420,279
QUEBEC	16,252,124	14,049,560	15,735,004	15,536,943	14,987,168	17,716,063	14,025,754	15,385,947	19,495,762	13,479,138	14,937,835	19,039,914
REGINA	8,287,865	6,664,202	11,142,068	9,737,724	10,347,775	14,509,993	8,790,004	13,645,462	17,431,033	7,921,022	13,014,406	14,897,333
ST. JOHN	6,297,997	6,147,037	6,962,621	5,888,485	6,439,836	8,262,857	6,095,734	6,467,782	7,845,673	6,929,879	6,990,553	9,025,354
SASKATOON	4,442,081	3,922,548	5,237,215	5,270,193	6,438,049	7,331,370	4,811,143	8,129,148	9,976,514	4,304,262	7,085,053	8,649,271
SHERBROOKE	.....	.....	2,138,277	.....	.....	2,390,941	.....	.....	2,541,473	.....	.....	2,746,934
TORONTO	142,910,702	138,247,404	196,413,726	162,831,368	176,073,958	244,508,737	150,132,944	194,628,769	266,237,746	154,342,756	202,121,048	260,139,646
VANCOUVER	34,324,654	24,360,842	29,690,373	31,165,702	24,596,929	31,475,214	28,519,737	26,324,641	31,158,064	25,189,573	25,703,746	30,021,584
VICTORIA	9,214,871	5,216,333	7,003,376	9,012,304	5,839,179	7,095,554	8,168,812	6,659,343	6,823,248	7,604,413	6,793,387	7,288,353
WINNIPEG	121,752,096	102,276,346	150,558.359	166,490,234	209,012,586	210,169,888	148,927,216	245,962,656	270,171,996	115,444,430	261,568,585	227,701,152
TOTALS	$634,681,100	$584,963,557	$827,269,396	$ 727,584,500	$799,764,253	1,022,679,165	$656,945,649	$909,581,503	1,169,552,967	$623,674,755	$954,057,976	1,078,805,358

CANADIAN RAILROAD EARNINGS

The following are the approximate gross earnings of Canada's transcontinental railroads month by month.

	Canadian Pacific Railway			Grand Trunk Railway			Canadian Northern System		
Month	1915	1916	Increase + Decrease −	1915	1916	Increase + Decrease −	1915	1916	Increase + Decrease −
	$	$	$	$	$	$	$	$	$
January	5,908,000	8,380,000	+2,472,000	3,420,813	4,287,416	+ 866,603	1,439,400	2,086,800	+ 647,400
February	6,503,000	8,546,000	+2,043,000	3,326,036	4,032,715	+ 707,679	1,602,200	2,089,200	+ 487,000
March	7,700,000	10,228,000	+2,528,000	4,014,204	4,509,243	+ 495,039	1,899,400	2,607,000	+ 707,600
April	7,164,000	10,548,000	+3,404,000	4,005,778	4,685,505	+ 679,727	1,948,900	2,824,300	+ 875,400
May	6,996,000	12,187,000	+5,191,000	4,015,302	4,677,936	+ 662,631	1,721,400	3,088,900	+1,367,500
June	6,990,000	11,343,000	+4,353,000	4,404,513	5,109,033	+ 704,520	1,749,600	3,377,200	+1,627,600
July	7,447,000	11,795,000	+4,348,000	4,504,757	5,331,363	+ 826,606	1,961,700	3,834,200	+1,872,500
August	8,414,000	12,880,000	+4,466,000	4,585,881	5,750,376	+1,164,495	1,983,600	3,684,900	+1,701,300
September	9,950,000	11,846,000	+1,851,000	4,624,510	5,656,433	+1,031,981	2,757,000	3,187,900	+ 430,900
October	13,311,000	13,102,000	− 209,000	4,666,691	5,660,321	+ 993,630	3,679,500	3,716,800	+ 37,300
November	13,114,000	13,157,000	+ 43,000	4,080,871	5,343,653	+1,252,782	3,534,200	3,722,300	+ 188,100
*December	12,580,000	12,809,000	+ 229,000	4,819,124	5,443,877	+ 624,124	3,435,600	3,692,000	+ 256,400

*Figures for December 1916, estimated.

BANK CLEARING HOUSE FIGURES BY PROVINCES

	1910	1911	1912	1913	1914	1915	1916
	$	$	$	$	$	$	$
Ontario	1,956,049,935	§2,298,228,008	2,728,432,820	2,747,331,878	†*2,536,380,813	2,411,179,697	3,248,026,159
Quebec	2,212,268,621	2,501,810,415	3,003,128,011	3,035,683,846	2,797,227,742	2,786,448,334	3,939,249,604
Manitoba	973,694,051	1,202,192,416	1,571,114,599	1,667,163,735	1,397,358,263	1,557,815,297	2,090,717,775
British Columbia	546,555,892	678,414,170	827,663,115	813,301,278	560,899,682	371,713,956	415,837,842
Alberta	231,690,244	368,939,005	529,704,867	**510,935,718	399,965,447	308,836,962	400,754,671
New Brunswick	77,843,546	77,328,182	88,969,218	85,756,651	78,001,844	76,468,267	90,966,795
Nova Scotia	95,855,316	87,994,038	100,467,672	105,623,769	100,260,107	104,414,585	125,997,877
Saskatchewan	59,743,982	*176,461,973	294,716,462	284,366,306	203,366,827	179,903,764	245,637,184
TOTAL	6,153,701,587	7,391,368,207	9,143,196,764	9,260,163,171	8,073,460,725	7,796,781,250	10,557,187,917

*Moose Jaw started February, 1911, and the total clearings for the 11 months were $39,988,342. § Fort William started October, 1911, and the total clearings for 3 months were $7,865,923. ** Medicine Hat started May, 1913. †* Peterboro started June, 1914. †Sherbrooke started February, 1916. *a* Kitchener started April, 1916.

Summary of Clearing House Figures.

CLEARING HOUSE	1910	1911	1912	1913	1914	1915	1916
	$	$	$	$	$	$	$
BRANDON	.....	29,430,274	32,297,075	32,186,498	26,397,457	27,132,173	28,922,518
BRANTFORD	.....	27,206,985	31,337,116	32,697,443	28,669,309	26,640,280	34,325,070
CALGARY	150,677,031	218,681,921	275,491,303	247,882,758	201,669,873	169,758,599	233,099,671
EDMONTON	71,635,122	121,438,391	220,727,617	213,053,268	157,308,683	105,834,951	114,345,955
FORT WILLIAM	.....	7,865,923	40,503,087	49,154,076	38,698,454	24,840,905	27,472,159
HALIFAX	95,855,316	87,994,038	100,467,672	105,623,769	100,260,107	104,414,585	125,997,877
HAMILTON	101,226,496	125,250,982	167,712,729	185,811,574	148,934,686	151,420,271	200,811,087
*a*KITCHENER	.....	.....	.....	.....	.....	.....	26,066,436
LETHBRIDGE	.....	28,818,693	33,485,947	28,893,477	21,218,029	19,740,218	31,638,543
LONDON	67,154,297	71,554,221	84,526,961	90,720,202	86,024,236	89,774,787	100,090,560
†MEDICINE HAT	.....	.....	.....	21,106,215	19,768,862	13,503,194	21,670,502
MONTREAL	2,088,558,566	2,368,491,239	2,844,368,426	2,880,029,101	2,631,354,501	2,628,122,428	3,722,605,000
*MOOSE JAW	.....	39,872,743	63,090,348	59,370,943	45,846,351	42,634,319	52,971,442
N. WESTMINSTER	.....	.....	.....	29,424,494	18,284,692	13,460,081	13,918,003
OTTAWA	193,714,888	213,952,292	244,123,451	207,667,006	209,662,599	211,636,520	261,049,599
‡PETERBORO	.....	.....	.....	.....	‡11,335,965	20,910,677	26,675,636
QUEBEC	123,710,055	133,319,176	158,759,585	165,654,745	165,873,241	158,325,906	192,165,705
REGINA	50,739,159	73,032,088	115,727,647	132,087,453	98,205,535	87,122,604	124,349,588
ST. JOHN	77,843,546	77,328,182	88,969,218	85,756,651	78,001,844	76,468,267	90,966,795
SASKATOON	.....	63,557,142	115,898,467	92,907,910	59,314,941	50,146,841	68,316,154
‖SHERBROOKE	.....	.....	.....	.....	.....	.....	24,478,899
TORONTO	1,593,954,254	1,852,397,605	2,160,229,476	2,181,281,577	2,013,055,664	1,885,956,257	2,571,535,622
VANCOUVER	444,988,818	543,484,354	644,118,877	606,899,710	420,951,718	281,575,949	321,588,718
VICTORIA	101,567,074	134,929,816	183,544,238	176,977,074	121,663,272	76,677,926	80,331,121
WINNIPEG	952,415,182	1,172,762,142	1,537,817,524	1,634,977,237	1,370,960,806	1,530,683,124	2,061,795,257
TOTALS	$6,114,039,804	$7,391,368,207	$9,143,196,764	$9,260,163,171	$8,073,460,725	$7,796,781,250	10,557,187,917

§ Started October 1911. * Started Feb., 1911. †Started May, 1913. ‡Started June, 1914 ‖ Started Feb, 1916. *a* Started April, 1916

COBALT ORE SHIPMENTS, 1904-1916

In tons of 2,000 lbs.—Figures for 1916 are preliminary estimates.

Mine	*1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Aladdin Cobalt	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	117.77
Badger	.....	.....	.....	.....	.....	.....	27.10	.....	.....	.....	.....	.....
Bailey	.....	30.00	.....	88.80	36.85	.....	20.00	41.57	150.35	20.50	.....	.....
Beaver	.....	.....	.....	.....	51.38	140 06	790.81	402.97	292.21	392.07	621.63	541.05
Buffalo	200.80	992.80	1,241.54	536.90	648.86	1,185.77	1,275.19	1,251.64	66.13	.....	567.33	422.43
Casey Cobalt	.....	.....	.....	10.00	8.50	48.40	277.74	214.34	401.54	608.30	260.98	310.39
Chambers Ferland	.....	.....	.....	223.89	517.88	885.92	622,85	501.29	223.78	308.06	326.57	.....
City of Cobalt	.....	.....	50.61	761.04	566.82	329.40	281.30	230.00	105.14	495.71	.....	.....
Cobalt Lake	.....	.....	.....	225.97	95.47	296.80	2,111.32	1,085.22	1,196.33	919.01	.....	.....
Cobalt Townsite	.....	.....	143.22	177.71	27.35	310.99	703.51	1,944.77	2,762.54	1,950.73	.....	.....
†Cobalt Comet (Dr'm)	32.15	274.70	104.13	1,161.38	1,225.47	2,194.41	714.83	458.85	610.06	587.03	634.22	51.04
Colonial	.....	15.00	40.38	.....	.....	178.60	114.10	86.48	21.56	.....	.....	.....
Coniagas	30.60	422.02	2,447.37	610.25	806.93	1,261.46	1,813.89	2,119.87	1,620.40	1,217.26	914.25	821.55
†Crown Reserve	.....	.....	.....	657.35	3,167.52	2,184.25	977.32	561.65	791.15	1,067.00	956.14	22.58
Foster	83.85	117.00	312.13	191.20	113.90	.....	.....	.....	.....	4.50	.....	.....
Green Meehan	.....	37.03	98.39	.....	.....	.....	102.98	.....	12.96	.....	.....	.....
Hargreave	28.45	.....	.....	.....	.....	343.68	102.44	17.35	.....	.....	.....	.....
Hudson Bay	.....	.....	149.53	1,094.23	743.64	260.33	898.88	694.55	609.14	647.95	.....	131.04
Imperial Cobalt	.....	.....	14.61	.....	.....	.....	.....	.....	.....	.....	.....	.....
†Kerr Lake	54.95	158.35	319.76	660.24	1,173.42	5,088.78	1,292.58	788.10	933.35	628.42	1,080.32	229.97
King Edward	19.00	.....	31.12	338.19	146.58	134.12	20.00	.....	87.21	.....	.....	.....
La Rose	607.86	854.61	2,815.45	4,843.17	6,757.21	5,131.53	3,581.54	3,511.40	3,275.14	1,582.54	1,625.54	1,184.32
Lawson	14.61	.....	61.12	.....	.....	.....	.....	.....	.....	.....	.....	.....
Lost and Found	.....	.....	.....	.....	.....	.....	.....	65.20	8.80	.....	.....	.....
Lumsden	.....	.....	.....	.....	.....	.....	.....	.....	20.00	.....	.....	.....
McKinley Darragh. Mining Corp. of Can.	447.09	80.45	742.42	1,808.39	1,056.49	2,393.39	3,238.64	2,673.40	2,865.66	2,903.50	1,778.85	2,025.00
Cobalt Lake	.....	.....	.....	.....	.....	.....	.....	.....	.....	223.37	1,221.87	1,907.70
Townsite City	.....	.....	.....	.....	.....	.....	.....	.....	.....	533.40	2,563.29	
Nancy Helen	.....	.....	30.10	201.32	116.32	.....	.....	.....	.....	.....	.....	.....
Nipissing	486.02	2,125.08	2,538.26	3,571.96	6,470.52	6,833.81	2,952.20	1,869.27	1,950.22	1,235.07	473.47	2,927.82
North Cobalt	.....	.....	.....	.....	6.87	.....	3.00	.....	.....	.....	.....	.....
Nova Scotia	.....	43.95	272.21	237.95	224.79	.....	.....	.....	.....	.....	.....	.....
O'Brien	26.32	114.18	1,491.61	3,459.31	1,419.11	608.57	628.44	711,43	703.43	523.21	396.12	251.01
Penn Canadian	.....	.....	77.33	187.99	339.01	285.62	22.40	126.35	332.18	460.53	685.30	558.14
Peterson (Leases)	.....	.....	.....	.....	.....	.....	.....	.....	.....	122.52	.....	
Gould	.....	.....	.....	.....	.....	.....	.....	.....	.....	50.05	.....	
Little Nipissing	.....	.....	.....	40.67	39.62	313.76	28.45	.....	9.00	.....	.....	407.17
Nova Scotia	.....	.....	.....	.....	121.15	.....	.....	.....	.....	.....	.....	
Seneca Superior	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Provincial	.....	.....	.....	75.84	.....	52.05	100.54	432.97	457.93	398.96	1,008.80	
Princess	.....	.....	3.93	.....	.....	.....	.....	22.22	.....	.....	.....	.....
Red Rock	.....	.....	45.71	.....	.....	.....	.....	.....	.....	.....	.....	.....
Right of Way	.....	46.25	129.37	750.04	1,608.99	981.41	636.06	243.24	146.12	184.16	125.43	105.07
Rochester	.....	.....	.....	.....	.....	28.30	.....	.....	.....	.....	.....	.....
Silver Bar	.....	.....	.....	.58	.....	.....	2 72	.....	20.00	20.00	.....	.....
Silver Cliff	.....	.....	.....	160.44	149.06	156.84	92.30	.....	48.05	.....	.....	.....
Silver Leaf	9.00	.....	46.36	197.03	.....	.....	.....	.....	.....	.....	.....	.....
Silver Queen	44.73	130.94	478.57	885.70	316.64	.....	.....	31.25	201.98	105.42	19.69	.....
Temiskaming	.....	.....	204.32	795.20	852.14	1,119.12	855.60	967.31	406.26	417.56	552.43	461.16
Temiskaming Cobalt	.....	20.47	67.98	.....	.....	.....	.....	.....	.....	.....	.....	.....
Trethewey	218.58	198.48	833.58	1,408.69	1,134.50	536.64	602.98	579.10	587.54	613.28	124.29	246.52
University	16.00	55.28	60.23	.....	.....	.....	.....	.....	.....	.....	.....	.....
Victoria	.....	.....	.....	.47	.....	.....	.....	.....	.....	.....	.....	.....
Violet	16.00	20.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Waldman	.....	.....	.....	.....	.....	38.81	.....	.....	.....	.....	.....	.....
Wyandoh	.....	.....	.....	.....	.....	24.15	.....	.....	.....	.....	.....	.....
Totals	2,336.01	5,836.59	14,851.34	25,362.10	29,942.99	33,976.97	24,921.71	21,631.79	20,916.16	18,220.71	15,936.52	15,044.00

* The shipments for 1904 totalled 158.55 tons.

† In addition to the shipments by this Company, the Dominion Reduction Company shipped from this mine and two others, 2,322 tons of ore, which are included in the total shipments of 15,044 tons.

For several years, a large number of Canadian companies operating in Canada and elsewhere have been compelled to pass or reduce dividends or to defer bond interest. The position, however, was slightly better in 1915 than in 1914, as several companies in dividend arrears were able to make disbursements considerably reducing the back payments due. Also, some companies were able to resume payments, apparently for good, while others paid initial dividends. This was due to some extent to the receipt of war orders here, without which an even more unsatisfactory dividend record for 1915 would have been made. During 1916, a still further improvement was made and a large number of companies resumed or initiated dividend payments. Unfavorable dividend action was rare in 1916. Many companies resumed dividends, leaving arrears for future consideration. Others resumed and paid part of the arrears. While the situation was considerably better last year than in the three previous years, still there is a large sum of accumulated dividends to be paid yet and many industrial companies will have to finance carefully to pay that sum.

The tables appearing on pages 169 and 170, and compiled for *The Monetary Times*, give a record of interest and dividends payments commenced or resumed, passed or deferred, increased or reduced during 1916.

(See page 119 for Building Permits.)

Statement of Immigration to Canada for season April to October, 1916, compared with preceding season

Month	1915				1916				Percentages of Increase
	British	United States	Other Countries	Totals	British	United States	Other Countries	Totals	
									%
April	1,126	4,400	351	5,877	743	5,696	437	6,876	17
May	1,571	3,477	405	5,453	858	4,583	474	5,915	8
June	1,183	3,159	256	4,598	1,134	4,148	561	5,843	27
July	828	2,796	224	3,848	1,021	4,450	502	5 973	55
August	913	3,692	290	4,895	910	6,059	515	7,484	53
September	776	2,909	218	3,903	1,065	6,020	537	7,622	95
October	788	2,904	248	3,940	879	4,794	770	6,443	64
Totals	7,185	23,337	1,992	32,514	6,610	35,750	3,796	46,156	42

HOMESTEAD ENTRIES BY BRITISH, UNITED STATES AND CONTINENTAL IMMIGRANTS

	Total entries	English	Scotch	Irish	United States	Continental
Calendar year 1897	2,384	300	83	33	164	673
" 1898	4,848	489	161	75	581	1,270
" 1899	6,689	578	192	97	1,064	1,796
First six months of 1900	7,426	350	95	50	833	1,643
Fiscal year 1900-1901	8,167	659	182	99	2,026	1,866
" 1901-1902	14,673	1,096	300	184	4,761	2,653
" 1902-1903	31,383	2,816	724	336	10,942	7,260
" 1903-1904	26,073	3,486	911	267	7,730	4,909
" 1904-1905	30,819	4,284	1,225	421	8,532	4,999
" 1905-1906	41,869	5,897	1,657	543	12,485	5,955
Fiscal period (9 months) 1906-1907	21,647	3,032	807	252	6,059	2,951
Fiscal year 1907-1908	30,424	4,840	1,026	339	7,818	5,373
" 1908-1909	39,081	5,649	1,310	506	9,829	7,265
" 1909-1910	41,568	5,459	1,326	546	13,566	6,896
" 1910-1911	44,479	6,161	1,291	492	13,038	8,793
" 1911-1912	39,151	5,739	1,041	476	10,978	9,044
" 1912-1913	33,699	4,452	836	307	8,895	7,757
" 1913-1914	31,829	3,894	966	400	7,293	8,139
" 1914-1915	24,088	2,974	800	363	4,334	6,881
" 1915-1916	17,030	2,374	700	314	2,435	3,899
Seven months ended October, 1916	8,302	1,131	377	144	1,249	1,676

The aggregate of entries made by British, American and Continental immigrants, 9,722, during 1915-16, subtracted from the total number of entries for that year, gives 7,308, the number of Canadian homesteaders; and in the first seven months (April to October) of the current fiscal year, in a similar way, 3,725 Canadians went upon the land by homesteading. It must not be supposed that 1,676 immigrants other than British and American, who arrived in Canada during the seven months in question, made entries for homesteads, a considerable number of them, doubtless, arrived in this country prior to April 1st, 1916, and had not become naturalized.

FIFTEEN NATIONS AT WAR

The simultaneous declaration of war by Italy against Germany and Roumania against Austria-Hungary makes the twenty-sixth of such declarations since July 28th, 1914, and brings the total number of belligerents up to fifteen—Germany, Austria-Hungary, Turkey and Bulgaria, facing Belgium, France, Great Britain, Russia, Italy, Roumania, Japan, Serbia, Montenegro, Portugal, and San Marino.

The dates of war declarations or the announcements of a state of war run as follow:—

1914.

July 28th—Austria declares war on Serbia.
August 1st—Germany declares war on Russia.
August 2nd—Germany at war with Belgium.
August 3rd—France announces a state of war with Germany.
August 4th—Great Britain declares war on Germany, and the latter declares war on Belgium and France.
August 6th—Austria declares war on Russia.
August 8th—Montenegro declares war on Austria.
August 10th—France announces a state of war with Austria.
August 12th—Great Britain announces a state of war with Austria. Montenegro declares war on Germany.
August 23rd—Japan declares war on Germany.
August 25th—Austria declares war on Japan.
August 28th—Austria declares war on Belgium.
November 5th—Great Britain declares war on Turkey.

1915.

May 23rd—Italy declares war on Austria.
June 3rd—San Marino declares war on Austria.
August 20th—Italy declares war on Turkey.
October 7th—Announcement of a state of war between Russia and the Bulgarian government.
October 14th—Bulgaria declares war on Serbia.
October 15th—Great Britain declares war on Bulgaria.
October 16th—Bulgaria announces a state of war with Russia.
October 19th—Italy declares war on Bulgaria.

1916.

March 9th—Germany declares war on Portugal.
August 27th—Italy declares war on Germany and Roumania on Austria.

A story as to the war financing of some of these nations appears on page 24.

A Record of Fifty Years

IN countries which have had the benefit of civilization counted by centuries, a fifty years' record of financial and commercial journalism may not be unusual. In Canada, comparatively a new country, *The Monetary Times* has no competitor in the matter of age; we think it will never have a serious rival so far as honesty of purpose and enterprise are concerned.

Since a short history of this paper was last printed the circulation of *The Monetary Times* has again gained considerably. For the benefit, then, of the many new readers, and as a string of recollections for old friends, an outline of the paper's career is given.

Fifty years ago, when Canada did not reach from ocean to ocean, but consisted of the two Provinces which are now Quebec and Ontario; before Confederation; before there was any Yukon, or any Cobalt, or any "North-West," it occurred to a small group of men in Toronto that need existed for a "weekly" of commercial and financial opinion, a paper that should deal intelligently and courageously with insurance, commercial law and practice, and matters relating to investment generally. They decided to start *The Monetary Times*.

The late Hugh Scott, the well-known underwriter, and the late William A. Foster, Q.C., were sponsors for the first issue. It was a 16-page sheet, small quarto, with very few advertisements, for, as Scott proudly said afterwards: "We never canvassed for a single card until the venture was self-supporting by means of subscriptions or voluntary advertisements." Its first printer was John Ross Robertson, then a publisher on Yonge Street, now proprietor of The Evening Telegram, Toronto.

The paper was intended to be, in the domain of business, what The Nation afterwards was in the literary field, a vehicle for the views and feelings of Canadians, aiming to be self-governed, patriotically ambitious, resenting dictation and pedantic methods in either government or commerce. Its tone and purpose commended *The Monetary Times* from the start, and Foster became its editor.

At that date (1867) there were twenty-six chartered banks in Canada whose paid capital was $29,831,000. Nineteen of these have since been amalgamated or wound up. The remaining eight, which are still in existence, with greatly enlarged scope, are the Bank of Montreal, the Canadian Bank of Commerce, the Bank of Nova Scotia, the Bank of British North America, the Bank of Toronto, The Molsons Bank, the Merchants Bank, and La Banque Nationale, together with others which have since come into existence. There were in Canada at that day 120 bank agencies in 55 places of Ontario and Quebec. To-day, there are more than 3,000 branches and agencies of Canadian banks, distributed from Sydney to Vancouver and Alaska, with a hundred agencies abroad.

Confederation of the scattered Provinces was effected in 1867, when Nova Scotia and New Brunswick and Prince Edward Island became part of Canada. The purchase of our far west prairie lands from the Hudson Bay Company followed in 1870, and in the next year British Columbia joined the Dominion. Our nation-building was begun, and there followed a period of growth and expansion during which the Canadian Pacific Railway became a wonderful factor in extending our trade with the world.

During these years *The Monetary Times*, under the editorial management of the late J. M. Trout, grew with the country. It absorbed three other commercial papers, one in Toronto and two in Montreal; the subscription list of one of the latter, the Trade Review, founded by Erastus Wiman, and edited by Hon. James Young, gave it a hold upon the commercial reading public in Quebec and the other Atlantic Provinces which it has ever since retained; while, as Manitoba and the West came into increasing prominence, the circulation of the paper west of the Great Lakes went ahead steadily.

The aim of the management was then, as it is to-day, to furnish a paper that should be carefully written, from the standpoint of experience and calm observation. Knowledge of affairs, independence of judgment, moderation of tone, were usually to be found in the utterances of its writers, among whom were cabinet ministers, prominent financial men and lawyers, well-known manufacturers and merchants and agriculturalists. Though not always brilliant or spicy, it was usually sound; and, while not assuming to possess all the virtues, it showed fearlessness and rectitude in high degree.

The paper soon became known for its outspokenness upon fraudulent finance or business dishonesty. Some of the writers who laid the foundation of its reputation, and helped to maintain it, in addition to Foster, who was a brilliant writer, were George Hague, who long wrote the Monthly Financial Review; Charles Lindsay, whose able summaries of The Situation were a feature for many years; R. R. Grindley, Hon. James Young, James Hedley (who passed away last month), and other prominent publicists. While giving much attention to home affairs, in dealing with budget speeches and commercial decision, or summarizing blue books, it kept a wider outlook in having correspondents in England, United States and elsewhere.

This brief outline of a formative period in the history of the Dominion suggests many contrasts, statistical and other, into which there is not space or time to enter. But it is a satisfaction to those—some of them still living—who helped to found *The Monetary Times*, to know that it has reached a goodly age for a young country, and that its hold upon the respect of its increasingly numerous patrons is well maintained.

Who's Who in The Monetary Times—*Continued from page 102.*

on "Winter Navigation in Canada"; "British and Continental Ports," 1908, jointly with Major G. W. Stephens; report on Halifax Ocean Terminals, 1913; "Transportation Problem in Canada and Montreal Harbor" for which received Telford Gold Medal from the Institution of Civil Engineers; "Canadian Ports," 1916. (Page 60).

CUNNINGHAM, J. A., Vancouver.—Managing director of the British Columbia Refining Company; president of the Vulcan Iron Works, New Westminster, and recently partner in the Western Oil & Supply Company; connected with the British Columbia Transport Company, having a seat on its advisory board; independent executive member of the British Columbia Shingle Manufacturers' Association; president, Westminster board of trade, 1908-1909; justice of the peace, British Columbia, since 1904; now serving second term as president of Manufacturers' Association of British Columbia. (Page 233).

CURRY, HON. SENATOR NATHANIEL, LL.D., Montreal.—President, Canadian Car & Foundry Company, and of several other important Canadian industrial companies; Director Bank of Nova Scotia, Montreal Trust Company, Travellers' Life Insurance Company of Canada, etc.; always well posted on the Canadian industrial situation. (Page 228).

DANE, FREDERICK, Toronto.—Loan commissioner in connection with settlers in Northern Ontario; import and export broker, under the firm name, Frederick Dane & Company; acted as commissioner on the Temiskaming and Northern Ontario Railway Commission, 1905-1914; represented the department of trade and commerce for the Dominion government at Glasgow, Scotland, 1914; appointed commissioner on licensing board by Ontario government, 1915. (Page 96).

DAWSON, A. E., Peterborough.—Manager for Central Ontario, Imperial Life Assurance Company; formerly engaged in lumbering business. (Page 202).

DETCHON, HENRY, Winnipeg.—General manager, Canadian Credit Men's Association, representing the wholesale trade, head office, Winnipeg, with branches in Vancouver, Calgary, Regina, Toronto, Montreal and St. John, N.B. Went to Manitoba, June 3rd, 1900. Present business established 1910. (Page 154).

DINNICK, MAJOR W. S., Toronto.—President, Dovercourt Land, Building and Savings Company, Limited; vice-president, Standard Reliance Mortgage Corporation; president, Sterling Trusts Corporation; an energetic citizen and an optimist. (Page 96).

DONNELLY, PATRICK, Vancouver.—President and general manager, Canadian Financiers Trust Company; president, Bridge River Timber Company; long engaged in insurance and loan business in different parts of Canada; became British Columbia manager, Great-West Permanent Loan & Savings Company, June, 1904, now the Great-West Permanent Loan Company; organized the Vancouver Prince Rupert Meat Company, 1907; Canadian Financiers Trust Company, 1907; Bridge River Timber Company, 1913. Mr. Donnelly took a strenuous and effective part in the recent provincial elections and was himself a candidate on the Liberal ticket for Vancouver city, defeating premier Bowser of the late Conservative government on the civilian vote, but was himself defeated on the soldiers' vote. (Page 152).

DORRELL, LT.-COL. C. H., Vancouver.—Member of the English and British Columbia bar; has given special attention to company and trust company law; for many years concerned in the management and direction of the National Land Corporation, Limited, and other land and development companies in England; came to British Columbia in 1911 and joined Canadian Financiers Trust Company the following year. (Page 91).

DRUMMOND, A. T., B.A., LL.B., LL.D., Toronto.—Formerly in law, later in finance; author and interested in numerous public enterprises; has been an active promoter of research work in Canada, and was the means of bringing McGill, Toronto and Queen's Universities into agreement with the Dominion government for co-operation in scientific research for the benefit of the Canadian manufacturing, mining, and agricultural interests (Page 56).

ECKARDT, H. M. P., Toronto.—Formerly in Canadian banking service; prolific writer on banking and finance in leading journals of Canada, Great Britain and United States; frequent contributor to "The Monetary Times"; author of "Manual of Canadian Banking Practice" (published by "The Monetary Times"), and of "A Rational Banking System." (Page 40 and 62).

EDMONDS, W. L., Toronto.—Associated with the Commercial Press, Limited; well-known writer on business topics. (Page 242).

FERGUSSON, G. TOWER, Toronto.—Investment banker; member of Toronto stock exchange and its president in 1898-99; Head of G. Tower Fergusson & Company, investment bankers, Toronto. (Page 91).

FLUMERFELT, A. C., Victoria.—Manager of the Manitoba branch of the Ames-Holden-McCready Company of Montreal, and later of the British Columbia branch. Since 1900, engaged in mining and other enterprises, acting as assistant general manager and director of the Granby Consolidated Mining, Smelting and Power Company. Other important offices held include the following: President of the International Coal and Coke Company, Pacific Marine Insurance Company, Western Mortgage Corporation, Hastings Shingle Company, and British American Trust Company, a director of Ames Holden and Company; Miner Rubber Company, Trusts and Guarantee Company, Canadian Bank of Commerce, Redmond and Company, Hutchison Company, Patterson Shoe Company, Canadian Consolidated Rubber Company, Empire Trust Company and Great-West Life Assurance Company; provincial minister of finance, 1915. (Page 146).

GIBSON, T. W., Toronto.—Deputy minister of mines for Ontario; has had newspaper, financial and manufacturing experience; was appointed secretary to the Ontario bureau of mines, 1891; director of mines, 1900, and present position in 1906. He is acting also as secretary of the Ontario Nickel Commission. (Page 262).

GOOR, M., Ottawa.—Consul general for Belgium in Canada. (Page 144).

GROSCH, S. P., B.A., LL.B., Regina.—Commissioner, the Local Government Board, Saskatchewan; formerly city solicitor, Regina; practised law with Hon. A. G. MacKay, K.C., Owen Sound, Ont., 1907-10. (Page 114).

HEPBURN, A. BARTON, LL.D., New York.—Chairman of the board, Chase National Bank; one of the foremost bankers of the American continent. (Page 28).

HOYT, ALLEN C., New York City.—A clear and logical writer; formerly with N. W. Halsey and Company, now consolidated with the bond department of the National City Bank, the present organization being known as the National City Company, New York. (Page 118).

HUTCHINGS, E. F., Winnipeg.—President, the Great West Saddlery Company, Winnipeg, with branches at Edmonton, Regina, Saskatoon and Calgary, conducting the largest saddlery business in the world; director, Great West Permanent Loan and Savings Company; president, Capital Loan and Savings Company, Limited; vice-president, Imperial Canadian Trust Company, Limited; director, Canada National Fire Insurance Company; chairman, City of Winnipeg Sinking Fund Trustees; president, Athabasca Oil & Asphalt Company; president, Royal Oak Saddlery Company; president, Scott Saddlery Company; president, Alberta Saddlery Company; president, Regina Harness Company; president, Birds Hill Sand and Gravel Building Supply Company; president Birds Hill Sandstone Brick Company; vice-president, Alsip Sandstone Brick and Building Supply Company; president, Mineral Springs Sanitarium Association; president, Houghton Land Company; and Fellow of Royal Colonial Institute, London, England. (Page 237).

JOHNSTON, D. J., Winnipeg.—Manager at Winnipeg for the Aetna Life Insurance Company, of Hartford. (Page 210).

JUST, C. F., Petrograd, Russia.—Canadian trade commissioner in Russia; has had a long and valuable experience as Canada's trade commissioner in various countries. (Page 258).

KELLEY, RUSSELL T., Hamilton.—General manager, Hamilton Fire Insurance Company, Hamilton; keen, experienced and energetic insurance man. (Page 200).

LANGSTAFF, M. P., A.I.A., F.A.S., Waterloo, Ont.—Actuary of the Dominion Life of Waterloo; has been associated with that company for five years, having obtained his initial experience in Toronto; holds the highest degrees in the actuarial profession, and has had a wide experience in every branch of life insurance. (Page 183).

LARKIN, P. C., Toronto.—Founded the "Salada" Tea Company in 1892 in Toronto with the object of introducing the tea product of Ceylon to Canadians. To effect this the tea was packed in the sealed, metal packets, now so familiar throughout America. The company has branches and warehouses in Toronto, Montreal, New York City, Boston, Chicago, Philadelphia, Pittsburg, Detroit, Buffalo, Cleveland, and London, England, and is building a tea warehouse in Boston, Mass. Mr. Larkin is also vice-chairman of the Toronto General Hospital Board. (Page 240).

LESAGE, ANTONI, Quebec.—General manager, Les Prevoyants du Canada, Quebec; formerly in teaching profession; later general agent for the Great-West Life; accepted the managership for La Sauvegarde, in Quebec; then professorship in the Laval Normal School, his Alma Mater, being offered to him, he accepted it concurrently with a position on the editorial staff of a newspaper; in 1909, came back to life insurance in accepting present position. (Page 222).

LUTY, B. E. V., Pittsburgh.—Graduated from the University of Pittsburgh in 1891, B.A. and Ph.B.; engaged in iron trade journalism February 22nd, 1892, on the American Manufacturer and Iron World, and continuously in that business, with varying connections. Since 1900, has been Pittsburgh representative of the American Metal Market Company, New York, publishing the American Metal Market and Daily Iron and Steel report, a daily, the Steel and Metal Digest, a monthly, and Metal Statistics, an annual; contributes occasionally to various other publications, including a weekly cable and a letter to the Iron and Coal Trades Review, London. (Page 118D).

LYE, HENRY, Vancouver.—Well-known fire insurance adjuster; frequent contributor to "The Monetary Times"; celebrated his eighty-second birthday last year. (Page 214).

MACKENZIE, W. A., Toronto.—Senior member of the firm of W. A. Mackenzie & Company, investment brokers, established in 1908; has been identified with financial affairs from the beginning of his business career, and has been actively in the municipal bond business for the past sixteen years; is thoroughly familiar with municipal securities and the affairs of our municipalities. (Page 86).

MAGOR, BASIL, C. E., Hamilton.—Vice-president and general manager of the National Steel Car Company of Canada, Limited; formerly president and general manager of Magor Car Company of New York; engaged in engineering work throughout his business career. (Page 229).

McCANNEL, D. A., Calgary.—Chartered accountant, McCannel Brothers & Company; entered Toronto chartered accountancy office of Edwards and Company, 1903; on completion of a year's business course study under the late David Hoskins, F.C.A., obtained C.A. degree in Ontario in 1909; went west in 1911 and started in business for himself at beginning of 1913; elected president of the Institute of Chartered Accountants of Alberta, 1915-16; elected president of the Dominion Association of Chartered Accountants, 1916-17. (Page 146).

McCAFFEY, E., Victoria.—Secretary, provincial government information bureau of British Columbia; a versatile and attractive writer. (Page 229).

MANSON, HON. WM., Victoria.—Superintendent of the agricultural credit commission, in the Bowser cabinet of British Columbia, 1916, and superintendent of agricultural loans system; mayor of Prince Rupert, 1911; in public life for 20 years in British Columbia. (Page 58).

MAY, JR., W., Toronto.—Inspector, Sun Life Assurance Company; formerly cashier of the company at Toronto; previously in commercial work; a good speaker and writer on life insurance topics. (Page 200).

MORLEY, C. W., B.A., Montreal.—Secretary of Canadian Bankers' Association; banker and barrister; has written many important articles on banking topics; his article in this issue is written personally and not as secretary of the Bankers' Association. (Page 66).

MORREN, E. W. S., New York.—Entered the service of the Western Assurance Company in Toronto in 1901 as adjuster of claims; was afterwards made manager of the company's marine insurance department at the head office; continued in this position until a few months ago when he was appointed marine underwriter at the company's marine agency in New York. (Page 216).

MORWICK, E., Hamilton.—District manager, Mutual Life Assurance Company of Canada; formerly district manager for Excelsior Life, and previously commercial traveller; firm believer in life insurance, particularly on the mutual system. (Page 186).

MURRAY, J. P., Toronto.—Well-known manufacturer. Founded Toronto Carpet Manufacturing Company, Limited, in 1891; chairman, Toronto branch Canadian Manufacturers' Association, 1903; and Ontario vice-president, 1910; practically retired from business in 1911, and devoted much time to various semi-commercial organizations and public interests. Has lectured and written on:—"The Development of the Sheep Industry in Canada," "The Standardizing and Marketing of Canadian Grown Wool," "The Golden Rule Between Employer and Employee," "A Word for the Apprentice," and "Labor in Relation to Capital." (Page 60).

NICHOLLS, LIEUTENANT-COLONEL FREDERIC, Toronto.—President and general manager, Canadian General Electric Company; has been prominently identified with the development of the electrical industry in Canada; vice-president and director of several public utility and industrial companies; director British America and Western Assurance Companies. (Page 228).

PANGMAN, J. J. M., Montreal.—Chairman of Montreal Stock Exchange, and a member of one of the most representative stock brokerage houses in Montreal, (Burnett & Company); has held office of secretary, treasurer, vice-chairman and chairman of Montreal Stock Exchange; elected to the latter position in May, 1912. (Page 94).

PATTERSON, E. L. STEWART, Toronto.—Inspector, Canadian Bank of Commerce; well-known banker, and writer on financial topics; formerly assistant general manager of Eastern Townships Bank; fellow of Institute of Banking, New York; of Institute of Bankers, London; and Canadian Bankers' Association. (Page 51).

PURDY, J. L., Toronto.—City agency of the Canada Life Assurance Company; insurance career began in South Africa in 1905, and began travelling from Cape Town, through practically every town and city on the railroad up to the Northern Transvaal, soliciting for the Norwich Union Life Insurance Company; prior to that had general commercial experience; back to London, England, in 1908, where a link was made with the Norwich Union again; in 1910 was invited to join the soliciting forces of Price, Forbes & Company, at Lloyds, and continued there until 1913, when the call of the overseas dominions again claimed him; came to Toronto, 1913, and straight to the Mutual Life of Canada, and in 1916, joined the Canada Life on its Toronto soliciting staff. (Page 210).

REID, F. J., Brantford.—District manager, North American Life Assurance Company, Brantford; member of executive of the Life Underwriters' Association of Canada. (Page 184).

ROBINS, KINGMAN NOTT, Rochester, N.Y.—Treasurer, Associated Mortgage Investors, Rochester; vice-president, Mortgage Bankers' Association of America; good type of business man and thoroughly appreciative of investment opportunities in Alberta. (Pages 64 and 118J).

RUTHERFORD, J. G., C.M.G., Calgary.—Superintendent of agriculture and animal industry for the Canadian Pacific Railway, charged with the administration of all the agricultural and live stock operations of the company in the western provinces; is president of the Western Canada Live Stock Union; first vice-president of the Western Stock Growers' Association; councillor of the Calgary board of trade; member of the Board of Agricultural Education for Alberta; chairman of the International Commission on the control of bovine tuberculosis; formerly in federal government's service as veterinary director general, charged with the administration of animals quarantine service and the work of controlling contagious diseases of live stock throughout Canada, as also the operation of the meat and canned goods act, and as live stock commissioner, had control of all work of the Dominion department of agriculture in connection with the development of the live stock industry throughout Canada. (Page 264).

SAUNDERS, E. M., Toronto.—Treasurer of Canada Life Assurance Company; formerly manager at Calgary of the Canadian Bank of Commerce; vice-president of the Dominion Mortgage and Investments Association; one of the best known men in Canadian financial spheres. (Page 94).

SCLANDERS, F. MACLURE, F.R.G.S., F.R.H.S., F.R.C.I., Mem. Royal Agric. Sc., Eng., Saskatoon.—Industrial commissioner for Saskatoon; keen observer of western conditions; vigorous writer. (Page 236).

STEVENS, H. H., M.P., Vancouver.—Has been in British Columbia for the past 22 years; is one of the best known of our Pacific Coast citizens; has been active in watching in the federal house the interests of his province. (Page 234).

TAYLOR, SIR FREDERICK WILLIAMS-, LL.D., Montreal.—General manager, Bank of Montreal; formerly manager of the bank, in London, England; one of the most distinguished bankers of America; winner of Society of Arts gold medal on Canadian banking system; doing great deal of patriotic work. (Page 20).

TAYLOR, W. B., B.A., LL.B., Toronto.—Secretary, North American Life Assurance Company; called to Ontario Bar in 1892; practised law until 1900, then entered life insurance field with the North American Life, and in 1903 was appointed to present position. (Page 192).

THOMSON, JOHN STUART, Jersey City, U.S.A.—Oriental traveler, Canadian born but a United States citizen. Author of many authoritative books, including "China Revolutionized," "The Chinese," etc. He is a university lecturer, and a widely known authority on international economics. For years he was manager at Hong Kong, China, of the Pacific Mail and Toyo Kisen Kaisha trans-Pacific steamship companies. He has traveled widely in the Far East, Europe, Latin America and around the world. A man not much over forty, he might be called a "liberal expansionist," for he believes in also taking in the native as one of the partners. His writings have been translated into Russian, French, Chinese, Japanese, etc. (Page 29).

TOOLE, WM., Calgary.—President of the Mortgage Loans Association of Alberta; manager of the investment department for Southern Alberta of the Canada Life Assurance Company; president of Toole, Peet & Company, Limited; has had exceptional opportunities for acquiring an intimate knowledge of Western Canada and its agricultural possibilities. (Page 150).

WALKER, SIR EDMUND, C.V.O., LL.D., D.C.L., Toronto.—One of the leading bankers of the American continent; president of the Canadian Bank of Commerce; chairman, Board of Governors, Toronto University; director of Toronto General Trusts Corporation and other companies; author of "Canadian System of Banking and the National Banking System of the United States," and other publications. Associated with many public organizations and interested in a large number of public matters. (Page 26).

WATSON, T. H., Galt, Ont.—President, Canada Machinery Corporation; director, Toronto Paper Manufacturing Company; director, Standard Chemical, Iron & Lumber Company; formerly vice-president and managing director, Toronto Bolt & Forging Company, and Canada Bolt & Nut Company, absorbed by Steel Company of Canada merger. (Page 228).

WHITE, ARTHUR V., Toronto.—Formerly consulting engineer with Brown Brothers, London, England, for whom he executed commissions in France, Belgium and the United States; later with Mr. R. A. Ross, of Montreal, also with Department of Public Works, Canada; for several years past, consulting engineer to Commission of Conservation, Canada, and at present, also, consulting engineer to International Joint Commission, Ottawa and Washington, on Lake of the Woods Investigation. (Page 21).

WHITE, JAMES, Ottawa.—Assistant to chairman and deputy head of the Dominion Commission of Conservation; has a wide experience generally, and is unusually conversant with the extent and possibilities of Canadian resources. (Page 156)

WICKES, C. H., Montreal.—British trade commissioner in Canada and Newfoundland; formerly British trade commissioner in Australia; prior to these appointments was engaged in commercial business. (Page 230).

WILCOX, C. S., Hamilton.—Chairman board of directors, Steel Company of Canada; vice-president, Sawyer-Massey Company; director, Royal Bank, Tuckett Tobacco Company, and Canada Crushed Stone Company; well-known captain of industry. (Page 228).

WILLCOX, W. J., Winnipeg.—Managing director, Canada Hail Insurance Company; partner, Carson & Williams Brothers, Limited, insurance agents and brokers; has had a long and varied insurance experience. (Page 186).

WILLIAMS, E. B., Edmonton.—Solicitor to the attorney general's department, Alberta. (Page 202).

WOOD, E. R., Toronto.—President of the Dominion Securities Corporation bond house; director of a large number of financial and business institutions; member of the Imperial Munitions Board, and chairman of its Aviation Committee; recognized as the leading authority on Canadian bonds. (Page 49).

WOOD, G. H., Toronto.—Partner, Wood, Gundy & Company, bond house, Toronto; one of the best known financiers in Canada; has had a long experience in the Canadian bond business. (Page 118V).

WOOD, HEW, Montreal.—Manager municipal department, Nesbitt, Thompson & Company, investment house, Montreal. (Page 168).

YOUNGE, R. J., Montreal.—Joint general manager of the Export Association of Canada; formerly associated with the Canadian Manufacturers' Association. (Page 152).

General Index appears on pages 3, 4, and 168; Index to statistics is printed on page 276.

INSURANCE

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HEAD OFFICE - MONTREAL

Life Insurance Companies' Expense Rates

Factors of a Logical Ratio—There is a Tendency for the Ratio to Decrease as the Company Grows in Size—Some Important Considerations for the Intending Insurant

By M. P. LANGSTAFF, A.I.A., F.A.S.

IN the preface to a recently published volume on Canadian industry, commerce and finance, the following statement is made: "Many people are apt to regard the ways of commerce and finance as something that can be understood only by specialists and hence delay in acquiring a knowledge of them. This is a great mistake. Nothing is more simple or more easy of comprehension."

To show "how simple and easy of comprehension" matters of finance are, the author on page 113 of his volume tells us how to select a life insurance company. He gives vent to the following absurdities which serve as their own refutation to his preface:—

"How to select a life insurance company—On the principle that 'one cannot eat his pie and have it' to share with others, it is reasonable to assume that the company which expends for expenses and other outlays the largest proportion of its income, will have the least surplus to divide among its policyholders. It must not be forgotten that the government compels all life insurance companies to keep intact sufficient of its receipts to meet the obligations assumed on all policies issued. If, therefore a company expends for the purpose of getting new business, or for management or in any other way, more than its surplus, it not only has no surplus for its policyholders, but it is required to call up more capital or make good the deficit in some other way. The very best test which intending insurers can apply in their efforts to select a good company is to compare companies by the percentages which their whole expenses are to their total premium income. This comparison is not absolutely fair in all cases. But the error, where there is any, is too small to materially affect the test. Moreover, it is the only reliable test that can be made from the information regarding the business of life insurance companies, which the public is able to procure from the annual report issued by the government insurance department at Ottawa."

There is hardly a sentence in the above paragraph which, if taken at its face value by the non-expert, would not lead to misapprehension. I shall treat, however, of his most serious misstatement, "The very best test which intending insurers can apply in their efforts to select a good company is to compare companies by the percentages which their whole expenses are to their total income."

What Is Overlooked.

If this is the best test to use in comparing companies, then the other tests must be vicious in the extreme. This so-called "best test" puts its whole reliance on a single year's operations, takes no account of the ages and sizes of the companies, the dividends they are paying to policyholders, the rates of their growth, death losses, interest income, etc.—factors which cannot possibly be ignored if any fair comparison between companies is desired.

It is a well-known investment maxim that one should, in investigating the merits of any institution, look back through the past operations as well as at the present, to detect the trend of the earnings and any possible weaknesses.

It would be folly to put one's whole reliance on a single year's operations. One might find them quite at variance with past or future experience. For example, a particularly low expense rate found in any one year may quite possibly be indicative of weakness rather than of strength, as may be seen from the following consideration. In all companies, owing to the high first-year commissions paid to agents and the comparatively low renewal commissions, the cost of acquiring new business is many times the cost of looking after old business. Hence the company with the largest proportion of old business or the least proportion of new business on its books, will in the Expense-Income ratios have the best "paper" showing.

If, then, in any particular year, the amount of new business for any particular company shows a distinct falling off, then the Expense-Income ratio will be distinctly lower. Yet new business is desirable and the failure to write the usual proportion of it may be due to weakness in the institution itself—to a supine and lackadaisical policy on the part of a new management, or to a bad reputation acquired in the preceding year—or it may be due to general adverse conditions in the country. Yet surely no one will argue that the drop in the ratio for that particular year for any one of these causes is a good sign. Rather it would indicate pronounced weakness.

A Practical Example.

"The comparison," says the paragraph in question, "is not absolutely fair in all cases. But the error, where there is any, is too small to materially affect the test." In other words, our author falls into the egregious fallacy of maintaining that an error, by which one company, getting its business actually cheaper than another, may yet be made to appear to be obtaining it at a greater proportionate cost, is yet "too small to materially affect the test." For consider two companies, A and B.

Assume company A has:

Business in force December, 1913	$150,000,000
Income in year 1914—	
Premium income on old business	7,500,000
Interest income	2,500,000
Premium income on new business	500,000
Total income	$10,500,000

Its expenses are 15 per cent. of premiums on old business, and 100 per cent. of premiums on new business.

15 per cent. of $7,500,000 is	$1,125,000
100 per cent. of 500,000 is	500,000
Total expenses	$1,625,000

$$\text{Ratio of expenses to income, } \frac{\$1,625,000}{\$10,500,000} = 15.5 \text{ per cent.}$$

Now take a small company B, which has:

Business in force, December, 1913.....	$10,000,000
Income in year 1914—	
Premium income on old business	400,000
Interest income	125,000
Premium income on new business	100,000
Total income	$ 625,000

Its expenses are 10 per cent. of premiums on old business, and 90 per cent. of premiums on new business.

10 per cent. of $400,000 is	$ 40,000
90 per cent. of 100,000 is	90,000
Total expenses	$130,000

$$\text{Ratio of expenses to income } \frac{\$130,000}{\$625,000} = 20.8 \text{ per cent.}$$

On the Surface.

Thus, on the surface, it appears that company B is run more expensively than company A, because its expense ratio is 20.8 per cent., while A's expense ratio is only 15.5 per cent. As a matter of fact, however, company B would be by long odds the better company in which the policyholder could invest, for while he would be charged 100 per cent. for expenses on his first premium in company A, he would be charged only 90 per cent. in company B; while he would be charged 15 per cent. for expenses on each subsequent premium paid in company A, he would be charged only 10 per cent. for expenses on subsequent premiums in company B.

The reasons why an old company must almost invariably have a lower total expense to total income ratio than a young company can then be put down to two main factors:—

(1) The greater proportion of old business to new business, and the much lighter expense of looking after the former.

(2) The greater proportion of interest income to new premium income, the expense of the interest income being

almost negligible in comparison with the expenses involved in the collection of premiums.

But while these factors determine largely a company's position in the list with others from the standpoint of this Expense-Income ratio, yet they give no indication of the actual cost to be imposed against the average policy and may indeed lead us erroneously to suppose the more extravagant company to be the more economical one. On page 420 of the volume referred to, our author publishes a list of Canadian companies showing the percentage of expenses to premium income. The older companies and the least progressive companies naturally show best, while some of those which are recognized everywhere as the best policyholders' companies in Canada, make only a moderate showing.

As another illustration of the point which we are trying to bring out, we may consider the course of the ratio as applied to any individual company over a long course of years. We shall notice that almost invariably there is a tendency for the ratio to decrease as the company grows in size, and in the proportion of old business to new, although business is in reality costing them far more to procure and hold every year owing to the increased cost of living.

But surely, says the intending insurant, there must be some way of comparing expense rates. If not, a company might "play ducks and drakes" with the policyholders' money, and while showing fine interest rates and mortality savings—those two other essentials of good management—be a very undesirable company in which to place one's insurance. An attempt to solve this question has been made in certain quarters by assuming an arbitrary ratio of expense to exist between the cost of first year and renewal business. Ten to one is a common ratio chosen, and there is no doubt that the method does away with much of that absolute injustice contained in the ratio which we have been discussing. But even here we do not obtain anything like accuracy. It is akin to the method of the robber Procrustes who, issuing from his castle, seized on passers-by, and hauling them inside, compelled them to be fitted to his iron bedstead. If their limbs were too long, the redundant part was lopped off; if too short, they were stretched to the required dimensions. The wielder of figures who uses the arbitrary 10 to 1 ratio follows the same procedure. Where the real ratio is greater than 10 to 1, it must be lopped off; where less, it must be stretched to his empirical requirements. Take, for example, the two hypothetical companies used above. Company A is there given with a first year's expense of 100 per cent., with a renewal expense of 15 per cent. The 10 to 1 ratio would make these percentages 130 and 13, while company B's percentages of 90 and 10 would be changed to 92.8 and 9.28.

Some Important Considerations.

It is admitted that the only logical ratio for expenses is to find the total cost of new business to new premiums, and of renewal business to renewal premiums, and for purposes of year to year comparison of any one company by its own officials who are in touch with the minutiae of the expense distribution, some such method is used by apportioning the various expenses as accurately as possible against first-year or renewal premiums. But no statistician or expert can say exactly what the total cost of new or renewal business has been even in his own company, much less for another company. He has to apportion arbitrarily such items as advertising, printing, administration expense, telegraph, telephone, postage, etc. He has, moreover, to apportion the expenses incurred on death claims to the death claims, and those involved in the investment of the company's funds against the interest returns.

The proportions of these expenses applicable to the different branches necessarily varies in different cases, and markedly so at times, and accordingly cannot be honestly expressed by any fixed percentage of total expenditure, and therefore no attempt to do so should be made in a comparison of companies. It is, in fact, well-nigh impossible to obtain an absolutely fair comparison of the expense ratios of companies, as they are affected so readily and in such a pronounced way by the various peculiarities of the business of each company. Our author evidently thinks that "nothing is more simple or easy of comprehension," and then proceeds to recommend as a "best test," what is in reality the very worst test, and the most vicious and unreliable test, that can possibly be applied.

"Moreover," continues the paragraph, "it is the only reliable test that can be made from the information regarding the business of life insurance companies, which the public is able to procure from the annual report issued by the government insurance department at Ottawa." This statement is absolutely erroneous. The annual reports of the government insurance department are in much detail and give all the salient and important operations of each company during the preceding year. And yet our empiric would have us ignore all important figures in reference to the company's operations. He would have us ignore the actual results of the different classes of policies in each company which the department now publishes as a distinct guide and as its "best test" for the intending insurant. He would overlook any enquiry into the safety of a company from a consideration of its length of existence, its capital, assets, surplus, business, and the personnel of the management. He would take no account of the death claims experienced by the company, an item the limitation of which is all-important to the safety of the institution and the profits of its policyholders. He would pass by any thought of the interest receipts, the most potent source of profit to policyholders that can be named. Terminations which indicate the stability or otherwise of a company's business are lacking in interest to him. He treats as buncombe any reference to the rate of surplus earned on assets, that ratio which focalizes all significant ratios on the supreme point of earning power, and which is one of the best tests of a company's merit that can be applied. He neglects all these to turn to a ratio which every insurance man in Canada will agree, is the most fallacious for comparative purposes that can possibly be used.

VALUE OF BUSINESS INSURANCE

It is a Powerful Recommendation for Credit—A Typical Example

BY F. J. REID.

The progress of life insurance is reflected in the fact that it is now quite a common thing for the heads of large concerns to be insured for the benefit of the business. In some instances, insurance of $1,000,000 is carried for the protection of the business. Should the head of such a firm die the million dollars is immediately paid over. In this way, the company is enabled to save its credit (if not improve it), until such time as a suitable man can be found to fill the vacancy. This simply means insuring the brains of the institution for the benefit of those financially interested.

To the man with a growing business who requires from time to time to borrow money in order to extend his business, this plan of insurance is invaluable as it serves the double purpose of a contingency fund to take care of some future liability should the partners live, as well as protecting the business should any of the partners die.

As Credit Factor.

Again, it is a powerful recommendation for credit when desired. My reference to business insurance has no application to joint life insurance. There are many disadvantages in joint policies when used for business purposes. For instance, in cases where a joint policy is carried and either should die, the surviving partner is left without insurance and possibly could not pass an examination though he may at that time be much in need of the protection which life insurance gives.

In the event of dissolution, all must agree to the method of settlement, otherwise no settlement can be made. In the case of business insurance, each member of the firm is insured. The premium is paid out of the business, and the business is made the beneficiary. Now, in the event of a dissolution of partnership there are no complications. The change of beneficiary is all that is necessary. It then becomes individual insurance.

A Typical Example.

Two men a short time ago started a new enterprise, one furnishing the money, the other the brains. A few months ago they decided that it would be to their advantage that they each carry insurance for the benefit of the business, and as a result of this discussion they each have a policy of insurance, the premiums for which are paid out of the business, the business being the beneficiary.

Modern business men are realizing the advantage of carrying business insurance.

ASSETS
Very large increases were made in assets. Invested funds shown in only the best securities. Lists furnished on application.

1916 RECORDS

Canada Life Assurance Co.

INCOME
The income from both premiums and interest shows excellent gains, collections generally having been remarkably good throughout the year.

YOUR PRIVATE INVENTORY

There is danger of a man leaving large property interests and too little income. Property must be producing income in order to be of immediate benefit to a bereaved family.

We therefore suggest that you take stock of your affairs; adopt the best method of caring for your obligations; find out how to plan your estate.

In order to help you in doing this, we offer to send you, free, a

"PRIVATE INVENTORY FORM"

Why not consult an old, tried Company, with abundant evidence of success; experienced in life insurance; paying large dividends to policyholders, and safely and sanely managing its business—the Canada Life?

NEW BUSINESS
The Canada Life received more applications for insurance during the past year than for any previous year in its history. The gain in business issued was over 25%.

1916 RECORDS

Canada Life Assurance Co.

INSURANCE IN FORCE
Notwithstanding large payments to policyholders on matured contracts, profits, and for death claims, the gain in insurance in force was about 50% as compared with new assurances issued.

MUNICIPAL HAIL INSURANCE NOT SOUND

Companies Have Made a Splendid Record in a Bad Year—Readjustment Needed

BY W. J. WILLCOX.

The farmers of the three Western provinces probably realize as they have never done before, the importance of carrying adequate hail insurance. In the history of agricultural Canada there has never been as disastrous a season as that of 1916—probably over, rather than under 10 per cent. of the entire crop having been destroyed by hail. The only protection against hail is a well-placed insurance policy, for, unlike fire, no care or forethought will minimize the possibility of disaster.

The storms are erratic in their course. Sometimes a narrow strip a few furlongs wide will be completely wiped out, and grain within comparatively few feet will be left untouched. In other cases patches of hail will fall in a large territory, the intervening spots being but little hurt.

In these days of aviation we read and hear a great deal about the air currents and air pockets which the flyers are frequently meeting. Air currents are found travelling fast through an otherwise quiet atmosphere and sudden changes of temperature cannot be accounted for. These atmospheric changes undoubtedly influence hail storms and it makes one wonder whether in a few years an underwriter, in determining on what he considers an adequate rate, will get an aviator to help him.

Hail insurance in the West has for some years past been written by (1) municipalities organized by the provincial government; (2) mutual companies; (3) joint stock companies.

One hesitates to say much about municipal hail insurance for just at present it seems to be in a chaotic condition, and the fact should have been thoroughly brought home to the farmer, that unless put on a sound financial basis and attention paid to its underwriting, municipal hail insurance is at best a good gamble.

Mutual and Stock Companies.

The mutual and stock companies are required to make large deposits by the governments under which they are licensed or registered. In addition, they have to pay taxes and should they not pay their policyholders 100 cents on the dollar, those same governments would cancel their licenses. These facts are interesting when considered in conjunction with the modus operandi of the Saskatchewan and Alberta governments.

In 1915, legislation was put through the Saskatchewan house which made it possible for the government to write in addition to the municipal insurance, a further policy of $5 per acre at a cost of 5 per cent. This scheme was gone into with no assets of any kind, and as all Westerners know, 10 per cent. would not have been an adequate premium for 1916, so that while the stock companies which charged approximately 6 per cent. were able to draw on their assets and pay the farmer the full amount of his loss within a few days after the storm, the municipal insurance commission have not yet been able to pay the farmer the 40 or 50 cents which their funds, or rather lack of them, allow them to pay.

Need for Readjustment.

It is not only the old question of government ownership, with its many obvious disadvantages, but there is a feature in connection with a government in the hail insurance business which does not exist when considering a government in any other kind of business. All insurance men know that to get underwriting results, one must, first and foremost, get "an average," in other words, all the eggs must not be in one basket The Saskatchewan government in 1915 accepted a $5 liability on every acre of grain, not only in one township, but frequently in a dozen or more townships adjoining each other. Ask any fire insurance man what he would think of one fire company writing all the fire policies of Toronto or San Francisco.

There is serious need for a complete readjustment of the present municipal commission. If their old methods are continued there is need for them to charge a far higher rate of premium than that charged by the companies.

The government must accept all and every risk given them, while a well-managed company would not take one-half of the business of ten adjoining townships, even if they could get it.

These points are well worthy of consideration, for without a doubt, after last season's hail losses and with wheat selling at unheard of prices, the farmer will take out more insurance in 1917 than ever before.

IS SURVIVORSHIP PLAN OBJECTIONABLE?

This Insurance Man Thinks Tontine System is Unreasonable and Unbusinesslike

BY E. MORWICK.

The Insurance Act of 1910, in section 93, provides that companies shall, in case of deferred dividend policies, ascertain and contingently apportion to each policy at least once in five years the share of such surplus or profits to which such class is contingently entitled—but makes no provision for payment to the policyholder of such profits should he predecease maturity of contract. Would it not appear strange if the government permitted a bank or loan company to solicit deposits in their savings department, with the stipulation that unless the depositors lived for a stated term of years the entire interest accumulated to such deposits would be confiscated and divided among living depositors. Even with the option of a little higher interest, would a bank operating under this principle secure deposits from thrifty people?

Unreasonable and Unbusinesslike.

The tontine or deferred system of taking profits under life insurance contracts appears quite as unreasonable and unbusinesslike on examination, but has been accepted for years as a matter of course. The fact of insurance companies paying death claims is no apology for the absurdity of this system, because the mortality element is provided for by the premium. No intelligent person, to-day, perhaps questions the wisdom of life insurance, nor do well-informed people question the stability of our old line companies. Notwithstanding this, the cost of new business is out of all proportion to what it should be. This may be ascribed to various causes, but is not the disappointing deferred dividend system largely responsible?

Should Receive Dividend.

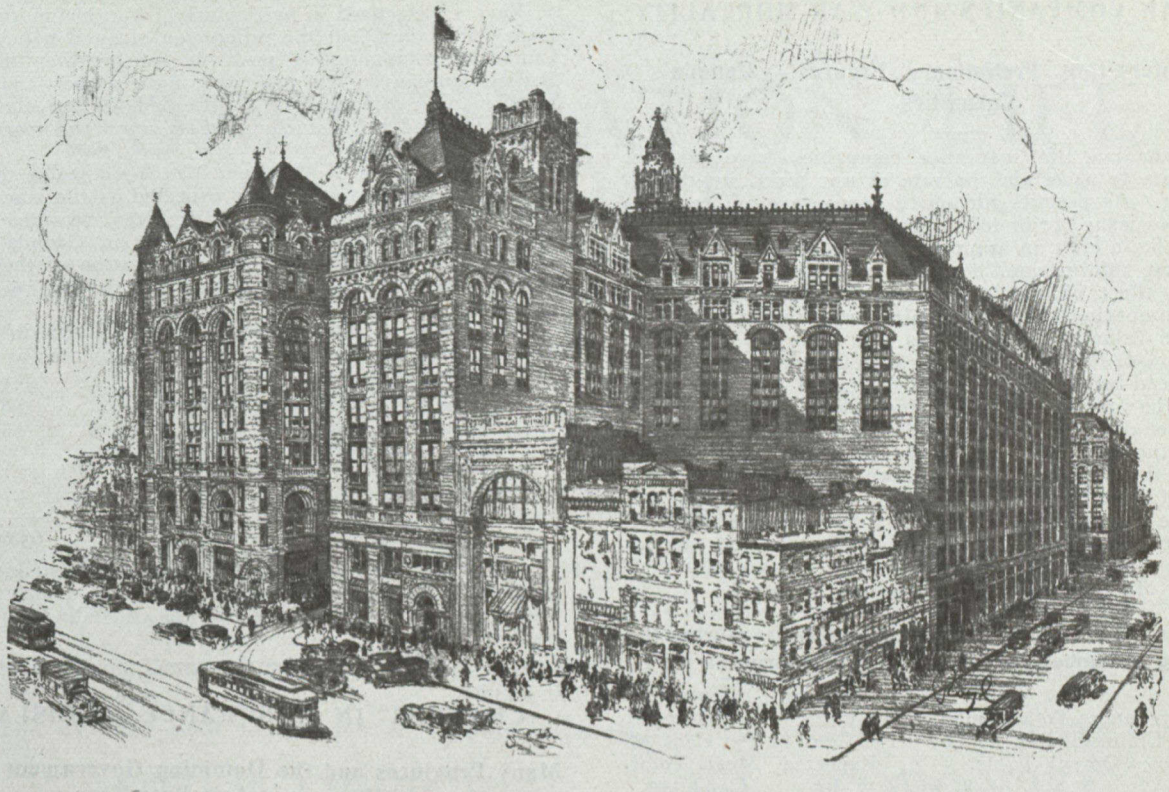
This article is not to be construed as favoring non-participating insurance, nor objecting to the accumulation of an annual dividend for a period of years, if the policyholder so desires it, but in such cases, should the policyholder surrender his policy for any cause, death included, he or his estate should receive the accumulated dividend at the time of such surrender.

The life insurance principle, in its purity, enables a man to merge his individual chance of death into the average mortality experience. Then why introduce a principle in the policy contract that compels the policyholder to gamble on his chance of living? The adoption of this system must have been a matter of expediency, but it cannot be possible that the success of life insurance business, or any company, depends on the incorporation into its contracts of a principle otherwise indefensible.

NORTHWESTERN LIFE ASSURANCE COMPANY

Mr. F. O. Maber is secretary of the Northwestern Life Assurance Company, of Winnipeg. On page 199, his name is inadvertently given as P. O. Maber. The company's name is the Northwestern (not North Western) Assurance Company.

In the matter of trade after the war, neutrals should have no consideration whatever from Great Britain or her Allies, was the declaration of Sir George Foster, in an address at Winnipeg in October.



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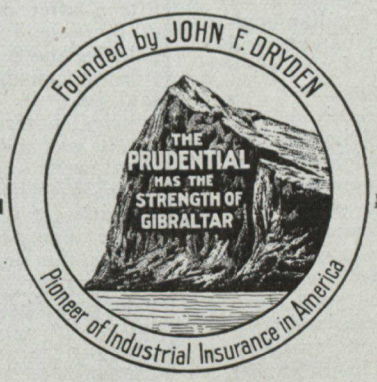
In the Home Office buildings pictured above nearly 4,000 persons are employed to conduct the vast business of this Company.



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CANADIAN COMPANIES AND WAR MORTALITY

Some Interesting Preliminary Figures — Canada's Casualties

The Canadian life insurance companies have not yet sufficient data to ascertain the rate of war mortality experienced so far. As permits for active service are not required under policies issued prior to August, 1914, it has been found difficult to obtain even an approximate idea of the amount involved. Some information, however, may be gathered as to the general effect of war claims upon the mortality, as a whole, by comparing the actual claims with the expected, by the standard valuation table. This was done by Mr. A. B. Wood, actuary of the Sun Life Insurance Company of Canada, in a paper read before the Actuarial Society of America. In a table which he presented, and printed below, the percentages which the net death losses (sums assured less reserve thereon) during the year ending December 31st, 1915, were of the expected by the Om(5) table are shown for eight of the nine companies, (a) excluding war claims, and (b) including war claims. The percentages which the gross war claims were of the mean business in force in Canada are also shown. The companies are not referred to by name, but are tabulated in the order of percentages in the second column.

Effect of War Claims of Nine Canadian Companies During the Year Ending December 31st, 1915. Canadian Business Only.

No.	Percentage Total Canadian Claims of Expected by Om(5) Table. (a) Excluding War Claims.	(b) Including War Claims.	Net War Claims. Per Cent. of Expected by Om(5) Table.	Gross War Claims. Per Cent. of Mean Total Canadian Business in Force.
1	28.1	42.6	14.5	.147
2	35.0	45.0	10.0	.113
3	30.2	45.2	15.0	.148
4	40.1	54.6	14.5	.148
5	44.3	55.7	11.4	.136
6	50.0	57.4	7.4	.072
7	49.5	64.3	14.8	.147
8	60.4	72.9	12.5	.169
9	Not given		—	.098
Total	46.1	58.4	13.3	.134

The total mortality including war claims is seen to have been remarkably favorable in every instance, the ratio of actual to expected ranging from 42.6 per cent. to 72.9 per cent., while for the eight companies combined it was 58.4 per cent. The net loss under war claims for the combined companies was 13.3 per cent. of the expected claims. The gross war claims for the nine companies combined were .134 per cent. of the mean Canadian business in force. The corresponding figures for the Mutual Life of New York as given by Mr. Thompson were .107 per cent. for Canada, and .196 per cent. for the combined business in all countries engaged in the war. The gross Canadian claims incurred by the nine companies were $5,834,822, of which $900,869, or 15.2 per cent., were due to the war. The corresponding ratio for the ten British offices given in Mr. Thompson's paper on page 313 is 8.7 per cent., but as the annual reports from which the figures were taken were for the year 1914, the war claims in the case of those companies whose year ends on December 31st, would be those incurred during the first five months of the war only. The war claims reported by the Canadian companies include deaths from all causes among combatants and also deaths among non-combatants through acts of war, such as the sinking of the Lusitania and other vessels.

In the annual statement for 1915, recently received from one of the large British offices, the total death claims for the year are reported to have been £472,672, of which £76,541, or 14.3 per cent., were war claims. The actual mortality was 90.3 per cent. of the expected and excluding war claims 76.4 per cent. The war claims of this particular company were therefore 13.9 per cent. of the expected mortality as compared with 13.3 per cent. for the Canadian companies. The report stated that the mortality apart from war claims was above the average, the reason advanced being increased death rate among elderly people due to the anxiety and strain caused by the war. The Canadian companies, on the other hand, appear to have experienced a particularly favorable mortality apart from war claims, but the proportion of aged policyholders in Canadian companies is probably much lower than in the British company. The preceding figures show that as far as the Canadian companies are concerned the war claims during 1915 have had no disturbing effect upon the mortality as a whole."

In other parts of his paper Mr. Wood states that heavier loss ratios may reasonably be expected as the war continues. The Canadian contingents have been retained for such lengthy periods during their training in Canada and England, that a comparatively small proportion of them actually reached the trenches during 1915, but during 1916 a larger number were at the front.

According to figures issued from Ottawa in December the casualties were 65,660. These were tabulated as follows:—

Killed in action	10,333
Died of wounds	3,825
Died of sickness	536
Presumed dead	1,072
Wounded	47,187
Missing	2,707
Total	65,660

This list does not include prisoners. A striking feature of the casualty list is the small number of deaths from sickness, a remarkable tribute to the British and Canadian medical services.

CHANGES IN INSURANCE LEGISLATION

Many Provinces and the Dominion Government Amended Insurance Acts Last Year

Mr. G. D. Finlayson, superintendent of insurance, Ottawa, has kindly furnished *The Monetary Times* with the following synopsis of changes in insurance legislation last year:—

No legislation amending the Insurance Act, 1910, was introduced during the session of the Dominion Parliament in 1916. During this session an act was passed authorizing certain extensions of time to insurance companies, the effect of this act being to give an extension of time for obtaining a license under the provisions of the insurance act, 1910. By this act any company, whose power to apply for a license expired during the session, or will expire before the end of the next session, might obtain an extension of such power until the end of the next session of parliament by filing a notice with this department and paying a fee of one hundred dollars. Under this act the charters of three companies have been extended, viz.: The Empire Life Insurance Company of Canada, the Vancouver Life Insurance Company, the Western Life Assurance Company.

Investments of Life Companies.

The "Act respecting the Investments of Life Insurance Companies," passed during the session of 1916, provided that on or before December 31st, 1916, every Canadian company licensed under the insurance act, 1910, to transact the business of life insurance shall invest in, and on that date shall hold and own debentures, debenture stock, bonds or other securities of the government of Canada, payable only in the currency of Canada, to the amount of not less than 50 per cent. of the increase in the net ledger assets of such company during the year one thousand nine hundred and fifteen after deducting from such increase (a) the amount of increase during the said year in the actuarial reserves held by the company in respect of its policies in force outside of Canada, and (b) the amount of increase during the said year in loans, liens and premium obligations on its policies in force in Canada.

It was also provided that on or before December 31st, 1917, every such Canadian company shall invest in, and on the said thirty-first day of December shall hold and own securities of Canada to an amount not less than 50 per cent. of the increase in the net ledger assets of such company during the period of two years ending the thirty-first day of December, one thousand nine hundred and sixteen, after deducting from such increase (a) the amount of increase during the said period in the actuarial reserves held by the company in respect of its policies in force outside of Canada, and (b) the amount of increase during the said

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period in loans, liens and premium obligations on its policies in force in Canada.

In the case of companies other than Canadian licensed under the insurance act, 1910, to transact the business of life insurance, this act provides that after February 15th, 1916, any deposit of securities in respect of the business of life insurance required or permitted by the said act to be made prior to the first day of January, 1918, with the receiver-general, or with a Canadian trustee or trustees, shall consist of bonds, debentures or debenture stock of the Dominion of Canada.

During the same session acts were passed incorporating the Fire Insurance Company of Canada, head office at Montreal, with power to transact fire, automobile, sprinkler leakage and weather insurance, and the Canadian Indemnity Company, head office at Winnipeg, with power to transact fire, hail and guarantee insurance, and with power to acquire the assets and to perform and discharge the obligations and liabilities of the Canadian Indemnity Company incorporated by chapter 108 of the statutes of Manitoba, 1912.

Hail Insurance Companies' Deposits.

By a recent ruling the treasury board has required British and foreign companies licensed by this department to transact hail insurance in Canada to maintain with the department deposits with respect to this class of insurance, such deposits to be at least equal to 50 per cent. of the hail premiums received during the preceding calendar year.

Several changes were made in insurance legislation in Ontario last year. The following is a synopsis, prepared for *The Monetary Times* by Mr. Vale, deputy superintendent of insurance, Ontario:—

The Ontario insurance act was amended by inserting the following sections: 78 a-b-c-d-e-f-g-h-i. These amendments refer to valuation by friendly societies. In the first section provision was made that if any friendly society, which had a valuation of its assets and liabilities, went back financially in any way, they were then compelled to improve their financial condition or their registry would be cancelled. This was following what is known as the New York conference bill. Section 78 (i) reads as follows:—

"78 (i). Sections 78 (d) to 78 (h), inclusive, shall apply only to a society which, on or before the 31st day of December, 1917, shall have adopted a resolution at the annual meeting, or at a special meeting called for that purpose of the governing body of the society, declaring that the society is in favor of making the said sections applicable to the society, and, upon passing of such resolution, the said sections shall forthwith become, and shall thereafter remain applicable to the society."

So that under the present law, societies will be compelled from the 31st of December, 1917, to have a valuation of their assets and liabilities, and forward a copy of the same to each member of the society, no penalties being attached if they are solvent, or nearly so.

Interpretation of Law.

There was some difficulty in reference to sub-section 11 of section 166—proof of age—and the section was repealed and the following substituted therefore:—

"Sub-sections 1 to 6 of this section shall apply not only to any future application for, or contract of insurance, but also to any application heretofore taken and to any contract heretofore made."

Considerable discussion and differences of opinion existed as to the real meaning of sub-section 4 of section 178, and as a consequence the section was repealed and the following was substituted therefore:—

"178 (4) Where it is stated in the contract or declaration that the insurance money, or any part of it, is for the benefit of the wife only, and she is designated by name, and the wife so designated by name is not the wife living at the maturity of the contract, such insurance money, or such part of it, shall be for the benefit in equal shares of the wife living at the maturity of the contract and the children of the assured, and also the children living at the maturity of the contract of any child of the assured who predeceased him, such last-mentioned children taking the share their parent would have taken if living."

Doubtless the amendments will now meet with the approval of the legal authorities, as well as the members of friendly societies and insurance companies.

Considerable legislation of interest to insurance companies was passed in Alberta last year. The new fire prevention act provided for fire inspection and the appointment of a provincial fire commissioner, who has power to summon witnesses and to compel them to give evidence. If he is of the opinion there is evidence sufficient to charge a person with the crime of arson, or an attempt to commit arson, he reports to the attorney-general for prosecution. The fire commissioner, his deputies, inspectors or local assistants, upon complaint or without complaint, inspect all buildings and premises within their jurisdiction, and any orders given by these officers must be complied with by the owner or occupant of the premises. Expenses are met by a tax upon all companies doing fire insurance in the province of a sum not exceeding one-third of one per cent. of their premium receipts and assessments. Penalties are provided for violation of the act.

Life Insurance Beneficiaries.

The Alberta life insurance beneficiaries' act provides that the following persons shall have an insurable interest:—

(a) A parent in the life of his child under twenty-one years of age;

(b) A husband in the life of his wife;

(c) A married woman in the life of her husband;

(d) Any person who has a pecuniary interest in the duration of another person's life in the life of such other person;

(e) Every person in his own life.

"Preferred beneficiary" means the husband, wife, child, grandchild or mother of the assured.

Any person twenty-one years of age may insure his own life, and may designate the beneficiary by declaration, and, subject to the provision as to preferred beneficiaries, may in the same way alter, revoke or divert the insurance money. A person of fifteen years of age may insure his life for the benefit of himself, his estate or of a preferred beneficiary, or of a father, brother, sister or grandparent, and may deal with such insurance as if of full age.

No contract of insurance is valid on the life of a child under one year of age at time of insurance. Insurance on the life of a child under ten years of age must be for a limited amount only, and the sub-section of the act governing the amount must be set out in the contract in conspicuous type.

Where the contract or a declaration provides that the insurance money, or part thereof, is to go to a preferred beneficiary, such contract is subject to the rights of the assured to a portion or all to create a trust in favor of such beneficiary, and so long as any object of the trust remains the money shall not be subject to the control of the assured or of his creditors or form part of his estate.

The assured may, by declaration, change the benefits of the insurance from one to another of the preferred beneficiaries, but, except where the preferred beneficiaries die, he cannot by declaration transfer the benefits to anyone outside of the preferred class.

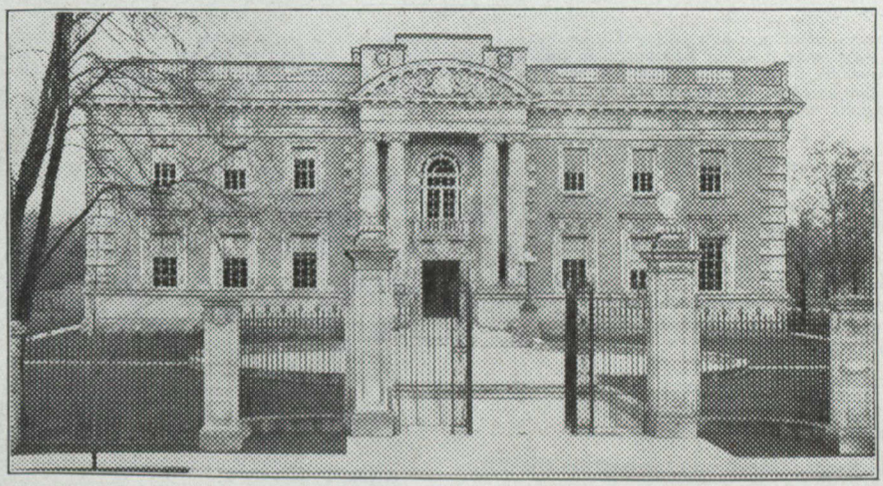
Alberta Insurance Act.

The Alberta insurance act makes more clear and definite the amount of annual tax to be paid by companies doing the different lines of insurance business. The fees for agents' licenses have been changed, and now stand as follows:—

To undertake all classes of insurance in the province, $25; in any place in the province except in cities, $7; in any place in the province except in cities and towns, $3; to undertake life insurance anywhere in the province, $3; to undertake anywhere in the province all classes of insurance, except fire and life, $3. The fee for an agent's certificate is now a proportionate part of the annual fee.

Under the mutual fire insurance ordinance of Alberta, before amendment last year, the company was limited to insurance on cash premium plan for a period not exceeding one year, no single risk to exceed $2,000. The amendment provides as follows:—

A company may effect any insurance upon the cash premium principle for a period not exceeding three years on farm and other non-hazardous property, and for one year or less on any other class of property; but the amount of cash insurance in any one year shall be limited so that the cash premiums received thereon during any one year shall not be in excess of one-half of the amount still payable in respect of premium notes or undertakings on hand on the 31st day of December of the previous year, according to the statement made under Section 42, and the directors shall prepare a tariff of rates for such policies, but no single risk shall be undertaken of a larger amount than two thousand dollars.,



The Unique Home of Canada's Only Mutual Life

THE Head Office building of The Mutual Life of Canada, shown above, was constructed by the policyholders through their directors. In its erection the directors endeavored, with wonderful success, to give the Company a business plant that would combine every modern efficiency feature with a moderate expenditure.

The building was planned especially to meet the requirements of a large life insurance company. The offices were laid out and equipped so that the work of the staff could be carried on in the most expeditious and economical manner.

Among the great business institutions of the Dominion, the Home of The Mutual Life is unique. It is located in a retired town, and surrounded by ample grounds. The staff are thus not distracted by the many diversions of a big city. They work under ideal conditions, and enjoy the tonic effect of country air and sunshine. In addition, many more are able to own their own homes than would be able to if they had to pay the high land prices asked in the big cities. Anything that adds to the happiness of home life increases correspondingly the business efficiency of the individual.

Lower land values also mean lower taxes on the Mutual Home. The lower living expense in the town also benefits the Company, because it naturally reduces the cost of conducting the business.

The Home of The Mutual stands for security, efficiency and economy. The doors are wide open to the policyholders, who are all members of the Company, and to the public. Visitors are invited, for those who visit this complete business home and see how smoothly and efficiently this great business is carried on are bound to carry away a favorable impression of the Company. Visitors to the Mutual Home are the best prospects for Mutual Life Policies and membership in the Company.

Mutual Life Profits go to Mutual Life Policyholders. Have you a policy in the Company?

The Mutual Life
Assurance Company of Canada
Waterloo, Ontario

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Life Insurance Taxation in Canada

Synopsis of Fees and Taxes Imposed upon Life Insurance Companies in Various Provinces

By WILLIAM B. TAYLOR, B.A., LL.B.

The fees and taxes which are now imposed upon life insurance companies in the different provinces of Canada are so various and levied in different ways that it is an advantage to have a short statement of these prepared for use of the various insurance offices underwriting life insurance here. Should sufficient orders be received for this synopsis in pamphlet form, Mr. Taylor, the author, has offered to donate the proceeds therefrom to the Red Cross and Patriotic funds. "The Monetary Times" will undertake the publication of the pamphlet on a similar basis.

PROVINCE OF ONTARIO.

1. The fees for incorporation by letters patent under the Ontario insurance act, 2, Geo. V., chap. 33, and amendments, according to the proposed capital, are as follows:—

(a)	$1,000,000 and upwards	$250
(b)	$500,000 or upwards but less than $1,000,000	200
(c)	$300,000 or upwards but less than $500,000.	150
(d)	Supplementary letters patent	50

Where the capital stock of a company is increased the fee payable on such increase shall be payable in accordance with the above scale, the minimum fee being $150.

2. **Insurance Companies Incorporated or Licensed by the Province.**

(a)	Fee for examining and passing upon applications or documents under sections 9, 51 and 61 of the insurance act	$10.00
(b)	Fee for filing power of attorney under section 81	5.00
(c)	Application for change of name or of head office	10.00
(d)	Fee of petition for order-in-council under section 61	25.00

3. **Insurance Corporations Deriving Powers from an Act of Canada.**

(a)	Application for initial registry	$ 5.00
(b)	Extension of time for making application for delivery of documents	2.00
(c)	Filing power of attorney in case of extra provincial corporations	5.00
(d)	Filing change of power of attorney	5.00
(e)	Certificate of registry, original or renewed	150.00
(f)	Interim certificate of registry or extension of certificate	5.00
(g)	Revival of registry after suspension	25.00

Miscellaneous.

(a)	Office copy of decision of superintendent of insurance	$ 1.00
(b)	Certified copy of certificate of registry	1.00
(c)	Certified copy of entry on register	.50
(d)	Copies of or extracts from documents filed with or issued by the superintendent per folio of 100 words	.10
(e)	Certificate of superintendent	1.00
(f)	Certificate of exemption from registry	1.00
(g)	Filing of certificate of incorporation or any other separate document required by the insurance act to be filed in the office of the provincial registrar	1.00
(h)	Consent under section 169 (7)	5.00

Corporation Tax.

Annual tax under the corporation tax act, 1914, amended 8th April, 1915, provides for payment of a tax of $30,000, subject to the reduction in the discretion of the provincial treasurer. Upon compliance with the terms of the corporation tax act of 1914 and 1915, the tax upon every life insurance company is 1¾ per cent. calculated on the gross premiums received by the company in respect of business transacted in the province of Ontario, less the amount of reinsurance premiums paid to a reinsurance company subject to the provincial tax. Where the reinsurance company is not licensed and transacting business in Ontario the company reinsured shall retain sufficient of the reinsurance premiums as is equivalent to the tax imposed in respect of such premiums and shall be liable for payment thereof to the provincial treasurer.

A record book shall be kept showing the premiums liable to taxation.

The annual registration fee is to be paid on or before the 30th of April of each year to the provincial treasurer.

Statement of directors and certificate or license (if extra provincial) is to be filed annually on or before the 30th April.

Returns under corporation tax act are to be filed on or before June 1st.

Tax as advised by the provincial treasurer under the corporation tax act is to be paid to him annually on or before October 1st.

Agents' License Fees.

Agents' license fee is $3.00, payable annually on or before the 1st of October to the provincial treasurer.

PROVINCE OF QUEBEC.

1. The fees for incorporation by letters patent under the Quebec insurance act in accordance with the proposed capital are as follow:—

(a)	Where the capital stock is $900,000 or more up to $1,000,000	$450.00
(b)	Where the capital stock is $700,000 or more and less than $900,000	425.00
(c)	Where the capital stock is $500,000 or more and less than $700,000	375.00
(d)	Where the capital stock is $300,000 or more and less than $500,000	325.00
(e)	Where the capital stock is $200,000 or more and less than $300,000	275.00
(f)	Where the capital stock is $100,000 or more and less than $200,000	225.00
(g)	Where the capital stock is $25,000 or more and less than $100,000	180.00

Where an increase of capital stock is made the fee on such increase shall be payable upon the amount of the increase in accordance with the general scale.

PROVINCE OF NEW BRUNSWICK.

Extra-provincial life insurance companies must pay an annual license tax of $250 and a provincial life insurance company an annual tax of $100 to the receiver-general of the province on or before June 1st. (Chap. 18, sub-sec. 3, 1903).

Agents.

(a) Travelling agents are required to pay an annual tax for license of $100 to the receiver-general, con. stat. chap. 19, sub-sec. 7, (1903).

(b) The companies are required to furnish a list of agents and sub-agents in the province and pay the receiver-general a fee of $2 for each agent.

PROVINCE OF NOVA SCOTIA.

1. (a) No fee required for filing documents.

(b) Tax on premium income is 1¼ per cent., (minimum tax $50) on gross premiums, allowing a deduction of reinsurance premiums where reinsuring company operates in Nova Scotia, otherwise the company reinsured is required to deduct and pay the tax to the province.

(c) Returns should be filed with the provincial treasurer on or before the 1st of April annually.

(d) The taxes imposed should be paid before the 1st of June annually.

(e) Payment of tax on premiums renders unnecessary the payment of a registration tax in the province.

North British & Mercantile
Insurance Company

FIRE **LIFE**

Established November 11th, 1809 — **1809-1917** — Established in Canada 1861

Funds Exceed $114,000,000. Annual Income Over $25,000,000.

Claims Paid $382,125,800. Canadian Investments Over $9,000,000.

GROWTH OF THE COMPANY

Years	Capital Subscribed	Capital Paid Up	Fire Reserves (Excluding Profit and Loss)	Total Funds
1862	$9,733,333.00	$1,216,666.00	$ 194,004.00	$10,285,169 00
1872	9,733,333.00	1,216,666.00	1,288,557.00	16,232,129.00
1882	9,733,333.00	2,433,333.00	5,872,923.00	27,363,539.00
1892	13,383,333.00	3,345,833.00	10,612,467.00	51,690,691.00
1915	21,900,000.00	11,862,500.00	11,722,358.00	114,060,067.00

DIRECTORS:

WM. MCMASTER, Director, Bank of Montreal.
G. N. MONCEL, Director, Montreal City & Dist. Sav. Bank.
EDSON L. PEASE, Gen. Mgr., Royal Bank of Canada.

HEAD CANADIAN OFFICE: MONTREAL

Agents in all the principal towns in Canada.

RANDALL DAVIDSON, *Mgr. Fire Dept.* H. N. BOYD, *Mgr. Life Dept.*

THE OCCIDENTAL FIRE INSURANCE CO.

Managed and Controlled by the North British & Mercantile Ins. Co.

RANDALL DAVIDSON, *President.*
C. A. RICHARDSON, *Vice-Pres. and Secretary.*

DIRECTORS:
S. E. RICHARDS, W. A. T. SWEATMAN, N. T. HILLARY.

Capital Stock Subscribed - - - $500,000
Capital Stock Paid Up - - - - 174,762

Established 1901
Head Office: WINNIPEG, MAN.

Agents wanted in unrepresented districts.

(f) A book is required to be kept at the principal office in the province wherein the premiums and income should be entered. This record is to be kept by the registered agent as required. This record should be verified by the chief agent and accountant of the company in the province.

2. **Agents.**

Agents must first procure license from provincial secretary and, if resident, pay a license fee of $1, renewable annually before October 1st.

For supplementary letters patent other than for increase of capital stock the fee is 50 per cent. of the amount required on the incorporation of the company.

2. Fees required from insurance companies licensed by the province:—

(a)	For recording and filing documents required by article 6833, 6834, 6835, 6847, 6925, 6932, R.S.P.Q., 1909, (8 Edw. VII. c. 69, s. 2, 3, 4, 94 and 101	$10.00
(b)	Fee for filing power of attorney under article 6942, R.S.P.Q., 1909	5.00
(c)	Application for change of name or of head office	10.00

3. Fees required from insurance companies deriving power from a law of the Dominion of Canada or from an authorization issued under the insurance act of Canada:—

(a)	On application for initial registry	$ 5.00
(b)	On filing power of attorney in case of a foreign country	5.00
(c)	On filing change of power of attorney	5.00
(d)	On every certificate of registry	150.00
(e)	On reviver of registry after suspension	25.00

4. Fees required in connection with copies:—

(a)	Of the decision of the treasurer	$1.00
(b)	Certified copy of a certificate of registry	1.00
(c)	On each certified copy of a license	1.00
(d)	On each certified copy of entry on register	.50
(e)	On filing of a certificate of incorporation or any other document required by the Quebec Insurance Act and not specially foreseen	1.00
(f)	On the issue of a license in virtue of article 6963, R.S.P.Q., 1909, (8 Edv. VII. c. 69, s. 132	2.00

5. (a) Companies holding Dominion charters or license from the insurance department of the Dominion of Canada are required to renew their registration annually and pay the annual fee of $150 before the 1st of April.

(b) A company shall file annual statement with the provincial treasurer showing solvency.

(c) The company shall file with the provincial treasurer a power of attorney appointing an officer or agent in the province declaring the chief agency with the province of the company and authorizing attorney to receive service of process and all actions and proceedings against the company in the province and declaring that service of process on such agent shall be binding on the company. A new power of attorney shall be filed in every instance where a change is made in the chief agent, attorney or head office of the company within the province.

6. A tax of 1¾ per cent. calculated on gross premiums received by the company in respect to business transacted in the province of Quebec, less the amount of reinsurance premiums paid to a company subject to the provincial tax. The minimum tax hereinunder is $400.

PRINCE EDWARD ISLAND.

The companies tax act, chap. 14, 1915, passed April 24th, 1915, imposes an annual tax upon each life company, which is payable semi-annually on the 1st of June and December to the provincial secretary. The amount of the tax is $225.

PROVINCE OF MANITOBA.

1. (a)	Filing of documents, fee required	$ 5.00
(b)	Inspector of insurance to act as attorney of company in connection with service of process, annual fee required	5.00
(c)	Registration fee for extra-provincial company	200.00
(d)	Registration fee for provincial company. Payable June 1st, annually.	100.00

2. (a) Tax on gross premium income if $50,000 but less than $100,000 — 1 %

(b) Tax on gross premium income if $100,000 but less than $150,000 — 1½ %

(c) Tax on gross premium income if $150,000 but less than $200,000 — 1¾ %

(d) Tax on gross premium income if $200,000 or more — 2 %

These payments are reducible by the annual registration fee of $200 or $100 when paid. This tax is payable to the provincial treasurer annually and is reducible by the amount of reinsurance premiums paid to companies subject to the provincial tax, otherwise the company reinsured is obliged to retain sufficient of the reinsurance premiums as is equivalent to the tax imposed thereon and pay same to the provincial treasurer.

(e) Income on investments within the province if they exceed $25,000 are subject to a tax of ¼ per cent.

(f) Returns on premium income must be filed and the tax thereon paid before the 1st of April each year. Forms are prescribed by the provincial treasurer for these returns.

3. **Agents.**

(a) Agents' licenses must be obtained and renewed by May 31st annually.

(b) Agents' certificates or licenses are issued by the superintendent of insurance and the fee is $2.

PROVINCE OF SASKATCHEWAN.

1. (a) The Saskatchewan insurance act passed June 24th, 1915, requires annual statement to be filed before the 1st of March with the superintendent of insurance on the provincial form showing the affairs of the company for the previous year.

(b)	Fee for filing annual statement. If capital stock does not exceed $50,000, otherwise fee	$ 5.00 10.00
(c)	Fee for registration of power of attorney.	5.00
(d)	Company must take out annual license and pay	200.00
(e)	Initial license	200.00

(f) Application for license to be filed with the superintendent of insurance before 31st March each year and payment of fee required.

(g) Companies hereafter incorporated or authorized to do business in this province must have capital stock of at least $500,000 of which $200,000 must be subscribed and $25,000 paid up in cash. Cap. 15, sec. 13 (a) statutes 1915.

2. **Taxes.**

(a) Under the corporation taxation act of 1907 a tax of 1 per cent. on gross premiums is payable.

(b) Statement as to gross premiums on forms furnished by the superintendent of insurance must be filed with him before the 1st of May and tax paid before the 1st of July annually.

(c) If insurance company has more than $50,000 invested in the province, an additional tax of 40 cents per thousand dollars invested in excess of that amount is required, but monies lent upon municipal, school bonds or debentures in the province are exempt from this tax and this exemption would also cover provincial bonds.

3. **Agents.**

Agents must have certificates or licenses renewed on or before the 15th February of each year by application to the superintendent of insurance and pay annual fee of $2.

PROVINCE OF ALBERTA.

(a)	New life insurance companies require to have an authorized capital stock of $500,000, of which at least $200,000 is to be subscribed and $25,000 paid in cash.	
(b)	Fee for filing document with the provincial treasurer	$10.00
(c)	Fee for filing power of attorney with superintendent of insurance authorizing him to receive service of process for company	5.00
(d)	Fee for initial license or renewal certificate to do business in the province. Payable on or before January 1st annually.	300.00

A Year of Progress

The year of 1916 has been one of the most remarkable of the many successful years experienced by THE MANUFACTURERS LIFE INSURANCE COMPANY. The amount of business written has exceeded expectations and the gain in insurance in force has been one of the largest in the history of the Company. During the year the Company invested over $2,500,000 of its income in Government bonds and debentures at attractive yield rates, the benefits of which will be felt for many years. The mortality was again very favorable, the losses experienced being considerably below the expected. The extremely low mortality in our Abstainers' Section again demonstrates the superiority of the abstainer as a Life Insurance risk.

Write for copy of our Annual Report which will be ready for distribution shortly.

THE MANUFACTURERS LIFE
INSURANCE COMPANY

HEAD OFFICE, KING AND YONGE STREETS, TORONTO, CANADA

Start the New Year Well

by joining the vast and ever-increasing multitude of those who find in Life Insurance the one sure way of protecting dependent ones —while making timely provision for their own future at the same time.

Join the ever-increasing number who have found, in the Policies of **The Great-West Life Assurance Company,** all that can be desired in profitable Life Insurance.

Thus you will obtain protection at low cost, and will secure a share in the remarkable profits that are being paid to Policyholders of

The Great-West Life Assurance Company
(Dept. F.)

HEAD OFFICE, - WINNIPEG

Life Agents with a record to show should investigate the opportunities offered by the Great-West Life.

(e) Annual statement to be filed on or before April 1st of the company's affairs with the superintendent of insurance on form furnished.

Taxes.

(a) The corporations taxation act of 1907-8 imposes a tax of 1 per cent. on gross premium income.

(b) A tax of ¼ per cent. is made on gross income from investments in the province of monies loaned thereon where the company has more than $50,000 invested.

Agents.

Agents must have certificate or license and renew same on or before the 15th of February each year, the fee to be paid being $3, payable to the superintendent of insurance.

PROVINCE OF BRITISH COLUMBIA.

(a)	Fee for recording and filing in the office of the superintendent of insurance documents necessary prior to the issue of license is	$ 5.00
(b)	Fee for initial license to do business..... Where company is already incorporated or holds license under the companies act no further fee for license is required.	250.00
(c)	Fee for every supplementary license permitting a company to extend its business in another branch of insurance not included in the license already held.....	50.00
(d)	For license under chap. 33, sec. 41, subsec. 5, 1913, such sum as the minister of finance may direct	
(e)	For annual renewal of license or of supplementary license including filing of necessary documents	5.00
(f)	For filing documents not otherwise provided for	1.00
(g)	For copies of documents filed with the superintendent of insurance or of entries in books of the department 10 cents per folio of 100 words but not less than $1.00; also certificate of superintendent.....	1.00
(h)	Where a company changes its attorney, head office or chief agency in the province it shall file a power of attorney specifying the change and also as to service of process, etc. Insurance act, cap. 33, sec. 16, (1913).	
(i)	Annual statement to be furnished on the superintendent's form and filed with him before 31st August of each year.	
(j)	All licenses expire 30th June annually, and must be renewed by that date. (Insurance act 1913, sections 7 and 10).	

Taxes.

(a) A tax of 1 per cent. on gross premiums to the province and if paid before the 30th January a 10 per cent. discount is allowed.

(b) All corporations transacting business in the province must file before September 1st with the assessor of Victoria assessment district, forms 1 to 6 in schedule to taxation act consolidated, 1913, cap. 222, sec. 136, particulars being based on the last annual report, (form No. 1).

IN THE COLONY OF NEWFOUNDLAND.

Life insurance companies act of Edw. VII., cap. 4, imposes a tax of 1 per cent. of reserve on insurance in force.

FIRE UNDERWRITING RESULTS

With Canada's Development Risks Have Largely Increased and Total $3,531,620,802

Less than $2,000,000 was the first year's fire insurance premiums in Canada, of which there is a government record. Last year, of the 88 companies transacting business, the premiums received by two companies were nearly equal this amount. The companies were Liverpool and London and Globe, $1,342,437 and Royal, $1,429,655, while total premiums collected during 1915 were $26,474,831, and losses paid $14,161,948, the loss ratio being 53.49. This is below the average. In the decade 1896-1906 the average annual loss paid by the companies transacting business in Canada was $6,000,000, a sum which was nearly doubled in the past decade, 1906-1915, for the average loss then recorded was $11,000,000.

British Companies Were Busy.

British companies have received more than 50 per cent. of the premiums collected in Canada and paid more than 50 per cent. of the losses during the 47 years recorded. The aggregate totals of the fire insurance business in Canada are as follows:—

Companies.	Premiums.	Losses.	Ratio %
British	$253,013,014	$155,444,540	61.44
Canadian	91,230,608	57,200,156	62.70
United States and other	78,711,796	44,483,186	56.51

Twenty-Five Years' Growth.

The expansion in fire underwriting in Canada during the last 25 years of the period, is shown in the following figures:

Companies.	Premiums. 1890.	1915.
Canadian	$ 1,249,884	$ 4,559,076
British	4,072,133	13,609,360
United States	514,054	8,306,397

Companies.	Risks. 1890.	1915.
Canadian	$135,145,294	$ 673,244,131
British	427,931,692	1,438,037,721
United States	57,646,959	1,000,271,051

The rate per cent. of premiums charged upon risks taken is shown in the following table:—

Companies.	Gross amount of risks taken during the year.	Premiums charged thereon.	Rate of premiums charged per cent. of risks taken.
British	$1,438,037,721	$16,807,401	1.17
United States and other	1,000,271,051	10,812,978	1.08
Canadian	673,224,131	8,427,965	1.25

Decrease in Amounts Taken.

The increase in the amounts taken in 1915 as compared with the previous year by Canadian companies is $9,704,754. For British companies there is an increase of $39,837,227, and for United States and other companies there is a decrease of $42,090,646.

LIFE INSURANCE TRANSACTED IN CANADA

CALENDAR YEAR, 1915 (Latest official figures)	Premiums for Year.	Number of Policies New and Taken up.	Amount of Policies New and Taken up.	Number of Policies in Force at Date	Net Amount in Force.	Number of Policies become Claims	Net Amount of Policies become Claims.	Claims Paid (including Matured Endowments,)	Unsettled Claims. Not Resisted.	Unsettled Claims. Resisted
	$		$		$		$	$	$	$
Canadian companies	28,546,303	109,118	121,033,310	620,559	829,972,809	9,213	10,383,062	9,914,932	1,329,424	109,000
British and Colonial companies.....	2,071,592	7,690	5,727,313	31,383	58,087,018	802	1,773,592	1,712,889	324,261	50,500
United States companies	14,488,783	365,788	94,358,935	1,297,010	423,556,850	13,168	5,403,510	5,542,199	475,751	125,790
Totals for 1915	45,106,678	482,596	221,119,558	1,948,952	1,311,616,677	23,183	17,560,164	17,170,020	2,129,436	285,290
Totals for 1914	41,094,095	444,053	217,006,516	1,776,755	1,242,160,478	19,743	15,204,310	14,251,402	2,058,433	135,069
Increase, *i*; decrease, *d*.....	*i* 4,012,583	*i* 38,543	*i* 4,113,042	*i* 172,197	*i* 69,456,199	*i* 3,440	*i* 2,355,854	*i* 2,918,618	*i* 71,003	*i* 150221

"MEN, MUNITIONS, MONEY"

All are wanted in the present great war. MONEY has been termed the Silver Bullet, and is playing a very important part. The BRITISH GOVERNMENT is the Financier of the Allies, and the magnificent subscriptions which have been made by the British people to the call for financial help is sufficient evidence of their whole-hearted determination to win the war at all cost and at any sacrifice.

EVERY PART OF THE EMPIRE IS ASSISTING IN THIS DIRECTION

Thousands of citizens are desirous of helping in this way, but their means are limited or the amount at their disposal appears small in comparison with the huge requirements.

Every individual in the community can do his share in this great work if he joins his efforts to those of the great corporations which are so splendidly assisting by furnishing the funds.

The Mutual Life and Citizens' Assurance Company, Limited (of Australia), has already placed at the disposal of the Commonwealth Government, loans totalling over

SIXTEEN MILLION DOLLARS

Every policyholder of the Company is thus given the opportunity of carrying out

A Double Duty

first to the Nation, second to his dependents.

Every premium deposited secures a provision to the family of the depositor, which even under ordinary conditions he should avail himself of.

Help the Nation and Protect the Family by Assuring Now.

A Life Assurance Policy enables the wealthy to make needed provision for Succession Duties; the business man secures valuable Collateral Security and Protection of Assets; the wage-earner enjoys the immediate equivalent of years of steady thrift for his family, and this is done in each instance by an investment as profitable as it is safe.

The Mutual Life and Citizens' Assurance Company, Ltd.,

(of Australia)

CHIEF OFFICE FOR CANADA, MONTREAL. **J. P. MOORE, Sec.**

1916 TOTALS INDICATE

New Business—Increase - - - - -	33⅓%
Premiums on Same—Increase - - - -	50 %
Cash Premiums—Increase - - - - -	25 %
Average Rate of Interest over - - - -	7¾%

See Our New Schedule of Rates
Our New Policy Contracts
Our New Agency Contracts

Reliable District Agents Wanted

THE MONARCH LIFE
ASSURANCE COMPANY

J. T. GORDON, President — J. W. W. STEWART, Managing Director — J. A. MACFARLANE, Secretary and Actuary

HEAD OFFICE - - - WINNIPEG

HEAVY "OUTLAW" INSURANCE CARRIED

Two Hundred and Thirty-five Millions—Lesson of Northern Ontario

Considerable financial loss was suffered by settlers during the disastrous forest fires in Northern Ontario last August. Much of their insurance was placed with outlaw or United States insurance companies not licensed to do business in Ontario. About $400,000 was involved in unlicensed insurance in these fires, and some of which will be paid, but there is at least $31,000 which is doubtful.

One of the outlaw companies offered a settlement of 40 per cent. cash and 30 per cent. a year later, making a total of 70 per cent. on the policies. Another offer was 60 per cent. cash during the first year. If the companies do not pay, the policyholders have no redress, which is the best possible advertisement for insurance in our reputable companies, whose excellent record for paying losses promptly is well known.

Law Allows It.

Unfortunately, the Canadian insurance act allows "outlaw" insurance to be written. This business is carried on under section 139 of the insurance act, 1910, which reads as follows:—

"Notwithstanding anything in this act contained, any person may insure his property, or any property in which he has an insurable interest, situated in Canada with any British or foreign unlicensed insurance company, or underwriters, and may also insure with persons who reciprocally insure for protection only and not for profit; and any property insured or to be insured under the provisions of this section may be inspected, and any loss incurred in respect thereof adjusted: provided such insurance is effected outside of Canada, and without any solicitation whatsoever, directly or indirectly, on the part of such company, underwriters or persons by which or whom the insurance is made; and provided further that no such company, underwriters or persons shall within Canada advertise their business in any newspaper or other publication or by circular, mailed in Canada or elsewhere, or maintain an office or agency therein for the receipt of applications or the transaction of any act, matter or thing relating in any way to their said business."

Over Two Hundred Millions.

A considerable amount of business is written under that section. The following is an official analysis and summary of the statements of fire insurance carried on property in Canada by fire insurance companies, associations or underwriters not licensed to transact business in Canada:—

Province in which property is situated.	Amount of insurance.
Nova Scotia	$ 5,713,674
New Brunswick	10,733,775
Quebec	76,907,525
Ontario	103,645,877
Manitoba	9,462,290
Saskatchewan	9,030,304
Alberta	6,723,638
British Columbia	13,196,664
Prince Edward Island	16,850
Yukon	340,000
	$235,770,597

Nature of property insured.	Amount of insurance.
Lumber and lumber mills	$ 15,488,299
Other industrial plants and mercantile establishments	154,450,371
Stock and merchandise	40,649,711
Railway property and equipment	24,896,076
Miscellaneous	286,140
	$235,770,597

Nature of insurers.	Amount of insurance.
Lloyds' Association	$ 63,188,168
Reciprocal underwriters	22,109,561
Mutual companies	119,174,939
Stock companies	31,297,929
	$235,770,597

In a statement submitted to the Ontario government fire insurance inquiry in October last, the Canadian Fire Underwriters' Association were strong in their denunciation of unlicensed insurance: "The business of fire insurance is carried on by the licensed companies in the face of absolutely unfair competition," said the statement. "Competition in itself cannot be objected to, and is, in fact, desirable, but this association, speaking as it is entitled to do for fire insurance interests generally, protests against the inefficiency of any existing legislation in protecting these companies which are licensed and have their offices in this country against companies which have no license; have no deposits or other funds in Canada; pay no taxes; have no office or office staffs, and consequently disburse the considerable sums that go to form the expenses of the business entirely for the benefit of residents of foreign countries. Such companies, even if sound (and they frequently are not), can obviously afford to cut the rates which the companies here have had all the expenses, by inspection and otherwise, of making. The permission given, therefore, for any insurer who can get a lower rate from an unlicensed company to place his business with such a company without paying any taxes, or if he employs a broker, on the payment of a tax of $1, is quite unfair. The change recently made which requires 1 per cent. of any loss in an unlicensed company to be paid to the fire marshal, beside being unjust in principle in taxing only the man who has a loan and is less able to afford it, is quite ineffective. What the association contends is required is that prompt publicity should be given to all transactions effected with unlicensed companies, either by the assured or his agent, and that a substantial tax should be collected on all premiums paid to these companies."

FOREST FIRES LAST YEAR

They Cost the Nation $9,000,000—Quebec Shows Good Results Through Efforts to Prevent Fires

Canada lost through forest fires in 1916 over $9,000,000. This equals more than six times what has been spent on forest protection work from coast to coast. The large sum wasted through last year's forest fires most of which were preventable, would add another $480 to the first year's pension allowances of nearly 19,000 Canadian soldiers.

While some parts of the Dominion owe to rainy weather their immunity from fire damage, the season's record proves that in areas where first rate fire protection systems were in operation, losses of life and property were held to a minimum.

Good Work in Quebec.

Quebec had some heavy fires in the Lake St. John and Saguenay districts, also in the Gaspe peninsula and west of Escalana on the Transcontinental Railway. Within the 24,000 square miles of Quebec, covered by the two well-organized associations of limit holders, the amount of green timber burnt was practically negligible. This immunity was due to consistent effort to educate settlers, lumberjacks and others in care with fire, coupled with a system of promptly reporting all outbreaks, and attacking forest fires in their incipiency with large forces of men and modern equipment.

British Columbia faced fairly favorable fire conditions through the summer months and the cost of fire fighting was reduced by about 75 per cent. over the record of 1915. The number of fires was about half of last year. The British Columbia forest protection service is the most complete in Canada and the saving of timber is a logical consequence.

In the Prairie Provinces

A heavy average of rainfall kept down fire troubles in Alberta, Saskatchewan and Manitoba and this weather condition was responsible for the escape of the main areas of big timber throughout Ontario. The Claybelt fires at the end of July and first week of August provided a tragic sacrifice of 262 lives and what is estimated to be $6,000,000 worth of property. There was practically no forest guarding organization in the fire-swept district, except along the railway track.

New Brunswick escaped the risks of 1916 with a small timber loss, Nova Scotia having a similar experience. The records of the Dominion Railway Board show that the private-owned railway lines of Canada have not been responsible this year for any damaging forest fires. Those that were started were promptly extinguished by railway employees.

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OF CANADA

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will appreciate the tremendous advantage gained by the addition of a number of strong selling points to the usual argument.

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"First in the Northwest"

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This company offers to the Insuring Public the best in Life Assurance—and YOU CAN ALWAYS TRUST THE PUBLIC to appreciate a square deal. We are giving the public something DIFFERENT in Life Assurance.

Don't decide that it can't be done—call or write and be decided that it can.

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BUSINESS MEN MUST LISTEN

Life Insurance Salesman Has Something Which the Other Man Must Buy

BY WM. MAY, Jr.

Why is it that the salesman of practically any commodity under the sun can get a hearing in an office more easily and more quickly than a life assurance man? Why should he invariably be an unwelcome visitor?

Is there anything in the work of the life assurance man to justify this attitude of the public? His commissions may be of great importance to him. He may be working for a living, but so are all the rest of us, and most of us are proud of the fact. He may be persistent, but is not that a quality on which we invariably pride ourselves, only we call it determination?

He may sometimes voice unpalatable truths, but do we condemn the doctor who lays bare our physical sores and their causes, and is not the preservation of the family of as great importance, aye, and sometimes of greater importance, than the preservation of ourselves?

It cannot be for these reasons that he is not welcome. Is it in the nature of his work that is the cause of this attitude? Is life assurance a "get rich quickly scheme? The facts answer "No." For life assurance is a great scientific movement. There is nothing in the business world to compare with it, for there is nothing problematical in its workings. It is an applied natural science. Its calculations, being based on Nature's great law of mortality, are made in advance, and one hundred anl fifty years of experience have proven them correct. This applied science has established beyond question the maximum amounts which will be necessary to meet death claims year by year. Foreknown liabilities naturally call for a sinking fund and provincial and federal laws have insisted on the provision of this sinking fund and its protection. These laws and the natural law on which they are based govern all the actions of the various life assurance companies, and thus practically make impossible those mistakes to which other businesses are liable, and through which they sometimes fail.

Law of Mortality.

Again, all transactions of the life assurance companies being dominated by the scientific application of a natural law, there can be no favoritism. All men are equal in its eyes. No one is allowed in on the "ground floor," as it were. No policyholder benefits at the expense of another. This ideal state does not even depend on the integrity of life assurance officials, but is the natural and obvious result of the application of the law of mortality applied under the supervision of government inspectors.

Is there any other financial institution in the business world to-day of which that is true? The small investor cannot buy his $100 bond at the same favorable rate as the corporation or individual who may be taking up a million of bonds, but the rich man taking $100,000 of life assurance must pay the same rate per thousand as his chauffeur does, provided he and the chauffeur are of the same age and in the same state of health.

Then life assurance is the greatest co-operative movement in the whole world. The billions of dollars which it has accumulated belong to its policyholders, for all that the stockholders own is less than 2 per cent. of the total. The policyholders actually insure each other, and they do so with their own money. The companies are but the trustees selected and appointed to manage, collect, invest and distribute the funds belonging to the policyholders.

Life assurance, therefore, cannot be compared with the other financial institutions, the purpose of which is to make money out of their customers, for life assurance exists to save and to earn money for its clients who are either its sole or its chief owners.

It cannot, therefore, be the nature of the life assurance man's work which makes him unwelcome. Can it be the results? Surely not, for the life assurance man does not pander to the vices or the weaknesses of mankind. His appeal is to all that is unselfish or noble in our natures. He asks us neither to risk nor to gamble, but to wisely provide for the future of ourselves and those dependent upon us. He does not ask us to waste money but to save it. He offers no gaudy bauble for personal adornment, but places before us, for consideration, a charter of liberty for the widows of the world—liberty from poverty, from hunger and from despair. He offers the children a chance in life, the chance which a good education brings in its train, the chance which a healthy body gives, for how can the children be healthy if, in their youth, they be compelled to live in an unsuitable environment without sufficient nourishment or decent clothing.

This life assurance man is the great enemy of poverty—that poverty which so often follows the death of a family man, that poverty which pinches and stunts life, which dries up the strings of joy and youth, which whitens the hair and cuts deep lines on weary cheeks and which, in its ultimate results, fills asylums and penitentiaries.

The life assurance man is a public benefactor, for he is the missionary of scientific benevolence, yet neither he nor his mission is welcome in your office. Why?

NEED FOR FIRE PREVENTION

Every Citizen Has to Help to Pay the Fire Waste Bill—Hamilton Has Annual Fire Prevention Day

BY RUSSELL T. KELLY.

Canada is yet in its infancy when compared with the other nations of the world. Its citizens are, therefore, in an advantageous position to profit by the experience of older nations. In many ways Canadians are using this position to the best advantage, but as regards fire prevention they seem to be too busy to seriously consider the subject. In the meantime our natural resources are burning up at an appaling rate.

It does seem as if it should be possible to inculcate into the minds of our business men, both old and young, the urgent need of immediate action along the lines of fire prevention, and during the past few years many conscientious efforts have been started, having as their aim the education of our citizens of the need of greater care in the handling of any materials which on account of their inflammable composition made them dangerous and a menace from a fire prevention viewpoint.

Just here it might be noted that those taking the most active interest in fire prevention have been the managers and directors of fire insurance companies, although this is not essentially a work which belongs to them, but they have undertaken it as a work worthy of their citizenship in this great and growing Canada. Let us consider what has been the result of the work done by those interested in fire prevention.

The fire loss of *The Monetary Times'* record for the three years, 1913-15, is as follows:—

1913	$26,346,618
1914	24,321,012
1915	13,670,527

Judging from the 1916 record to date, it is but little better; we, therefore, have to admit that if results really count the work accomplished to date means little, if anything.

We have grown so accustomed to picking up our daily papers and reading of fire losses running from $10,000 to $1,000,000 that we pass the item by without giving it a second thought.

An educational campaign should be inaugurated in our schools along the line of fire prevention. The child must be taught that every dollar lost by fire is a direct loss to the country. The present should be an opportune time to bring such a campaign into operation; every man, woman and child must do his or her bit to conserve our heritage.

The Hamilton board of trade has for the past four years held a fire prevention day. On this day lessons on fire prevention are taught in all the schools and prizes are given for the best essays on the subject. The writer will be glad to furnish to anyone interested in this subject, copies of the lessons which he prepared for the teachers of the Hamilton schools.

There are few questions before us to-day of more vital importance than that of fire prevention, and it is only by united effort that we can hope to reduce the enormous waste which is now ravaging our country by fire.

A MAN'S PROFESSION

The ordinary professions are over-crowded. Only the bright minds are making good money. Are you undecided what one to enter? There is a profession in which the work is most varied and interesting. It is far from over-crowded. There is no long and expensive education required. Your income commences as soon as you go to work and is limited only by your ability to make use of your time and energy. You are your own boss. You can choose your own place and time to work, plan your own campaigns and carry them out in your own way. You meet all kinds of people—rich and poor, ignorant and educated. There is no monotony or day-to-day office grind. Your business takes you into the offices, factories and the homes of the people and out into the fresh air of the country. You have a business proposition to offer on a business basis. It appeals to every man whose life is of value to others; to every man who is working and planning ahead for comfort in old age.

There is no profession in which the man of ordinary ability and energy can earn as much if he but apply himself constantly and whole-heartedly to the work, using ordinary common sense in planning for each day's work in advance. Selling Life Insurance is the best paid hard work in the world.

Write us for fuller particulars. It may mean the first step toward independence for you.

THE WESTERN LIFE

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Head Office : Winnipeg

RAPID CHANGES IN LIFE INSURANCE BUSINESS

Policies Adapted to Public Needs—Salesmanship—Work of Life Underwriters' Association

BY A. E. DAWSON.

The past ten years have brought about a profound change in many phases of the life assurance business, and a marked improvement in methods of operation has been effected.

Personal forms of assurance have been followed by commercial assurance, and this, in turn, has been followed by monthly income assurance and other forms of protection suitable to the various needs of the insuring public. These have followed one another so rapidly that many of us have barely had time to adjust ourselves and fall in line with the rapid development of opportunities for increased business in one line before another is presented, offering still greater things.

In salesmanship, too, improvements have followed in such close succession that we are almost bewildered in our attempt to assimilate and to put in practice all the various selling suggestions along the lines of service, psychology, organization, etc., that have been inspired by various meetings of the Life Underwriters' Association. In the course of the next decade it is practically certain that an even greater advance will be made in the direction of giving the policyholder the greatest value possible for his money. Only those who are mentally and physically fit and have the proper attitude towards both the public and the business will be able to maintain a foothold. The business is already weeding out the misfits and the failures. Fewer contracts are being made with untrained men, and in a short time only those who are capable of making good for their companies, their clients and themselves will find room in the business of life assurance.

The Life Underwriters' Association of Canada unquestionably represents the best there is in life assurance salesmanship in Canada from all its various standpoints, and includes in its membership practically all those of any standing in the assurance business.

ALBERTA MAY CHANGE COMPENSATION ACT

More Complete Scaling of Compensation Favored—Companies and Government

BY E. B. WILLIAMS.

The workmen's compensation act of Alberta, now in force, was passed in 1908. It was based largely on the British Columbia act of that time The act applies only to employment on, in or about a railway, factory, mine, quarry or engineering work or on, in, or about any building being constructed or repaired by means of a scaffolding, or being demolished, or on which machinery driven by steam, water or other mechanical power is being used for the purpose of the construction, repair or demolition thereof.

Amount of Compensation.

The amount of compensation in case of death is scaled according to whether the workman left dependants wholly or partially dependent on him, or left no dependants. In the latter case reasonable expenses for medical attendance and burial not exceeding $200 is provided.

In the case of incapacity for work, total or partial, a percentage of weekly earnings is the basis of compensation.

If settlement cannot be made by agreement between the parties they shall arbitrate according to rules provided in a schedule to the act.

As regards insurance, the employer may, if a majority of his workmen are favorable to the scheme, contract with any of them to substitute a scheme of insurance instead of that provided by the act, but any such scheme must be certified by the attorney-general as being not less favorable to the workmen than the scales provided by the act. In case of the employer's insolvency there is, as to the insurance, a subrogation in favor of the workmen.

As to the working of the act, it has, under a broad set of rules formulated by the attorney-general under the act, worked very well.

The question of compulsory state insurance is one which will bear consideration. Alternative state insurance has usually resulted in the government, who do not campaign for it as do the companies, being left with the worst risks with a consequent deficit in that account.

It is always hard with this class of legislation to make it equitable in all cases. The more dangerous occupations of mining, etc., claim that there should be a more complete scaling of compensation, depending on the physical extent of the injury and it seems to me their contention is correct. The new Ontario act and the present British Columbia act have adopted this basis and personally I believe we will shortly follow suit, although I do not speak as the voice of the government. The British Columbia act is commendable for its simplicity. A workmen's compensation act should be intelligible to the workmen.

LIFE UNDERWRITING RESULTS

Companies in Canada Have $1,311,616,677 of Business on Their Books

The field men of some forty-four life insurance companies, Canadian, British and Colonial, and those of the United States, were actively engaged last year in converting Canadian "prospects" into "policyholders." The results of their work in 1915 is compared with that of the pioneers of 1875 in the following figures which give the amount of insurance effected during the respective years:—

	1875.	1915.
Canadian	$ 5,077,601	$121,033,310
British and Colonial	1,689,833	5,727,313
United States	8,306,824	94,358,935
	$15,074,258	$221,119,558

The 1915 work of the agents brought the net amount in force from $1,242,160,478 of 1914 to $1,311,616,677.

Lapsation is a problem for the underwriters, its causes are often discussed, remedies noted and sometimes tried, but the disease persists, to the extent of $136,381,829, as shown in the surrender and lapse column of the Canadian government return, this being an increase of no less than $10,000,000 over the preceding return.

Premiums collected from policyholders in 1915 totalled $45,106,678, while payments made to policyholders were $36,426,490.

The year's income and expenditure of Canadian insurance companies can be placed as in the following columns:—

Income:	
Premiums and annuity sales	$40,191,912
Interest, dividends, rents	14,512,703
Sundry	133,224
	$54,837,839
Expenditure:	
Paid to policyholders and annuitants	$25,909,381
General expenses	10,591,763
Taxes	730,644
Dividends to stockholders	690,436
	$37,922,225

Assets of Life Insurance Companies.

The following table shows the assets of Canadian, British and United States companies in Canada:—

	Canadian.	British.	United States.
Real estate	$ 14,096,205	$ 961,214	$ 72,558
Loans on real estate	96,058,935	17,834,770	11,963,851
Loans on collaterals	1,696,753	155,192	.....
Cash loans and premium obligations on policies in force	39,303,672	2,713,804	10,850,790
Bonds and debentures	86,250,032	14,675,739	49,721,360
Stocks	18,107,238	120	.....
Cash	5,159,429	702,430	2,408,288
Interest and rents due and accrued	6,724,459	407,409	1,152,562
Outstanding and deferred premiums	6,562,725	347,661	1,287,225
Other assets	283,980	10,224	1,874
	$274,243,433	$37,808,566	$77,468,511

The
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Managing Director.

F. C. O'BRIEN,
Secretary-Treasurer.

CANADIAN GOVERNMENT ANNUITIES

Four Thousand Persons Interested—Three Million Dollars Paid In

BY S. T. BASTEDO.

The Canadian parliament approved of a system of government annuities in 1908. The act has since been amended in various respects. Under the regulations which the act provided for, a branch of the public service was established, at first attached to the department of trade and commerce, but in 1912 transferred to the post office department. It is presided over by a superintendent of annuities, and has a staff of officials including an actuary. An agency force was at first employed, but this has since been dispensed with, and the only publicity which is now being carried on is carried on direct from the office through the distribution of literature, leaflets, etc., and by the display in all post offices in the Dominion of a pictorial poster which draws attention to the fact that government annuities may be purchased. All money order offices in the Dominion, of which there are about 5,000, are authorized to receive payments on annuities account.

The act provides that all moneys paid or payable under an annuities contract are exempt from the operation of any law relating to bankruptcy or insolvency, and cannot be seized or levied upon by or under the process of any court, except where it can be shown that the purchase was made with intent to delay, hinder or defraud creditors. Neither can the annuity be alienated.

How Annuities May be Purchased.

Any person domiciled in Canada, which has been interpreted to mean that any person living in Canada whose present intention it is to remain in Canada, is eligible to purchase an annuity. Employers of labour may contract for annuities for their employees or may assist them in the purchase thereof, and any society or association, being a body corporate for fraternal, benevolent, religious or other lawful purposes, may do likewise.

The annuity may be purchased on the deferred or immediate plan. In either case the annuity cannot begin before the age of 55, but may be purchased to begin at any later age desired. There is one exception to the age of 55, which is that should a person paying in for the purchase of a deferred annuity become disabled or an invalid before the age of 55 and have at his credit in the fund a sum sufficient to give him an annuity of not less than $50, an annuity may be paid to him of that or a larger amount though he may be under 55. The age of 5 is the earliest age at which payments for the purchase of a deferred annuity may be begun.

There are three plans on which deferred annuities may be purchased. These are designated as Plan "A," Plan "B," and the Guaranteed Plan. Under the first and latter plan in case of death before the annuity begins all payments made, with 3 per cent. compound interest, are returnable to the heirs of the purchaser. Under Plan "B" there is no return, the amount of annuity to be received being larger for the same payment than under either of the other two. When the annuity starts it is payable for life no matter on which plan purchase is made. Under Plans "A" and "B" the contracts end with death.

Under the guaranteed plan the annuity would be paid in any event for the guaranteed period. An annuity may be guaranteed up to 20 years, but not longer. Last survivor annuities are issued on any two lives. The maximum amount of annuity which may be purchased is $1,000 whether on a single life or on two lives jointly. Payments for a deferred annuity may be by regular weekly, monthly, quarterly, half-yearly or yearly amounts, or the purchase may be made by irregular payments of lump sums.

For example, the payment of $20 at age 20 would purchase an annuity of $10.41 to begin at 60; $30 at age 23, $13.70; $40 at age 26, $16.04; $60 at age 29, $21.14; $80 at age 32, $24.77; $100 at age 36, $26.07; $120 at age 40, $26.38, the total payments being $450 and the total amount of annuity to be received $138.51. Again, a man aged 20 making a payment of $50 a year until he was 60, or for 40 years, could purchase an annuity of $499.50. If he should die at the end of 10 years his estate would receive back $586.05; if at the end of 15 years, $950.81; and if at the end of 35 years, $3,090.94. If he died at any other year a return in proportion to the amount paid in would be made. These payments are on Plan "A," under which plan in case the annuitant should die before 60 his heirs would receive back all that he had paid in with 3 per cent. compound interest up to the date of his death. No medical examination is required.

The system is most elastic, and is designed to meet the circumstances of the wage-earner as well as the man of established income, or with money on hand for investment. It also has for its object the encouragement of thrift. Over 4,000 persons have already invested, and over $3,000,000 have been paid in for the purchase of annuities. There was a very gratifying increase in the number of purchasers in 1915 over the number who purchased in 1914.

INVESTMENTS OF LIFE INSURANCE COMPANIES

The life insurance companies are investing heavily in the Dominion war loans in accordance with government requirements. The rate of interest yielded by these loans is considerably less than has been realized by most companies in the past on their invested assets.

During the past year a company which has large Western interests says that it has adhered to its pracitce of making mortgages its chief outlet for its funds available for investment, but the opportunity has been taken to purchase bonds and debentures to a considerable extent at attractive rates. The investments on the books have given the company no trouble during the year and have been as profitable as usual.

An eastern company has also found this to be the case. "In the investment field, the favorable market which has existed for the last couple of years for the purchase of bonds and debentures continued throughout the past year, and the company's new investments were made largely in this class of security. Interest on the company's western mortgage loans has been well met, the outstanding interest at this date showing a considerable decrease over that at the corresponding period a year ago."

Another eastern company says: "We have kept our funds employed without difficulty, at good rates of interest, and altogether we have reason to anticipate a satisfactory statement at the close of 1916."

FIRE INSURANCE TRANSACTED IN CANADA

CALENDAR YEAR, 1915 (Latest official figures)	Net Cash received for premiums	Re-insurance and return Premiums	Gross Cash received for Premiums	Gross amount of policies new and renewed	Net amount at risk at date	Net amount of losses incurred during the year	Net amount paid for losses	Unsettled Claims	
								Not resisted	Resisted
	$	$	$	$	$	$	$	$	$
Canadian Companies	4,559,076	3,375,024	7,934,100	673,244,131	682,793,482	2,424,291	2,625,869	265,502	4,543
British Companies	13,609,360	2,930,546	16,539,906	1,438,037,721	1,828,316,532	6,742,667	6,889,360	655,346	73,247
United States and other Companies	8,306,397	2,542,508	10,848,905	1,000,271,051	1,020,510,788	4,487,505	4,646,720	652,731	47,047
Totals for 1915	26,474,833	8,848,078	35,322,911	3,111,552,903	3,531,620,802	13,654,463	14,161,949	1,573,579	124,837
Totals for 1914	27,499,158	8,355,742	35,854,900	3,104,101,568	3,456,019,009	15,899,218	15,347,284	2,083,188	67,286

WAR RISK CLAUSES IN POLICIES

Examination of Forms Used by United States Companies —Practice in Canada

The practices of 221 life insurance companies of the United States as to the use or non-use of war clauses in their policies were recently analyzed by the Association of Life Insurance Presidents. Of these companies, with 99.75 per cent. of the insurance in force, we find that 122, with 77.18 per cent. of insurance in force, issued policies at the beginning of 1915 with no restrictions as to naval or military service either in peace or war. The remaining 99, with 22.57 per cent. of the insurance in force, issued policies at that time with some kind of clause restricting the policyholder as to such service.

One or more of the policies of 88 companies included within the group of 122 companies having no war restrictions in their "typical" policies issued at the beginning of the year 1915 were examined. Of these, there were 44, with insurance in force of $8,631,000,000, whose policies made no specific reference to the subject. The remaining 44, with an insurance in force of $8,691,000,000, had clauses stating specifically that there are no restrictions.

Some of the Clauses.

One of the largest companies uses the following clause: "There are no restrictions under this policy on travel, residence, occupation, or military or naval service." Another large company uses this: "The insured hereunder may engage in military or naval service in any state or country without notice to the company and without extra premium charge." Another clause that is used by several companies reads: "No permit or extra premium will be required for military or naval service in time of war or in time of peace."

Policies Containing Restrictions.

Of the 99 companies, with $5,130,000,000 insurance in force (22.5 per cent. of the total insurance in force) having, at the beginning of 1915, policies containing restrictions as to naval or military service, the policies of 70 were examined. As these companies had insurance in force of $5,004,000,000, or 97.5 per cent. of those having restrictions, their practices may be regarded as representative of the entire group.

The naval and military restrictions of these 70 companies fall into two general classes:—

I. Clauses which provide restrictions continuous with the duration of the contract, and, therefore, permanent;

II. Clauses in which the restrictions operate for a limited period only—usually the first policy year.

Out of the 70 companies, the policies of 52 fall into the first or permanently restricted class, and the policies of 18 fall into the second or temporarily restricted class. The companies with policies containing permanent or continuous war clauses had insurance in force of $968,963,000 at the end of 1915, or 4.26 per cent. of the total insurance in force. Those with policies containing temporary or limited restrictions had insurance in force of $4,035,134,000, or 17.75 per cent. of the total insurance in force.

The restrictions against military and naval service in time of war contained in the policies examined are generally conditional and not absolute, That is to say, they contemplate the company's consent, but upon conditions, either expressed in the policy or discretionary with the officers of the company, In the few instances where provision for the company's consent to war service is absent, provision is made either for the accrual of a specified extra premium, or the payment of a reduced benefit in event of death,

Canadian Companies and War Risk.

At the outbreak of war in 1914, all life companies operating in the Canadian field had some pre-war policies in their books which were subject to limitations on the event of military or naval service, but practically all granted those policyholders free permits, Six companies, however, required extra premiums in accordance with the conditions of their policies, and one company which, at the commencement of the war, granted free permits later required an extra premium.

Since the outbreak of the war all but two companies have been accepting new risks on being satisfied that the proposers had no immediate intention of engaging in military or naval service. Twelve companies issued policies for a short time after the outbreak of the war to those who had enlisted or intended to enlist. One of these companies granted policies freely to those enlisted or intending to enlist without extra premium. But since the latter part of 1915 it has declined those intending to enlist, even with an extra premium. All the other companies, with one exception, had within the first few months of the war ceased to accept war risks.

Respecting the practice of Canadian companies in regard to the war clauses in new life policies which it was found necessary to introduce after war broke out in August, 1914, changes in such clauses have been made from time to time as the seriousness of the war became more apparent. The practice of the companies generally is as follows:—

The clauses of 22 companies require notice within 90 days and an unspecified extra premium (in two cases limited to 10 per cent. per annum) in the event of engagement in the active service of the militia of Canada, whether in Canada or elsewhere. In some of these clauses naval service of Canada is included on the same basis. Seventeen companies use clauses which are free as to active service in the militia of Canada in Canada (naval service in Canada being included in some cases), but require notice within 90 days and an unspecified extra premium for active service in the militia of Canada outside of Canada. In the case of one of these companies, the clause applies only during the first year of the policy. One company requires notice within 90 days and an unspecified extra premium in the event of engaging in any naval or military service. A few companies make special concessions to non-combatants, nurses and others not likely to incur any serious extra risk. In the event of non-compliance with the conditions as to military or naval service, these clauses usually provide for the payment in event of death during such service of one-tenth or one-fourth the sum assured, the reserve, the surrender value, or one-tenth for each premium paid.

Justice to Policyholders.

As pointed out by Mr. G. B. Woods, a past-president of the Toronto Insurance Institute, practically all the business of Canadian companies has been secured upon the lives of Canadian citizens. With many millions exposed to the war risk already, and many more millions added by the reinforcements of Canadian soldiers now being trained for overseas service, and steadily going forward to the front in France and other European countries, the life companies in Canada have a much larger percentage of their total business exposed to the war risk than any foreign companies can have, no matter how large a number they might insure at one time. Obviously, therefore, the difficulty of fixing upon a premium rate adequate to the risk involved, having due regard to the safety of the whole of their policyholders, was at once realized. The experience of previous wars is no guide to calculating the risks in this war with its machine guns and concentrated artillery fire.

Life insurance is a form of business which involves great social benefit and great social responsibility. Whatever is done to promote among the people an intelligent knowledge of the sound principles of life insurance is a public service. No form of investment that I am familiar with is comparable to life insurance as an agency for promoting thrift. The policyholder who must pay a premium at stated intervals is in effect keeping a compulsory bank account. The right kind of insurance company relieves the policyholder from anxiety regarding his family in the event of his death, and so enables him to devote himself with more freedom and energy to their welfare during his life. Life insurance is one of the greatest agencies, not merely as a provision against the deprivations of death, but in the conservation of human life, for the properly managed insurance company is of necessity profoundly interested in establishing adequate safeguards against accidents and in the prevention of disease. I think every young man when he comes of age should consider taking out a life insurance policy as part of his civic duty, and should think of the payment of the premium as part of his annual budget, which is just as necessary as his board, lodging, and clothes. It follows that it is equally his duty to inform himself about life insurance and to invest only in a company that is financially sound, honorably managed, and public spirited in the best sense of that word.—Lyman Abbott.

FIRE COMPANIES' LOSSES WERE HEAVIER

A normal year in 1916 is reported by the fire underwriters of Canada. Losses were somewhat above the previous year. Some of the companies report to *The Monteary Times* as follows:—

The Law Union and Rock's experience last year was somewhat similar to 1915, with a slight decline in income, due, doubtless, to the reduced stocks which are being carried in Canada to-day.

The Mount Royal Company reports a slight increase of business, but with a material augmentation in losses. This company does not anticipate in 1916 as profitable a year as in 1915.

The American Central Insurance Company, which operates only in the western provinces, states that, while premiums have increased considerably, losses for the year have been abnormally heavy. The loss ratio will be higher than for several years past.

Speaking generally, the Northern Assurance Company's business is about the same as that of 1915 in volume, but losses have been considerably heavier.

The Liverpool and London and Globe Company reports a "fairly normal" year.

The Sun Fire Insurance Company's income has kept about normal and shows a slight increase in point of premium income. For the first nine months the loss record was excellent. The company were unfortunate since that time, and the loss ratio became somewhat over normal.

LIFE INSURANCE AGENTS AND THEIR ASSOCIATION

Mr. J. P. Rowley, superintendent at Montreal of the Metropolitan Life Insurance Company, of New York, and president of the Montreal Life Underwriters' Association, writes *The Monetary Times* as follows:—

"The moment is opportune to draw to the attention of the business and professional men of Canada what C.L.U., or Chartered Life Underwriter, means. In simple words, it means a square deal for the buyer of insurance. It means the cleaning out from the ranks of the life insurance profession the unclean individual, who in the past has done so much harm to life insurance.

"When a life insurance agent presents his card with C.L.U. engraved on it, it means that he must live up to and govern himself according to the rules and regulations of the Life Underwriters' Association of Canada; that is, to upright and honorable dealings with his clients. If he does not, he can be reported to the local board of the association.

"The Life Underwriters' Association is not a trust. It does not seek to monopolize. It does not want to dictate to any man. It is simply the combination of all that is decent in the profession. Such being the case, what excuse can any agent have for not belonging to it?

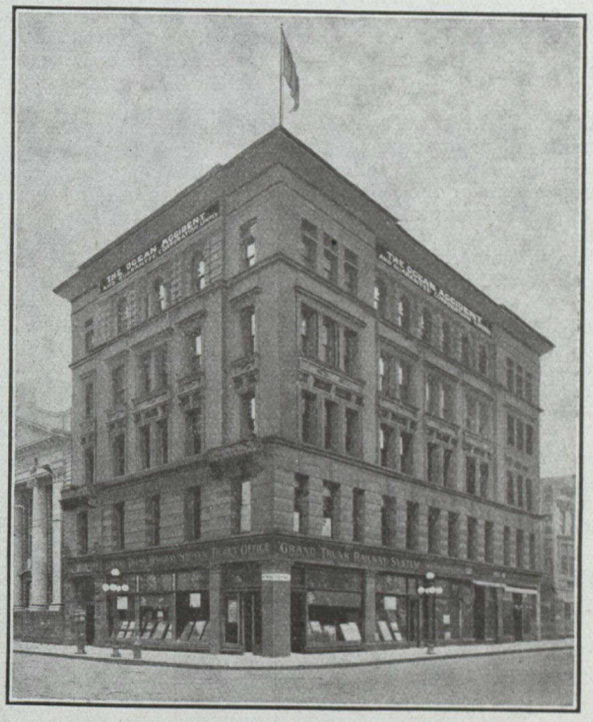
"My advice to the business man is that when any agent solicits for life insurance, if the letters C.L.U. are absent from his card, it is your duty, before you buy, to find out the reason why."

RECORD OF INDUSTRIAL ACCIDENTS—1915 and 1916 compared

(Department of Labour figures.)

	January				February				March				April				May				June			
	1915		1916		1915		1916		1915		1916		1915		1916		1915		1916		1915		1916	
	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I
Agriculture	2	8	3	8	6	7	8	7	6	6	4	5	12	6	3	6	6	6	4	5	7	8	3	5
Fishing and Hunting	...	...	...	...	...	...	...	...	...	...	...	...	...	.	1	...	8	...	...	...	5	...	1	...
Lumbering	4	3	5	3	2	6	2	5	7	6	5	9	5	4	2	5	7	5	10	9	6	6	5	5
Mining	8	16	5	16	27	7	10	19	5	26	5	14	9	26	5	22	28	25	11	18	14	43	9	11
Railway & Canal Const.	...	...	...	1	1	...	...	...	1	1	1	2	...	...	...	1	...	5	1	...	1	1	...	1
Building Trades	1	11	1	8	2	5	...	4	6	11	...	4	4	11	1	5	2	15	2	8	6	10	2	17
Metal Trades	2	31	7	111	2	36	6	112	3	41	6	143	6	47	7	122	6	42	12	152	16	52	2	127
Woodworking	...	2	...	8	1	2	...	9	...	6	...	9	...	...	2	8	..	5	...	16	...	9	1	9
Printing Trades	...	3	...	...	...	...	...	1	...	...	...	...	...	...	...	...	...	1	...	2	...	...	...	7
Clothing	...	2	...	1	...	2	...	2	...	...	...	...	...	4	...	1	...	...	...	5	...	2	...	...
Textile Trades	...	4	...	4	...	4	...	5	...	2	...	4	...	1	...	3	..	5	...	2	...	3	2	8
Food, Tobacco & Liquor	2	1	...	4	2	9	...	2	2	1	2	4	...	...	1	13	1	5	...	6	2	...	2	6
Leather	1	...	...	...	...	...	...	...	...	...	1	1	...	2	...	...	...	...	...	2	...	...	...	1
Railway Service	6	37	44	103	10	36	17	86	3	53	24	87	3	46	21	65	6	49	7	72	8	26	8	67
Navigation	2	1	1	...	...	1	...	2	1	2	3	3	1	3	...	1	13	8	3	2	7	4	...	8
Gen. Transportation	1	13	2	25	...	7	4	14	...	7	2	18	1	7	3	22	2	14	3	22	1	13	5	21
Public Employees	...	10	...	3	...	3	3	12	1	8	...	7	...	17	1	8	3	3	2	15	1	9	1	9
Miscellaneous	2	16	5	14	1	3	3	8	3	6	5	15	2	15	2	16	2	10	4	19	2	13	13	46
Unskilled Labor	3	8	2	6	2	5	3	2	...	4	3	7	3	11	5	4	11	4	1	4	8	6	1	9
Total	34	166	75	315	56	133	56	290	38	180	61	332	46	120	54	292	95	202	60	359	84	205	55	357

	July				August				September				October				November				Decemb'r		Totals Year		Totals 11 Mos.	
	1915		1916		1915		1916		1915		1916		1915		1916		1915		1916		1915		1915		1916	
	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I	K	I
Agriculture	7	9	3	11	10	18	5	16	9	18	9	16	11	26	5	14	8	16	6	14	5	8	89	36	53	107
Fish'g & Hunt'g	3	...	...	...	...	...	1	...	...	...	...	...	3	...	1	...	...	...	..	...	2	1	21	...	4	....
Lumbering	3	6	3	8	2	4	4	5	5	6	3	1	4	5	3	2	3	3	2	2	1	4	49	58	44	54
Mining	9	30	6	13	12	22	15	17	7	14	4	18	6	24	4	6	5	13	23	18	8	27	138	273	97	172
Ry. & C'n'l Con.	...	1	2	1	3	1	1	1	3	...	...	1	2	6	1	3	1	...	1	...	....	1	12	16	7	11
Building Trades	3	11	4	27	4	17	7	23	4	9	18	37	5	24	3	19	1	12	3	19	1	7	39	143	41	171
Metal Trades	5	45	9	149	13	63	6	119	4	49	7	155	5	46	10	145	6	101	7	128	8	76	76	629	79	1463
Woodworking	...	5	...	10	1	4	...	5	3	10	...	9	1	2	...	10	...	6	...	6	2	7	8	58	3	99
Printing Trades	...	1	...	2	...	3	..	1	...	2	...	2	...	...	...	2	...	1	...	...	....	2	....	13	....	17
Clothing	...	..	...	2	...	1	...	1	...	1	...	...	1	1	....	7	...	. .	...	5	....	....	1	13	....	26
Textile Trades	...	4	...	3	. .	8	...	8	...	2	..	2	...	4	1	3	...	6	...	3	....	1	....	44	4	46
F'd, Tob. & Liq.	2	3	2	8	...	3	...	5	...	2	1	3	...	5	2	3	5	9	2	5	4	4	20	42	12	57
Leather	...	...	...	...	...	1	...	1	...	...	1	1	1	2	...	...	...	...	...	3	....	....	2	5	1	8
Railway Service	6	66	21	84	12	23	14	87	12	72	11	83	14	63	14	86	10	72	11	92	14	76	104	619	192	912
Navigation	3	20	8	6	7	9	3	7	13	7	1	5	4	7	2	3	4	6	3	5	1	2	56	70	24	42
Gen. Transport	3	15	10	40	1	11	4	26	2	10	4	28	4	14	5	20	1	14	4	25	3	27	56	326	46	261
Pub. Employee	1	5	...	8	...	20	...	5	1	1	...	6	1	9	...	5	2	3	...	10	....	8	10	96	7	88
Miscellaneous	10	17	3	34	9	23	15	45	1	12	5	38	1	13	3	24	3	11	10	51	5	14	41	153	68	310
Unskilled Labor	3	16	3	9	3	12	3	17	2	16	2	10	8	11	4	4	1	...	2	2	1	4	45	97	29	74
Total	58	254	74	415	77	243	78	389	66	231	66	415	71	262	58	356	50	273	74	388	55	268	767	2691	711	3918



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INVESTMENTS FAVORED BY LIFE COMPANIES

Judgment of Directors is Important—Premiums Outstanding and Interest and Rents Due

BY R. W. BARTON, A.I.A.

In a series of articles to appear in *The Monetary Times*, commencing next week, the investments of Canadian life insurance companies will be discussed in detail. A table will be published showing the percentage share of the different classes of investments held by all the Canadian companies. The table, as a whole, is instructive, but in view of the effect of the preponderating weight of the larger companies, compared with the more numerous smaller ones, a somewhat false perspective is obtained.

A separate investigation of the distribution of the assets in these larger companies, is illuminating in this respect.

Owing to the misleading use, too often made of statistics, by ignorant and unscrupulous manipulators, the companies in the accompanying table, are designated by letters, instead of names.

The figures show that in the main, the characteristics of the table, regarding all Canadian companies (to be published next week) are clearly exhibited in each of the individual companies, noted in the accompanying table, although the percentages of similar securities held by the different companies, vary widely.

The percentages, both in the combined table, and in that of the selected companies, are of "total assets." They would, of course, be considerably higher if calculated to "ledger assets," or "invested assets" only.

Much instructive information can be gathered from this table. The figures speak for themselves.

Two features perhaps deserve special note. These are the continuous increase, in each company, of the percentages of "interest and rents due and accrued," and the wide variation between the individual companies, in percentages of "premiums outstanding and deferred."

Should be Reduced.

Both these items come under the classification of uninvested assets and since these are unremunerative from an interest earning viewpoint and any reduction that can be made in them would appear to be to the advantage, not only of the companies, but also of the policyholders generally, it would be desirable that these should be reduced to their lowest terms.

The question as to what proportion of funds should be held in each class of security may properly be asked, but it is not so easily answered, under the conditions faced by Canadian life companies.

Certain companies have specialized in particular classes and through the organizations thus gradually built up to deal

How Six of the largest Canadian Life Companies have their Assets Invested.

Company	Year	Real Estate	Mortgages	Collateral Loans	Policy Loans	Bonds and Debentures	Stocks	Cash	Interest and Rents due and accrued	Premiums outstanding and deferred	Other Assets
A	1910	5.42	28.89	.46	14.51	36.76	9.81	.85	1.66	1.64	....
	1911	6.04	31.98	.49	14.38	32.61	10.29	.72	1.87	1.62	
	1912	6.27	34.90	.32	14.44	29.75	10.36	.37	2.06	1.53	....
	1913	8.60	36.58	.30	15.15	25.81	9.28	.45	2.31	1.52	....
	1914	8.03	36.53	1.40	16.10	23.91	8.36	1.63	2.52	1.52	....
	1915	8.31	36.97	.33	15.95	25.05	8.27	.66	2.85	1.60	.01
B	1910	8.24	35.31	.19	12.91	33.20	4.42	.92	1.87	2.92	.02
	1911	7.77	35.73	.26	13.15	32.60	4.30	.93	2.02	3.23	.01
	1912	9.30	34.93	.12	13.22	31.31	4.70	1.11	2.03	3.26	.02
	1913	10.57	35.52	.12	14.37	26.95	4.98	1.59	2.15	3.73	.02
	1914	11.41	34.12	.11	14.74	27.95	4.80	.73	2.33	3.79	.02
	1915	11.99	32.62	.09	14.56	28.60	5.02	1.13	2.67	3.28	.04
C	1910	4.19	71.90	....	10.04	2.50	4.16	.48	2.57	4.12	.04
	1911	4.88	71.20	....	10.15	2.50	3.60	.10	2.75	4.79	.03
	1912	4.32	70.65	....	11.87	2.53	2.71	.19	2.79	4.88	.06
	1913	3.65	70.74	....	13.24	2.09	1.84	.91	2.71	4.74	.08
	1914	3.21	69.55	....	13.85	1.87	1.48	1.80	3.02	4.98	.24
	1915	2.72	60.77	....	13.71	7.83	4.68	3.01	2.90	4.18	.20
D	1910	2.74	28.24	1.48	12.98	39.68	6.65	2.81	2.14	3.12	.16
	1911	4.28	35.45	.65	12.65	33.16	6.08	2.38	2.49	2.82	.04
	1912	.05	48.16	1.73	12.95	23.32	6.20	1.69	2.98	2.87	.05
	1913	.03	49.18	.27	14.59	21.83	5.42	2.43	3.12	3.03	.10
	1914	.31	46 37	.44	15.96	22.10	6.20	2.84	3.18	2.50	.10
	1915	.41	42 21	.29	16.25	25.97	5.36	4.20	3.25	2.02	.04
E	1910	.53	50.97	....	12.54	30.67	...	.76	2.13	2.40	....
	1911	1.00	53.51	....	12.53	27.35	....	1.04	2.30	2.27	....
	1912	1.14	55.06	....	12.59	25.20	....	1.42	2.43	2.16	....
	1913	1.14	55.58	....	13.97	21.93	....	2.54	2.63	2.21	....
	1914	1.06	54.60	....	14.51	23.88	....	.64	2.91	2.20	.20
	1915	1.07	54.54	....	14.55	23.32	....	1.12	3.16	2.05	.19
F	1910	2.43	4.06	.42	10.89	61.52	17.08	.96	.76	1.78	.10
	1911	2.24	3.85	2.49	11.40	63.69	12 57	.87	.84	1.83	.22
	1912	2.50	4.32	3.97	11.40	59.61	13 50	1.91	.81	1.78	.20
	1913	2.44	9.33	1.27	12.01	57.92	12.76	1.49	1.05	1.73	....
	1914	3.51	11.55	1.60	12.50	54.50	12.40	.90	1.23	1.81	....
	1915	3.77	12.50	1.77	13.80	52.21	10.94	1 94	1.34	1.73	

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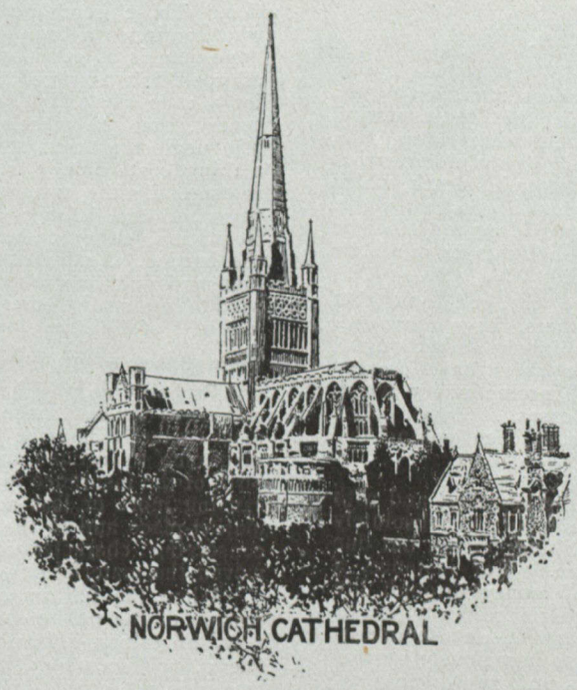

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JOHN B. LAIDLAW, Manager.

with these, are no doubt able to handle them at less expense and more effectively, than companies without such experience.

That a company, located in a great agricultural district, should favor farm mortagages, is as natural as that a company with a national money market at its door, should favor bonds and debentures.

Except within limits, so obvious as to be unnecessary to point out, the question is one for decision by each company. Upon this point, at least, directors are at liberty to exercise that knowledge and judgment, which should be theirs, to justify the acceptance of the honorable and responsible positions they hold.

MONTHLY INCOME INSURANCE

Its Benefits for the Business Man's Family as Compared With Ordinary Insurance Lines

BY D. J. JOHNSTON.

A few years ago a successful business man, as a rule, prided himself in having a large volume of life insurance, which would be payable in one sum at his death to his wife, and with this idea in his mind, he could easily picture what his business associates would be saying after his death, which in a few words would be, "He always had a good foresight, and he has doubly proved it now, by providing for his wife in such a splendid way." With these thoughts in mind, he would generally feel perfectly satisfied.

However, business conditions have changed, and that man's thoughts, as well as many others, have changed. With those changes of business conditions and thought, the majority of the life insurance companies have pressed forward what is known as a monthly income policy which happens to be, in a great majority of cases, the very policy the successful business men of to-day have been looking for.

Continued Support to Family.

Continued support to the family is the key-note, and with the older forms of policies, can this support be absolutely assured? It is not through any fault of the policies, but due mostly to the frailties of human nature. For instance, a widow, being left with a large sum of money through life insurance, is in most cases, totally inexperienced in business, and very often yields to the temptations of unwise investments put before her by schemers, who so ingeniously present their schemes. She also very often has unfortunate and importunate relatives with whom to contend. In addition, this large sum of money being thrust upon a family often furnishes temptations to satisfy the many desires of a lifetime, which in the majority of cases the husband would be unable to afford. It would be a simple matter to satisfy the whims of more extravagance with all this ready money coming at once.

The husband should carry one of these monthly income policies, and at least enough to cover the running monthly expenses as they are to-day, and when he is living and able to provide the necessities of life. He will then know that, even if his wife lost all she herself may have accumulated, and also all else that he may have left, she and the family, on the first day of each month for twenty years certain, will receive a cheque from one or more of the large and successful life insurance companies, for the sum of $100, $200, or whatever amount it may happen to be. It could even be arranged, if so desired, to have the income go to the wife for life. In case of her death during that twenty years the income would go to her heirs.

This is better than a government bond, real estate, securities or cash, for the widow cannot sell or assign this policy contract.

Life Company as Trustee.

Through one of these policies, a man appoints the life insurance company his trustee, with their authority limited and defined by the terms of the contract. No charge is made to administer the estate, and it is exempt from succession duties, and taxes, provincial and municipal, making the monthly income absolutely net and certain to the family.

It is to be hoped that this form of insurance will become still more popular in every way. It should be the aim of life insurance salesman to present this form more often and in a practical way, for it is safe to say, that in this form of insurance, the business men can feel that their estates are far more secure and that their greatest ideal in life has been reached in the knowledge that they have made provision for the loved ones in the years to come.

GETTING LIFE INSURANCE IS PRIVILEGE

Growth of the Insurance Idea—Policies Raise Standard of Stability

BY J. L. PURDY.

It is not surprising that business and corporation insurance is so increasingly popular. The marvel is that the basic character of the need and the singularly appropriate nature of the proposition should have received such tardy recognition. Those good-humored, incorrigible, old cave-dwellers, who continue to browse upon the soporific sophistries that "one man is as good as another," or, that "the sea contains as good fish as were ever taken out," are obviously in line for a rude awakening, are due to make the unpleasant discovery, that the wheels of fate finally grind to powder all who neglect protection. There are times when the fact that a thing costs money is no excuse for being without it, this is especially the case with business insurance. The British navy and the defences of Paris cost money, billions of it! Hesitation, either on account of the difficulty of raising it, the burden, the financial uncertainty of the future, or the thousand and one other fears which beset the faint-hearted would have sealed our doom and placed us under the crushing heel of German domination.

From Chaos to Stability.

Probably no idea has performed such a miracle of public service as the insurance idea. From chaos to stability would most correctly describe the general effect and reaction of life insurance operations upon human activities. Prior to the birth of the insurance idea, every man's death was a calamity, causing more or less acute disturbance in the home, in the market-place and to the state, whereas to-day, the intimately conserving character of life insurance operations has removed the material sting from the old ogre death.

When the full import of the insurance idea takes possession of the public consciousness, the practice, so common now, of taking insurance merely to help an impecunious friend, will seem odd indeed. The public will then realize that it is not only a bounden duty to insure and to have all the protection and security their financial position enables them to command,—getting life insurance will be recognized as a privilege, pregnant with considerations redounding to the national as well as the personal commonweal.

Guaranteed Income Plan.

Take for example, the guaranteed income plan of insurance. The utility and wonder of it is little short of miraculous, and it is universally conceded to be the highest achievement of finance. Every other provision a man may contemplate is weak in some essential particular compared with the continuous guaranteed income. No passing of dividends, no loss or depreciation of principal, no taxes, no anxiety about investments, the provision is humanly speaking absolute. With the maximum of convenience it enables a man to perpetuate the virtue of fostering care, to administer his estate if need be for generations after his death, with the same old punctuality, the same old cordiality, the same old hospitality, that made his hearth a shrine, and his presence a balm, as well as a happy and abiding memory.

Loss is Irreparable.

The number of cases on record of beneficiaries having lost the whole of large estates, except that which consists of income insurance is positively amazing, and when one stops to consider the bare possibility of any widow, young or old, experienced or inexperienced, succeeding in keeping money left her, and also, the difficulty even successful men have in keeping what they get, we are constrained to be lenient when criticising the financial mistakes of women, particularly when they have the care of children or aged relatives. The desperate part of it is, that when they lose, their

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loss is irreparable, they having practically no chance to recover. Beneficiaries invariably declare that the income from insurance is best, and be sure that the conclusions of beneficiaries on this important matter—like the policies of insurance themselves—are indisputable! They know, their knowledge being the result of experience.

Every insurance policy issued raises the standard of stability as no other transaction possibly can, so, that it is not merely paternal, provident, proper or personally omniscient to insure, it also has a national significance and is eminently patriotic. The insurance institutions are the great reservoirs of the nation's surplus wealth, radiating beneficence in every direction, giving a financial strength and resource to the state and country almost unfathomable and certainly beyond exaggeration in extent. The city or province therefore that leads in the matter of life insurance is, ipso facto, the place where credit is highest, conditions most staple, panics most rare and easily endured and where each succeeding generation is able to utilize and appropriate the work of its predecessor with a maximum of tranquility, the surest basis of civilization.

NEW WORKMEN'S COMPENSATION ACTS

They Have Just Come Into Operation in Manitoba and British Columbia

The British Columbia workmen's compensation act was passed at the last legislative session of the province and came into force on January 1st, 1917.

A committee had previously been appointed to investigate the subject of workmen's compensation legislation both in Canada and the United States. The committee consisted of Mr. A. V. Pineo, departmental solicitor of the province, Mr. David Robertson, a manufacturer of Vancouver, and Mr. James H. McVety, representing the labor interests.

After very extended and careful investigation, and the taking of much testimony from all interests affected by the compensation acts of Washington, Oregon, California, Wisconsin, Ohio, New York, Massachusetts, Ontario and Nova Scotia, the committee rendered its report, and the act which was passed was based upon the report and recommendation of the committee. The act provides for the administration by the board of an accident fund, out of which shall be paid all compensation due workmen injured in industries within the application of Part I. of the act, and all employers of the province in such industries are required to contribute to the accident fund in proportion to their respective pay-rolls.

Says It Is Highest Type.

In a statement to *The Monetary Times* regarding the act, Mr. F. W. Hinsdale says: "It also embodies a medical-aid provision, under which the board is authorized to provide injured workmen with such transportation, medical-aid or surgical assistance, medicines or appliances as may be needed on account of injuries received in their work. To assist toward the expense involved in this provision of the act, all workmen within the application of Part I. are required to contribute to the accident fund through their employers the amount of one cent per day per man. The report of the committee is an exceedingly interesting and valuable document and shows very careful and thorough study of the subject of workmen's compensation legislation. The British Columbia act is looked upon with much favor, both by the employers and the workmen, and is believed to be of the highest type of that class of legislation."

Manitoba's New Act.

The workmen's compensation act of Manitoba, which was proclaimed to come into force on and from October 1st, 1916, and as respects the payment of compensation on and from January 1st, 1917, covers substantially the same industries as the Ontario act, and the scale of compensation is the same, except that under the Manitoba act a workman is entitled to the additional benefit of medical attendance, not exceeding $100. (See section 32.)

Where it differs from the Ontario act is in providing an accident fund, which in Ontario is raised by an assessment upon employers made from time to time by the board. In Manitoba employers are required to insure in some insurance company approved by the board for that purpose, or they may, with the approval of the lieutenant-governor in council, be permitted to carry their own insurance (see section 71), and fund for payment of compensation is maintained by such insurance companies and employers. (See section 78.)

ONTARIO'S MANY BARN FIRES

Heavy Losses Last Year—Statements of Fire Marshal and Insurance Men

Last summer Ontario and particularly its western counties suffered from a large number of barn fires. For the months of August and September, according to the records of the the provincial fire marshal's office, 121 barns and contents were totally destroyed, with an estimated loss of $300,000. Allowing for insurance for 60 per cent. of this, the net loss to the farmers was about $125,000 in two months. Further reports of barn fires were received in September and October.

The provincial fire marshal summoned a conference of the representatives of the 70 farmers' mutual fire insurance companies in the province, as well as officials of the line companies, to discuss the hazard.

May Be Legislation.

In a statement issued by fire marshal Heaton, it was stated that the remedy for these barn fires was in the hands of the fire insurance companies themselves, "but," he added, "if they do not take it up it may be necessary to resort to legislation—the loss is entirely too serious to be overlooked. From information received I believe that the average barn today is not adequately ventilated, and when there is an exceptionally heavy hay crop like that of this year and labor conditions compel the farmers to put it in the barns before it is thoroughly cured, heating, leading to spontaneous combustion, is bound to occur. If the companies in issuing policies enforce certain requirements as to ventilation then the danger can be largely guarded against."

Steadily Growing Worse.

Mr. E. F. Garrow, secretary of the British America Fire Insurance Company, Toronto, tells *The Monetary Times* that his company still undertakes insurance on farm risks in Ontario, though the record for some years past has been most unsatisfactory and what is even more disturbing, it is steadily growing worse so that the fact that the fire marshal proposes to give the subject his careful attention is welcomed by the insurance companies, and they wish him every success.

An advance of twenty-five cents was recently imposed upon farm property rates, the extra to apply only upon those buildings not equipped with lightning rods, this following a recognition by the companies of the value of properly installed lightning rods, and the increasing and heavy losses which have fallen on the companies where the fire was caused by lightning and the buildings were not equipped. "Some amelioration of the present unsatisfactory record may perhaps be looked for as a result of the larger premium receipts thus secured," says Mr. Garrow, "but the companies are not sanguine upon this point and will be interested to hear the findings of the fire marshal's office, following the proposed investigation."

Lightning as Well.

Discussing this matter with *The Monetary Times*, a fire insurance manager said:—"These losses were caused by a combination of crowded barns and lightning. When a barn is improperly ventilated under the ridge, gases accumulate and a lightning stroke, which would otherwise produce a small loss on the building, explodes the gas, setting fire to the building and its contents from end to end right under the roof, making it impossible to fight, with the result that there is a total loss on building and contents. Owing to the very heavy first crop of hay last summer, all barns were filled practically to the roof, and even if there was no gas under the ridge of the roof, the hay was probably piled right up there, and would therefore, be liable to ignition from lightning."

According to Mr. F. D. Williams, managing director of the London Mutual Fire Insurance Company, Toronto, in a statement to *The Monetary Times*, fire marshal Heaton's theory of spontaneous combustion in a dry crop is erroneous.

THE SUPREME TEST OF MERIT

Among all the tests that expert business men apply to financial institutions to determine their soundness and success, there is usually one test upon which they place more reliance than, perhaps, on all the others. In the case of a life insurance company, that favorite test is

THE SURPLUS EARNED ON ASSETS

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"When hay is really dry," he said, "it is, I believe, absolutely immune from the risk of spontaneous combustion, and it is only when it has the right amount of moisture in it, that it generates enough heat to start a fire. I think it a much more likely theory, that in 1915 farmers had such difficulty in getting their hay in, that this year, seeing such a wonderful crop in their fields, they hurried it in unnecessarily fast. Had they known that they were going to have six weeks of hot weather, they would not have done this, but many of them cut their hay one morning, and it was in the barns the next evening. No doubt there was a shortage of labor, and many hay crops were not turned over in the fields sufficiently to allow them to be properly dried.

Question of Ventilation.

"There is talk of the barns not being properly ventilated. In my opinion this has very little to do with spontaneous combustion. For we know that hay stacks in the open fields will burn from spontaneous combustion, and unless the crops are put in in a properly dried condition, we are always going to have cases of spontaneous combustion."

Mr. Williams urges the installation of lightning rods on all barns and large isolated buildings in the country districts, for, in his opinion, in normal years the number of fires from poor ventilation do not approach the number of fires caused by lightning."

Another fire insurance manager states that his company does not make a specialty of farm business, and is not active in soliciting it. The company writes it because in doing a general business it has to accommodate its agents and other connections to that extent. Of late years the class has not paid this company.

EFFICIENCY IN FIRE INSPECTIONS

Insurance Companies Should Secure Thorough Report as to Existing Conditions—Preventable Fires Are Many

BY HENRY LYE.

Efficiency in fire insurance inspections does not stop at the front door or in the interior of a building, but takes note of the surroundings, of the moral character of the people occupying the immediate and the neighboring localities. The greatest weakness of the fire insurance business is the financial interest of the agents, preventing them from insisting on the elimination of defects. Indeed, the ill success of the manufacturers' fire insurance companies may be attributed to the dictations of the owners, who refused to correct manifest endangerments.

With the exception of the North Ontario conflagrations, which were readily preventable, the fire losses of Canada in 1916 have mostly been in factories and frame-ranges. The fires in factories have not been unavoidable, but generally from causes which should never have been allowed, so should have been eliminated by competent inspections.

Frame Buildings a Factor.

The fires in frame-ranges have been too frequent to be altogether accidental, but, whether free from moral hazard or not, should have led to the reform of the conditions which generally prevail in such localities. Everybody knows that when fire originates in a frame-range, it is almost sure to spread so as to destroy or greatly damage the whole of the buildings and most of their contents, as well as to threaten the lives, limbs and health of the occupants as well as the solvency of the owners, yet they are allowed to be erected and to continue as such without interference or restriction.

If health, wealth and happiness were looked upon as national, provincial, or even municipal riches, then we should see steps taken to preserve them from that license of action which amounts to criminal ignorance or criminal audacity, which has no regard for anything or any person whilst securing the immediate advantage of those who crowd together piles of combustible matter, regardless of the natural consequences which are sure to occur, although they may be, for a while, delayed.

Is there any real economy in the building of frame-ranges? Take the slight difference in the costs of materials and construction with the costs of maintenance and insurance with the length of time during which they will continue in fit state for profitable use, and it will be seen that frame construction is more expensive than that which is substantial and safe.

A false front of brick veneer may be put up and the interior filled with frail woodwork, but the man who does this and the insurance company which covers it alike connive at a palpable fraud.

Take the frame-ranges as they now exist. Would it not be cheaper to remove some of the buildings and make safe the remainder than to allow them to continue as they now are? In most cases these frame-ranges include insertions and shacks, lean-to's and sheds of little value. The power which can prevent the erection of any building within a prescribed number of feet from the street line, or the repairing of a building damaged by fire, or which is a danger or a nuisance to the public, can be exercised in the elimination of such parts of a frame-range as would decrease the dangers to the remainder, and can require such measures as would safeguard those allowed to remain. Besides, in nearly every frame-range you see dilapidated and vacant buildings no longer profitable to the owner, who would suffer no real loss by their removal. Some of them may be occupied as junk-shops or rookeries, which depreciate the values and deform the appearance, whilst destroying the desirableness of the neighborhood. In many of these you will find stoves and pipes in bad condition; chimneys built on brackets, whose bases contain accumulations of soot; stovepipes through the walls or roofs or windows, and rubbish everywhere. These not only endanger the buildings near them, but prevent some men from erecting good buildings to be exposed to conflagrations by them.

Untidy, neglected localities are avoided by sensible people, so the owners of properties in or near them are really suffering the consequences due to facts which should not prevail. Even when the elimination of objectionable buildings entail present losses upon their owners, we should remember that every reform implies the removal of an abuse, so should not prevent proper action. Sometimes these buildings are owned by the magnate of the place, so no one dares take action for their removal. Sometimes political or personal considerations prevent common sense; so, in all statutes and by-laws, the compulsory direction "must" should be given instead of the permissive "may." Then it would be the bounden duty of some authority to "act upon" instead of "ignoring the facts," just as in the case of an epidemic of disease it would be the duty of the authorities to prevent its spread, even to the extent of isolating whole families, yet epidemics of fires are continually occurring in every province, and are suffered without comment, except that the owners are well insured and may erect better classes of buildings.

Reduce National Wealth.

No doubt many towns and some cities have emerged from conflagrations originating in frame-ranges to comparative safety by reason of the moneys realized from insurances, but these moneys, with all their contingencies, must be paid by the people at large, reducing the national wealth. They are not evoked by magic from nowhere or contributed by nobody, as the newspaper accounts would sometimes lead us to suppose.

Most of the incendiary fires could have been prevented by a little timely inquiry into the antecedents and circumstances of those who have profited by or suffered from them; indeed, there are sometimes such series of natural consequences of neglect in this particular as should startle the insurance companies of every class into acknoweldging that they should be reasonably careful as to the people to whom they entrust their "promise to pay."

The matter of fire losses in Canada is a serious one. All incompetence in inspections or adjustments, all neglect of investigation, preliminary or subsequent, all rewarding of incendiaries and all other methods of making fires profitable to the perpetrators should cease.

ACCIDENT, GUARANTEE AND LIABILITY INSURANCE

A fairly substantial increase in guarantee and accident insurance over last year, with losses somewhat less than last year, is the report of many of the companies to *The Monetary Times*. There is a regrettable decline in liability insurance on account of the wave of socialistic legislation that is passing over this country in connection with workmen's compensation acts controlled by the state.

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We will be glad at all times to furnish full particulars as to plans, rates, etc. We have a few good openings for reliable men who are PRODUCERS.

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CANADIAN MARINE INSURANCE LAST YEAR

Casualties on Canadian Routes—Norwegian Companies' Rates for St. Lawrence Route

BY E. W. S. MORREN.

In marine underwriting circles there has been considerable activity during the past year owing to the expansion of Canadian trade, as although imports into the Dominion from overseas have been considerably less than in normal times, the exports have been greater, consequently, local underwriters have had a larger volume of business before them.

The congestion at shipping ports, however, has caused underwriters considerable anxiety both at ports of shipment and discharge and this extra hazard is not likely to be disposed of until after the war has ended. Serious fires have occurred at the ports of Marseilles, Havre, Vladivostok and Archangel, considerable damage being sustained to cargo on the docks and wharves, and whilst Canadian underwriters escaped with slight loss, this is a problem which they will in the future have to take into consideration in basing their rates. Owing to the enormous demand for freight in consequence of expansion of trade and shortage of ships caused by wastage of war, shipowners have not been able to give their vessels the overhauling they necessarily require, consequently, underwriters are having to pay claims for damage which under ordinary circumstances they would not have to meet.

Considering the number of vessels trading to and from Canadian ports, it is worthy of note that there have been few casualties directly resulting from the war, for as far as known the only vessels which last year were either sunk by a mine or submarine are the steamers "Shenandoah," "Eagle Point," "Stephano" and "Cabotia," but considerable Canadian interests were on the steamers "St. Cecilia" and "Alaunia" sailing from United States Atlantic ports which were lost through striking mines.

Casualties on Canadian Routes.

Numerous accidents have occurred during the year to vessels out of St. Lawrence and Canadian Atlantic ports, the principal being the stranding of the steamers "Arachne," "Enisbrook," "Fremona," "Indutiomara," "Matatua," "Sandefjord' and "Tyne," and also fires on the steamers "Arachne," "Bendu" and "Matatua," the latter being a very costly one to underwriters as the vessel sunk in the harbor of St. John, and all of its cargo was practically a total loss. In view of the increased trade from Pacific coast ports, the claims have been unusually light, the only accidents of any magnitude were the strandings of the steamers "Barrister" and "Empress of Japan." Maritime province vessels have, however, been considerably reduced during the year owing to the following schooners being totally lost: "Anne Lord," "Annie E. Lardner," "Avis," "Bessie," "Grace Davis," "H. R. Silver," "Horatio," "Lewis K. Cottingham," "Lucia Porter," "Mule," "Mary Hendry," "Oswald," "Priscilla" and "R. Bowers," whilst there have been numerous casualties to other vessels of the same class.

The number of Canadian-owned vessels plying on the Great Lakes last year was considerably reduced as the majority of vessels have been withdrawn, principally caused by the falling off of westbound lake traffic, and they are now trading either in the transatlantic or coastwise routes. The casualties last year were not so numerous as in previous years, but some old timers like the "Rob Roy" and "Charles Marshall" have been lost. The worst disaster of the year was the steamer "Merida," which foundered with all hands in the recent storm on Lake Erie.

Inland Transportation Unprofitable.

Inland transportation business is the remaining source of revenue which comes under the jurisdiction of marine insurance underwriters, but the results this year have not been very profitable, especially the insurance of goods by parcel post, and unless the Dominion government improves this branch of their service, and brings it more in line with the system adopted and used by the United States government, claims are bound to be numerous, which would necessitate increased rates being charged by underwriters in order to put the business on a basis which would at least bring even results.

Taking everything into consideration, underwriters as a whole should, at the end of the year, show a margin of profit, after making due allowances for underwriters' claims.

At the last meeting of the Canadian Manufacturers' Association, the chairman in his address drew attention to the unfair treatment by British companies and Lloyds regarding rates on hulls of vessels trading in the St. Lawrence and British North America waters, and compared same with rates that might probably be charged on similar vessels if taken care of in the Norwegian Mutual Marine Insurance Associations known as the "Norwegian Clubs." It may be pointed out that as this business is done wholly in the English marine insurance market, the Canadian marine underwriters are thus not directly interested in this question. The Manufacturers' Association has had this question before them for a number of years, and some three or four years ago a deputation went to England and thrashed the matter out with a committee of Lloyds, and apparently came back with enlightened views, as no serious discussion has arisen since, until last year.

The majority of Canadian shipping out of the St. Lawrence is made by regular line steamers, on which the rate is low even with the additionals charged for British North America waters.

The comparison with rates charged by Norwegian clubs is not a fair one as they only write Norwegian-owned vessels, and rates are based on the underwriting results of each vessel, and even they charge additional premiums for the use of British North America ports during certain parts of the year.

If the Norwegian club rates are so advantageous to shipowners, it would be rather interesting to learn why so few Norwegian vessels trade in the St. Lawrence and British North America waters. It would appear that the only Norwegian vessels trading are those in the coastwise coal trade and the West India trade and but very few are in the transatlantic trade and these carry full cargoes of grain.

RANGING INSURANCE COMPANIES BY ASSETS

There are 403 insurance organizations operating in the United States and Canada, each with assets in excess of $1,000,000. This is an increase of 35 over the last estimate. The total assets held by these companies amount to $6,591,488,812. The Insurance Press, of New York, tabulates these companies as follows:—

135	life companies	$5,456,052,566
121	American fire and marine companies	580,772,604
50	fraternal orders	211,518,426
56	foreign fire and marine companies	178,514,755
41	casualty and surety companies	164,630,461
403		$6,591,488,812

In the first 20 of the 403 companies are two Canadian companies, the Sun Life and Canada Life. These 20 are all life companies, and their assets are:—

Rank.	Name of Company.	Assets.
1.	New York Life, N.Y.	$822,917,850
2.	Mutual Life, N.Y.	616,528,254
3.	Equitable Life, N.Y.	546,961,912
*4.	Metropolitan Life, N.Y.	541,283,326
*5.	Prudential Insurance Company, N.J.	383,982,867
6.	Northwestern Mutual, Wis.	343,631,110
7.	Mutual Benefit, N.J.	190,330,153
8.	Pennsylvania Mutual, Pa.	160,500,404
*9.	John Hancock, Mass.	127,220,112
†10.	Ætna Life, Conn.	124,238,553
11.	Union Central, Ohio	109,385,066
†12.	Travelers Insurance, Conn.	104,159,108
13.	Provident L. and T., Pa.	89,643,025
14.	Massachusetts Mutual, Mass.	86,896,603
15.	Sun Life, Canada	74,326,424
16.	New England, Mass.	74,274,981
17.	Connecticut Mutual, Conn.	74,167,854
18.	National Life, Vt.	63,823,905
19.	Canada Life, Canada	56,152,880
20.	Germania Life, N.Y.	52,581,563

*Industrial and ordinary. †Accident as well as life.

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The British Dominions General Insurance Company, Limited

of London, England

Capital Subscribed,	$3,875,070
" Paid up -	1,901,460
Assets - - -	7,063,390
Surplus - -	5,012,581

FIRE AND MARINE INSURANCE TRANSACTED

Growth of Company since Organization

October, 1904, to December,	Year	Premiums	Assets	Reserves
	1905	$ 635,660	$ 787,719	$ 271,209
	1906	581,255	899,543	358,918
	1907	630,560	1,046,035	419,309
	1908	608,804	1,048,560	397,306
	1909	777,711	1,125,042	473,721
	1910	1,332,572	1,867,142	866,043
	1911	1,634,672	2,414,830	1,213,003
	1912	1,714,497	2,573,094	1,361,658
	1913	1,822,533	2,800,385	1,538,142
	1914	3,050,712	4,360,560	2,475,955
	1915	6,483,385	7,063,390	5,012,581

Represented in Canada by

DALE & COMPANY, LIMITED

With Branch Offices at Halifax, Toronto, Winnipeg, Vancouver. MONTREAL

Incorporated A.D. 1851

Western Assurance Company

(Fire, Marine and Explosion Insurance)

Assets over $4,000,000

Losses paid since organization in 1851 over $64,000,000

DIRECTORS

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Robert Bickerdike.
Alfred Cooper (London, Eng.).
H. C. Cox.
D. B. Hanna.
John Hoskin, K.C., LL.D.
Z. A. Lash, K.C., LL.D.
Geo. A. Morrow.
Lt.-Col. Frederic Nicholls.
Brig.-Genl. Sir Henry Pellatt, C.V.O.
E. R. Wood.

LONDON BOARD

RT. HON. SIR JOHN KENNAWAY, Bart., C.B., Chairman.

Sir Ernest Cable. Alfred Cooper. Sir Charles Johnston, Bart.

London Offices: 14 Cornhill, London, E.C.

HEAD OFFICE:

Western Assurance Buildings, corner Scott and Wellington Streets
TORONTO

NEWCOMERS IN THE INSURANCE FIELD

Licenses Granted Last Year—Many Companies Wrote Additional Lines

During 1916 the following companies received a license for the first time from the Dominion insurance department:—

Canadian Companies.

Company.	Chief agent.	Class of business.
The Hamilton Fire Ins. Co.	R. T. Kelly, secretary, Hamilton, Ont.	Fire insurance

British and Foreign Companies.

Company.	Chief agent.	Class of business.
The Stuyvesant Ins. Co.	Godfrey C. White, Montreal.	Fire insurance

Both of the above companies formerly operated in one or more provinces in Canada under provincial licenses.

The Stuyvesant Insurance Company is a company formed by the merging of the Lumber Insurance Company of New York and the Stuyvesant Insurance Company, a company incorporated by the state of New York. In 1914 the Lumber Insurance Company ceased transacting new business and all business in force has completely expired. In August, 1916, the deposit of the company was transferred to the account of the Stuyvesant Insurance Company to which a license to transact fire insurance in Canada was issued.

The following companies received licenses for the class or classes of business as shown below in addition to the classes for which they were already licensed.

Canadian Companies.

Company.	Additional class or classes.
The Canada Accident Assur. Co.	Fire insurance
The Acadia Fire Ins. Co.	Hail insurance
The Dominion Fire Ins. Co.	Hail insurance in province of Alberta
The General Accident Assur. Co. of Canada	Steam boiler insurance
The Imperial Guarantee & Accident Ins. Co. of Canada	The insurance of automobiles against fire

British and Foreign Companies.

Company.	Additional class or classes.
The Connecticut Fire Ins. Co.	Hail insurance
The British Dominions General Ins. Co., Ltd.	Sprinkler leakage insurance
Westchester Fire Ins. Co.	Hail insurance
Hartford Fire Ins. Co.	Explosion insurance
St. Paul Fire & Marine Ins. Co.	Hail insurance
The Law, Union & Rock Ins. Co., Ltd.	Burglary and plate glass insurance
Railway Passengers Assur. Co.	Automobile and burglary insurance
Glens Falls Ins. Co.	Hail insurance
German-American Ins. Co.	Hail insurance
American Central Ins. Co.	Hail insurance
The Continental Ins. Co.	Tornado insurance
The Scottish Union and National Ins. Co.	Automobile insurance
Alliance Assur. Co., Ltd.	Automobile insurance
National Fire Ins. Co. of Hartford	Explosion, inland transportation and sprinkler leakage insurance
Insurance Co. of North America	Explosion insurance
The Ocean Accident & Guarantee Corp., Ltd.	Burglary and automobile insurance
The Royal Exchange Assur.	Automobile insurance
The Insurance Co. of the State of Pennsylvania	Tornado insurance
Glens Falls Ins. Co.	Automobile insurance

Early in 1916 the Anglo-American Insurance Company and the Montreal-Canada Fire Insurance Company were reinsured by the Western Assurance Company of Canada. The companies are in liquidation and are being wound up by the Courts.

The license of the Lumber Insurance Company of New York has not been renewed and its license has been transferred to the Stuyvesant Insurance Company, as above referred to.

The license of the Germania Fire Insurance Company, which by a reinsurance agreement dated November 30, 1915, reinsured its Canadian business with the Western Assurance Company, Toronto, has not been renewed. The deposit of the company is still in the hands of the receiver-general and the company has given notice, as required by the insurance act, of its intention to apply for its release.

Licensed in British Columbia.

The following companies were licensed in British Columbia last year:—

Provincial Insurance Company, Limited (fire); Canada Accident Assurance Company (fire insurance, in addition to other branches for which previously licensed); Industrial Fire Insurance Company (fire); British Crown Assurance Corporation, Limited (guarantee and automobile liability insurance, in addition to fire insurance for which previously licensed); Scottish Union and National Insurance Company (automobile, sprinkler leakage and tornado insurance, in addition to fire insurance for which previously licensed).

The following companies ceased doing business in British Columbia last year: American Insurance Company, Anglo-American Fire Insurance Company, Indiana Lumbermen's Mutual Insurance Company, Lumber Insurance Company of New York, Montreal Canada Fire Insurance Company and the West of Scotland Insurance Office, Limited.

In addition the following companies gave notice of withdrawal from British Columbia and have ceased to write business: Arizona Fire Insurance Company and the Union Pacific Life Insurance Company.

New Companies in Manitoba.

New companies admitted to Manitoba by provincial license last year were as follow:—

Northwestern Life Assurance Company, head office, Winnipeg; Industrial Fire Insurance Company, head office, Akron, Ohio (underwriters' agencies); Minnesota Underwriters' Agency, head office, St. Paul, Minnesota; Alliance Nationale, head office, Montreal (fraternal); Casualty Company of Canada, head office, Toronto, Ont. (plate glass).

Companies which ceased to do business in Manitoba last year were: Midland Fire and Accident Insurance Company, Brandon, in liquidation, Montreal Canada Fire Insurance Company, Montreal, in liquidation, Anglo-American Fire Insurance Company, Toronto, in liquidation.

Changes in Alberta.

The following companies were admitted to Alberta during 1916: United Association Company, Calgary, Alberta (hail); Western Mutual Life Association, Los Angeles, California (life); Western Life Association Company, Winnipeg (life); Retail Lumberman's Mutual Fire Insurance Company, Winnipeg (fire); Policy Holders' Mutual Life Association Company, Toronto (life); Millers National Insurance Company (fire).

The following companies withdrew from Alberta last year: Anglo-America Fire Insurance Company (fire); Montreal Canada Fire Insurance Company (fire).

BRITAIN'S NATIONAL DEBT

The finance accounts of the United Kingdom for the year ended March 31st, 1916, gives the following comparative statement of the aggregate gross capital liabilities of the State:—

	March 31, 1916.	Compared with previous fiscal year.
Funded debt	£ 318,460,277	— £ 264,829,820
Terminable annuities	26,158,871	— 1,881,850
Unfunded debt	1,788,528,496	+ 1,294,892,238
Other capital liabilities	56,690,601	— 294,025
Total gross liabilities	£2,189,838,245	+ £1,027,886,543

TOTAL SECURITY
$31,750,000.00

LONDON & LANCASHIRE FIRE INSURANCE COMPANY LIMITED

CHIEF OFFICE FOR CANADA
8 RICHMOND STREET EAST
TORONTO

ALFRED WRIGHT
MANAGER

A. E. BLOGG
BRANCH SECRETARY

London Guarantee and Accident Coy. Limited

WRITE

FIRE INSURANCE

AND

FIDELITY GUARANTEE
ACCIDENT AND SICKNESS
EMPLOYERS' LIABILITY
AUTOMOBILE
TEAMS
ELEVATOR
COURT AND CONTRACT BONDS

BRANCH OFFICES IN ALL PROVINCES

Head Office for Canada: TORONTO
General Manager for Canada: GEO. WEIR

INCORPORATED A.D. 1833

British America Assurance Co.

FIRE, MARINE and HAIL INSURANCE

Assets over . . . . . $ 2,000,000.00
Losses paid since Organization in 1833 over - $40,000,000.00

DIRECTORS

W. R. Brock, President
W. B. Meikle, Vice-President
John Aird
Robert Bickerdike
Alfred Cooper (London, Eng.)
H. C. Cox
D. B. Hanna
John Hoskin, K.C., LL.D.
Z. A. Lash, K.C., LL.D.
Geo. A. Morrow
Lt.-Col. Frederic Nicholls
Brig.-Gen. Sir Henry Pellatt, C.V.O.
E. R. Wood

LONDON BOARD

Rt. Hon. Sir John Kennaway, Bart., C.B., Chairman
Sir Ernest Cable Alfred Cooper Sir Charles Johnston, Bart.

London Offices, 14 Cornhill, London, E.C.

HEAD OFFICE:

British America Assurance Buildings, - Cor. Scott and Front Streets, Toronto

SOLDIERS AND PROOF OF DEATH

Evidence on Which a Company Has Paid—Slack Methods in Government's Records Office

BY "TABLE X."

Some of the Toronto daily papers having endeavored to cast blame on life insurance companies for delay in settlement of death claims on soldiers killed at the front, a page of actual experience from the records of a life insurance company doing business in Canada will prove of interest to many readers, even outside of those directly concerned in the life assurance business. *The Monetary Times* has already clearly shown the necessity for the establishment of proof of identify, so that this point need not be further discussed. Here we are concerned to see what assistance, if any, the records office in Ottawa gives the life insurance companies towards expediting prompt settlement.

A.B.C. was killed in action on June 13th, 1916. Early in July a request was made the records office at Ottawa for official certificate. Reasonable time having elapsed and no such certificate being forthcoming, the widow, who was claimant, was asked by the company whether she could produce any evidence by means of letters from the front. In reply she produced a letter from a sergeant who had known her husband and who found the body. The company paid the claim forthwith on this evidence. The official certificate came from the records office, Ottawa, four months after the death of the soldier.

D.E.F. killed in action August 4th. Request for official certificate made on August 21st. Claim paid to widow on production of letters from the chaplain and from a comrade who saw him die. Official certificate furnished over three months after death.

Four Months after Death.

J.K.L. killed in action July 14th, 1916. Request for official certificate made early in August; claim paid to widow on production of letter from the chaplain who conducted the funeral service. Official certificate furnished over four months after death.

M.N.O. died in a hospital in England on September 22nd, 1916 Request for official certificate sent at beginning of October; claim paid to widow on production of letter from deceased's brother who had visited him in the hospital and who attended the funeral. Official certificate not furnished within two months of death.

P.Q.R. killed in action September 3rd, 1916. Official certificate asked for at end of September; claim paid on production of letter from the chaplain who conducted the funeral service. Official certificate not furnished within two-and-a-half months from death.

X.Y.Z. killed in action September 15th, 1916. Official certificate asked for at beginning of October; claim paid on production of letter from a quartermaster-sergeant giving details of a conversation with comrades who were with deceased at his death. Official certificate not furnished within two months of death.

Responsibility for Slackness.

The first question that arises is as to the nature of proof required before issue of the official certificate of death. The letters accepted as above stated were taken as sufficient to establish identity. Does the department require more? If so, what and why?

The second question will be as to whether the organization of the records office is deficient at this side of the ocean, at the other, or at both. The question of responsibility for such slackness, naturally follows.

Another question is as to why the records office does not receive its official intimations of deaths from the other side by cable. Is not human life sufficiently precious to warrant the extra expense involved?

The claimants in above cases were fortunate in that their addresses were known at the front. If they had not received the letters in question, they might have suffered serious hardship through inability to prove that death had occurred, until the department was prepared to accept the responsibility of furnishing proof.

When the records office is asked for an official certificate of death it replies somewhat in this manner:—

"Sir,—I have the honor to acknowledge receipt of your letter of the —— ultimo, and in reply, to inform you that an official certificate of death in respect of the soldier marginally noted will be issued so soon as confirmation, in writing, on Army Form B2090a, is received at Militia Headquarters. This document usually reaches Headquarters about ten weeks from the date of the casualty. I have the honor to be, Sir, your obedient servant, ..."

Words and Action.

Note in the first place that there is apparently something semi-sacred in Form B2090a, as no anxious relative will have her suspense relieved until this particular form is duly detached from its red-tape. Note also the statement that the document usually reaches headquarters about ten weeks from the date of the casualty. The present writer is most unfortunate in his experiences; the documents he asked for came along after an interval of three or four months.

In all the cases above-cited there were produced as proof of death personal letters from the minister of militia offering sympathy to the widow "on the decease of that worthy citizen and heroic soldier."

While one must commend the spirit in which a letter of this description is sent, it might be permitted to inquire whether it would not be wiser to delay official expression of sympathy, until it is officially known that the sympathy is really called for.

INSURANCE OF CANADIAN CONTINGENTS

Metropolitan Life and Aetna Life Carry Nearly $14,000,000 of This Business

As Canadian insurance companies are carrying heavy risks on the lives of existing policyholders, now at the war, and as the interests of all policyholders must be conserved, the greater share of insurance in groups, on Canadian contingents, has been written by large United States companies.

The Metropolitan Life Insurance Company of New York carries a heavy volume of insurance on Canadian soldiers. The sub-joined table shows the number of towns or districts which raised insurance funds, the number of men insured, and the aggregate insurance up to May last:—

District.	Approximate number of lives.	Approximate amount of insurance.
Barrie	12	$12,500
Kitchener	394	312,500
Hamilton	647	463,000
Kingston	62	62,000
Lachine	27	13,500
London	705	561,000
Quebec	282	186,500
Ottawa	23	23,000
Peterboro	70	70,000
St. Catharines	278	193,500
Saginaw	7	3,500
Toronto	8,810	8,807,000
Windsor	196	114,000
Total	11,513	$10,811,500

Covered by Blanket Policy.

When the soldiers were insured they had not yet left the training camps, and it was not until later than they were assigned to regiments. In some cases, it is understood, the men covered by the same blanket policy were divided among several units of the Canadian forces.

Of the 11,513 soldiers insured by the Metropolitan Life, 9,901 were taken at the ordinary rates. The balance received "intermediate" policies, which carried an extra war risk rate.

Many members of the famous Princess Patricia's Regiment, which was practically wiped out in the desperate fighting of the British offensive over a year ago, carried policies which were placed by the communities in which the soldiers resided at the time of enlistment. The Metropolitan Life,

Buy Peace of Mind

We are offering for sale the things that every man should buy—

Peace of Mind — Freedom from Care — Protection from Worry

For a small payment down, we will immediately put **Millions of Assets** behind our **promise to provide** for your family in the event of your death.

For the regular **Life rate,** our Special Reserve-Dividend Policies protect your own old age through the invaluable **Old Age Endowment** feature contained in these contracts.

Present profit distributions are **40% in excess of estimates.** Your Insurance investments are pretty safe in a Company with such a record, are they not?

Full information upon request

London Life Insurance Company

Head Office: London, Canada

John McClary, President — Dr A. O. Jeffery, K.C., Vice-President — J. G. Richter, F.A.S., Manager — E. E. Reid, B.A., A.I.A., Asst. Manager & Actuary

Policies "GOOD AS GOLD"

The

Canada National Fire Insurance Company

Head Office, Winnipeg, Canada

Authorized Capital, $3,000,000 **Subscribed Capital, $2,050,400**
Paid-in Capital, . 1,700,000 **Assets, . . . 2,350,000**
Surplus to Policyholders, $2,000,000

BOARD OF DIRECTORS:

President: J. H. G. Russell.
Vice-Presidents: D. E. Sprague. F. H. Alexander.
Managing Director: W. T. Alexander.

Directors:

J. G. Hargrave. E. L. Taylor, K.C. R. G. Affleck. Dr. A D. Carscallen. S. D. Lazier.
F. N. Darke, Regina. Andrew Gray, Victoria. Hon. A. C. Rutherford, Edmonton. Jonathan Rogers, Vancouver.

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

AGENCIES:

Toronto Office—20 King Street West.
Victoria, B.C.—Douglas, Mackay & Co.
Vancouver, B.C.—A. W. Woodard, Rogers Building.
Calgary, Alta.—Lougheed & Taylor, Ltd.
Edmonton, Alta.—Allan, Killam, McKay, Alberta, Ltd.
Regina, Sask.—G. B. Reid.
Saskatoon, Sask.—J. H. C. Willoughby-Sumner Co.
General Agent Nova Scotia—A. J. Bell & Co., Halifax.

A CANADIAN COMPANY INVESTING ITS FUNDS IN CANADA

however, did not have any insurance on the lives of this regiment.

To May, 1916, the Metropolitan had paid out in death benefits $552,000 to the families of Canadian volunteers. The company took risks extending from $500 to $1,000 each on 11,513 men scattered through eleven regiments and four companies of the field ambulance corps, the total of insurance being $10,811,000.

In a statement to *The Monetary Times*, regarding the insurance of Canadian soldiers, Mr. Haley Fiske, vice-president of the Metropolitan Life Insurance Company, said:—"When the war commenced, insurance underwriters did not know the extent to which slaughter could be carried on by modern guns. All we had to work with was the mortality tables resultant from the Franco-Prussian war. According to these figures, it seemed as though the insuring of a large number of soldiers, even at ordinary rate, would be good business and we began to write the policies. The desperate fighting at Ypres and elsewhere showed that the old tables were by no means adequate.

"There was another reason why the Metropolitan undertook the work. This was the fact that we had already insured approximately 10 per cent. of the Canadian population, and felt it our duty to answer the call at this time of great stress in the Dominion.

"The company continued to write insurance on the Canadian soldiers for a year, some at ordinary rate and the balance with an added 'war risk' premium. The percentage of deaths finally became so heavy, however, that it was found necessary to charge a stiff war premium, and thereafter business naturally declined."

Aetna Life's Record.

Of insurance on the lives of Canadians going into active service in Europe, the Aetna Life Insurance Company of Hartford, Conn., has issued $3,785,750, according to a statement to *The Monetary Times* by Mr. J. L. English, the company's vice-president. The company has paid losses amounting to $75,419 and has received notice of other deaths without proofs amounting to $50,210. These policies were issued on the 20-year endowment plan. Some were issued without an extra premium, but during the past year or more the company has been charging an extra premium of $50 per $1,000.

LIFE INSURANCE AS A PROFESSION

Agent is His Own Master and Selling Field is Wide—Good Income Can Be Earned from Start

BY ERNEST R. ALFORD.

Life insurance as a profession to-day offers the most advantages of any profession. It is estimated that about only 25 per cent. of the people are insured, and therefore about 75 per cent. of the masses are possible clients. New prospects are being born every minute, changing circumstances of people already insured, offer opportunity for more insurance.

Life insurance solicitors do not have to wait for clients, as is the case with other professions. The field of labor is wide and free, and the only tools needed are a rate book and a fountain pen. One is not confined to office. Time-clocks, bells and whistles, do not tell of the beginning or the end of the day's work. The agent is the master of his time and place of work. While there is nobody behind to hold one up, neither is there anybody ahead to hold one down. Opportunities are only limited by ability.

Old Theory Exploded.

The old theory that when a person had made a failure of everything else, he was eligible for the life insurance business, has been exploded long ago, as it was soon discovered that he made a failure of that also.

Glib tongues, and spectacular manners, have given way to the earnest and studious worker, who, with the proper knowledge of the contracts he has to sell, and a desire to fit the contracts to his client's needs and means, has made the life insurance profession second to none.

There is a satisfaction enjoyed by the life insurance man in the performance of his work, which no other profession offers, that is the satisfaction he derives from the sale of his policy, knowing that every policy sold, is providing the means of sustenance for widows and orphans, or a competency for old age. The satisfaction he has for this reason is greater than that which he derives from the fee he receives for the sale of a policy.

The fees the life insurance solicitor receives are concealed in the purchase price of the policy, and therefore are easier to collect than is the case in other professions, whose fees are direct and often open to argument.

There are no long apprenticeships to serve in the life insurance profession before receiving adequate remuneration for services, as is the case with many other professions. A good income can be earned from the start.

One's character will be strengthened, acquaintances increased, and friends will be legion, by serving the public in a business which helps everyone and wrongs none.

AGENTS' LICENSING LAWS

Ontario-Quebec Situation from the Quebec Point of View

BY ANTONI LESAGE.

In 1914, the legislature of Ontario passed a law for licensing insurance agents, but only those residing within the limits of that province. The result was that the agents living in Quebec were not allowed to transact business in Ontario; while those residing in Ontario were at liberty to take risks in the province of Quebec. It was not fair to Quebec. If Quebec had a licensing law, it would settle the matter. If a law has to be completed by another law, in another province, to produce good results, it is defective legislation. Furthermore, if provinces begin to legislate, one for another, no one knows what may happen. They are, perhaps, nearly right, those who pretend that the residential clause in Ontario's laws is narrow legislation. It is quite legitimate that a government should know those who are going through the province canvassing insurance. But what a difference between that and the obligation to reside in the province! Suppose I am an agent residing in Quebec and my brother lives in Ontario. I would not be allowed to write his application at his home. Is it not ridiculous? Is this good legislation?

Temporary Law In Quebec.

What is the Quebec law? A temporary law to protect ourselves. Before 1916 legislation, all the agents of Ontario could come in Quebec and take risks at will. The agents in the city of Ottawa were at liberty to canvass in Hull as well as in their own city, while the agents living in Hull had not the right to go to Ottawa to do business. Was that just?

If we are not allowed to go and write insurance in Ontario, why are we wrong in keeping our own prospects for ourselves? For one reason or another, our permanent law not being ready, were we not justified in protecting ourselves temporarily in saying: "If you do not allow us to go for business on your territory, you will not come on ours. Let us have our chance in your province, and you will be welcome in ours."

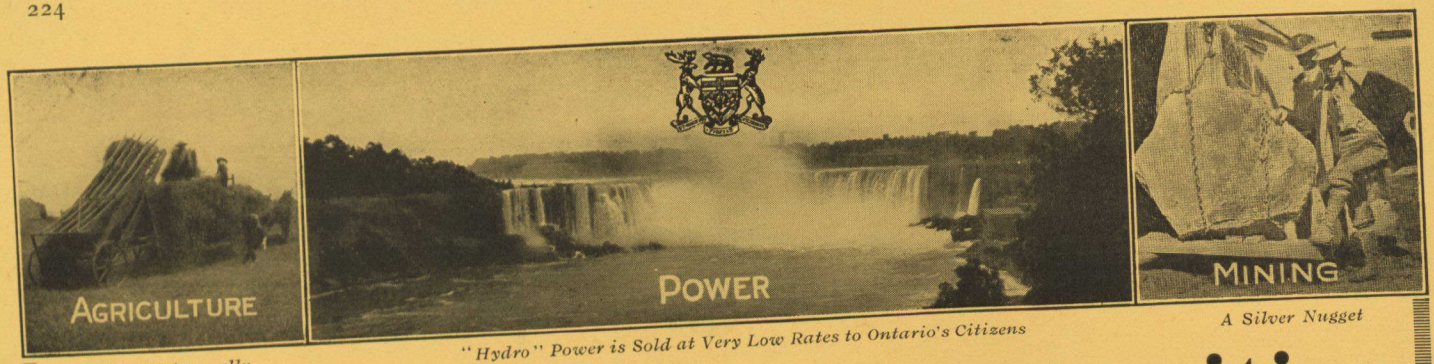
If we were at fault in so doing, it seems that the blame must not come from Ontario, since they are acting in the same way. They are even doing worse, their law being likely permanent, while ours is only a temporary measure.

No Residential Clause?

I am not authorized to speak for the government of Quebec, but I think I am quite safe in stating that Quebec's act for licensing insurance agents will have no residential clause. I hope, too, that it will be incorporated in our statutes after the present session of our legislature.

In Quebec, we do not believe that there is any racial question in the affair, and are anxious to avoid by every means a racial clash. On both sides we have a few, but a few, extremists; let us have them thrown in the shade. The whole trouble can be remedied by cool heads and common sense.

INDUSTRIAL



"Hydro" Power is Sold at Very Low Rates to Ontario's Citizens

A Silver Nugget

$365,000,000 Annually

The land of opportunities

for investors, farmers, miners, manufacturers

ONTARIO

RICH in minerals, timber and water-powers; with vast tracts of untilled farm land and virgin forests; producing half of Canada's manufactures, and making giant strides in industrial development, Ontario presents greater opportunities to capital and to labor than any other province in Canada.

Recent railroad construction has made accessible a vast region of natural wealth in Northern Ontario. Fortune and health await thousands in this wonderful land; sustenance will be given to millions, and Ontario faces a glorious future.

Resources

Ontario includes 230 million acres of land, of which only 13½ million acres are under cultivation. More than 20 million acres of the very finest arable land await the plough. Ontario is 3⅓ times as large as the British Isles; 1½ times as large as Texas. From east to west its borders are 1,000 miles apart, and from north to south 1,075 miles.

Timber licenses have been issued for only about 10% of the 200,000 square miles of wooded land. Extensive forests of pine and other woods are yet untouched.

Practically all minerals excepting coal are found in Ontario, and there are 4,300,000 h.p. in "white coal" still undeveloped.

The value of farms in Ontario, including lands, buildings, implements and live stock, is estimated at $1,480,000,000, yielding an annual gross return of at least 23% on their value.

Bordering on the Great Lakes, and with one-third of Canada's railway mileage and five great canals within its borders, every advantage of transportation is available. Ontario is the natural distributing centre of Canada. Every encouragement is given to industries, and most new Canadian factories locate in Ontario.

There are over 300 towns and cities in the Province, including 25 of over 10,000 population. Among these are Toronto, the second largest city in Canada, and Ottawa, the capital of Canada.

Assessed Value - - -	**$1,900,000,000**
Annual Production - -	**$1,000,000,000**
Uncultivated Farm Land -	**20,000,000 acres**
Available Timber - -	**19,000,000,000 ft.**
Available Pulpwood -	**300,000,000 cords**
Undeveloped Water Powers,	**4,000,000 h.p.**

Production

Manufacturers employed 238,817 persons in 8,001 establishments, according to the 1910 Dominion Census, and produced $579,810,225 a year, or almost exactly half of all Canada's manufactures.

Forest Products are worth $35,000,000 annually.

Minerals. The total value of the mineral output of Ontario is $57,856,375 for 1915, as against $46,295,959 for 1914. This is an increase of $11,560,416, of which $10,588,756 represents the increase in valuation put upon the nickel and copper contents of the Sudbury mattes. But even on the old low basis of valuation the increase is $648,129. The demand for nickel and copper for munition purposes has been abnormally great, and the mines have been worked to their utmost capacity.

Fisheries yield annually about $2,700,000.

Natural Gas worth $16,000,000 has been obtained in the past ten years, and in the same decade, four million barrels of **Crude Oil.**

Agricultural production is about $365,000,000 annually, including: Field crops, $199,000,000 or 39% of all Canada's; dairy products, $36,000,000; fruit, $26,100,000, retail value, ¾ of all Canada's fruit being grown in Ontario; tobacco, $2,000,000; live stock, $93,000,000.

Crops are well maintained. In 1914, fall wheat, oats, corn for husking, barley, turnips and mixed grains totaled 222,413,233 bushels; in 1915 these crops totaled 253,015,418. Modern machinery has revolutionized methods in Ontario, and cheap electrical power on the farm is increasing production still further.

Improved farms are for sale from $500 to $50,000, while homesteads of 160 to 200 acres are given free or sold for 50 cents an acre in four annual instalments. The bush farm presents many advantages over the prairie farm, including scenery, shelter, fuel, lumber, pine atmosphere, delightful shaded walks, and profitable winter employment.

Development

The utilities necessary for development are further advanced in Ontario than anywhere else in Canada.

The Ontario Hydro-Electric Commission operates 450 miles of 110,000-volt power lines, and 1,250 miles of lower tension lines, 44,000 volts or less. The rates charged to municipalities, industries and other customers are from $15 per h.p. year upwards, according to amount used.

There are 50,000 miles of highways and 10,000 miles of colonization roads; 10,039 miles of steam railways and 772 of electric. The Temiskaming and Northern Ontario Railway, owned by the Province, operates 330 miles, connecting Northern Ontario and Toronto.

Nine of Canada's 22 chartered banks, with assets of $645,290,525, have their head offices in Ontario, and the Province also has 1,135 of the 3,094 branch banks in Canada.

The population of Ontario, Dominion census of 1911, was 2,523,274, of which more than half was urban. So there is plenty of room for greatly increased rural population. Ontario will undoubtedly remain the most populous and powerful of Canada's provinces.

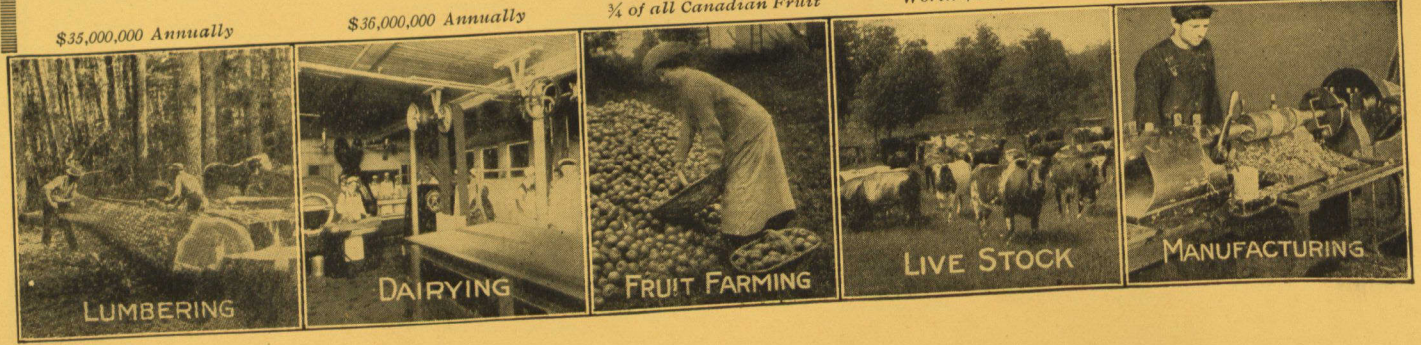
The people of Ontario are almost entirely British or of British origin, and are alert in all phases of public welfare work.

Recreation is by no means forgotten, and the Province is the Mecca of hunters, fishermen and vacationists. Among its many famous summer resort districts are Muskoka Lakes, Algonquin National Park and Georgian Bay.

For further information address

H. A. MACDONELL
Director of Colonization, Parliam't Bldgs., Toronto
or Agent General for Ontario,
163 Strand, London, W.C., England.

$35,000,000 Annually *$36,000,000 Annually* *¾ of all Canadian Fruit* *Worth $250,000,000* *Half of all Canada's*



War Orders to Date: $1,095,000,000

Canada has Made $600,000,000 of War Munitions—The Shell Industry—Financing of Orders—Some Big Purchases by Foreign Governments

Orders placed in Canada.	Period.	Value.
Shells, fixed ammunition, etc.	August, 1914-December, 1916	$ 365,000,000
Shells, ammunition, etc.	January-September, 1916	185,000,000
Shells, ammunition, etc.	September-December, 1916 (estimated)	50,000,000
General supplies	August, 1914-December, 1915	235,000,000
General supplies	January-December, 1916	260,000,000
		$1,095,000,000

Some of the Big War Order Items.

Supplies purchased through the department of trade, Ottawa:—

For.	Order.		Value.	
Great Britain	1,000,000	bags flour	$ 3,003,005	
France	406,916	army blankets	1,690,096	
Italy	101,974	army blankets, 605,129 shirts	1,019,886	
Italy	11,416,485	bushels wheat (approximately)	16,000,000	
New Zealand	503,224	bushels wheat	1,000,401	
South Africa	35,000	bags flour	129,663	—$22,843,051

Supplies purchased through Canadian Pacific Railway war order service:—

Cotton and woolen goods	$ 2,550,000	
Foodstuffs	16,200,000	
Sugar	2,600,000	
Miscellaneous manufactures of iron and steel	2,400,000	
Miscellaneous supplies	2,250,000	—$26,000,000

Purchased and prepared for shipment by department of agriculture, Ottawa:— Hay, flour, oats, etc., for the Imperial authorities	$51,362,282
Supplies to Imperial navy by Canadian naval stations	$ 5,000,000

WAR orders valued at approximately $1,095,000,000 have been placed in Canada since the outbreak of war. According to figures of the Imperial Munitions Board issued in October, the munition orders placed in this country since the war commenced, amount to $550,000,000, of which $185,000,000 were placed during the first nine months of the past year, an official estimate of $50,000,000 being taken for the last quarter of 1916.

During 1915, the total value of war orders placed in this country, including munitions, was estimated by *The Monetary Times* at $600,000,000, an amount later confirmed by Sir George Foster, minister of trade and commerce, during the course of an address at Toronto.

The orders for shell and fixed ammunition in that year were approximately $365,000,000, leaving a balance of $235,000,000 representing general orders. Assuming that the orders for miscellaneous supplies during the past year were being received on only a slightly larger scale, (although we believe the volume was considerably larger than in 1915), at least $260,000,000 of general orders would have been placed here last year. These figures and estimates are tabulated above. The estimate is believed to be quite conservative. For example, the Canadian Bank of Commerce in March last estimated that on our own account and that of the Allies the expenditure for war purposes in Canada would aggregate $600,000,000 during 1916. That would allow for the past year a sum of at least $350,000,000 as representing the value of orders for general supplies.

A year ago, Mr. W. B. Joyce, president of the National Surety Company, estimated that war orders placed by belligerents in the United States and Canada totalled $1,500,000,000 to $2,000,000,000 gross, and that of this about one-third had gone to Canada. This estimate by Mr. Joyce was based upon demand for bonding with various surety companies in the two countries, and practically confirmed the figures of *The Monetary Times*.

Broadly speaking, the war orders are in two classes, those for ammunitions, guns, etc., and those for general supplies, ranging from canned goods to motor trucks.

The making of shells during the past year became a large industry. About 225,000 employees are engaged in the industry. The output of ammunition in Canada at the commencement of the past year was valued at $30,000,000 per month, which was steadily increased during the year as the result of greater efficiency. The quantity of shrapnel shells now produced each week, complete with cartridge cases, fuses, primers and propellant charge, has reached 250,000. The Imperial Munitions Board here was authorized in October last to place continuation orders for this size of shell into 1917. Large orders were placed during last spring and summer on the larger sizes of shells, especially Nos. 8 and 9.2. This involved complete new installation of machinery and equipment. Deliveries of this equipment were slow, but many of these plants have now commenced operating, and the output of larger-sized shells has increased each week, until now the maximum output of these plants has probably been reached.

The position in Canada in regard to steel, the basis of all munition work, was such last fall that no interruptions in output were likely to take place, as the immense tonnage required for all classes of shells had been arranged well ahead. The fuse plant built by the board at Montreal has now reached a capacity of 25,000 per day.

To fill the shell orders placed to the end of 1915 and those pending at that time, 45,000,000 pounds of copper and brass were needed, 1,500,000 pounds of tin, 10,000,000 pounds of resin, and about 800,000,000 pounds of steel. The steel requirements have taxed to the limit the output of every plant in Canada, while the new industry of copper and zinc refining in Canada has given an unlimited market, with high prices, for the output. At various times last year, including the late fall, the Imperial Munitions Board were in the market for a number of lines.

According to a statement made by the Imperial Munitions Board on November 9th, the Canadian manufacturing concerns who are at work on munitions will be kept busy on the basis of orders then in hand until June 30, 1917. Some orders expired on December 31, 1916, and others will expire on March 31, 1917.

All necessary raw materials to maintain the deliveries required are contracted for well ahead, and the board is in a good position in regard to the necessary supply of steel. No uneasiness was caused by the reported shortage in the United States, because the board made large purchases of steel during the spring and summer months last year. The policy adopted some time ago whereby Canadian manufacturers would supply fuses, primers, brass discs, cartridge cases and other component parts of shells is now well established, and smaller quantities of these supplies are being received from the United States. Many of these parts are now secured extensively in Canada.

The Imperial Munitions Board which took the place of the old Dominion Shell Committee, is the medium through which the imperial government shell orders are placed in Canada. Sir Sam Hughes is honorary president. Mr. J. W. Flavelle, Toronto, is chairman, and is giving the whole of his time to the work. Mr. C. B. Gordon, Montreal, is vice-chairman, and other members are Colonel E. Carnegie, Welland; Mr. G. H. Dawson, Victoria, and Mr. E. R. Wood, Toronto. Mr. F. Perry, a former member of the colonial office and imperial secretary under Lord Milner in South Africa, is the British representative on the board.

There is an advisory committee of the board appointed to inquire into the supply of raw materials for the production of war munitions and for the best method of conserving resources. The members of the advisory commission are Colonel Carnegie; Senator Edwards, Ottawa; G. W. Watts, Toronto; R. Hobson, Hamilton, and G. G. Mackenzie, superintendent of mines, Ottawa.

The Hudson's Bay Company are agents acting for the French ministry of commerce in arranging for and transporting on its behalf purchases made in Canada. No official figures are available as to these purchases.

War Purchasing Commission.

Another medium for war orders is the war purchasing commission with headquarters at Ottawa under the chairmanship of Hon. A. E. Kemp. A report of the work of this commission is now under preparation. Nearly all the requirements of our soldiers which have been sent overseas to Great Britain are purchased in Canada, and it has been the steady aim, practice and policy of this commission to see that everything possible is produced in Canada. It is a contracting commission and has not thought it necessary to establish an accounting branch. The commission has not been charged, to any great extent, with placing orders for foreign governments. This work has been carried on largely independent of the war purchasing commission.

In a statement issued to the press in October last, Hon. A. E. Kemp, chairman of the commission, said:—

"While there has been a remarkable increase in our exports to Great Britain of agricultural products, an even greater increase is shown in our exports of manufactures. When the war broke out our shipments under this heading to the United Kingdom amounted to less than half a million dollars per month, whereas in some months during the current year they have amounted to more than one million dollars per day. For the twelve months of the war ending on the 31st of July, 1915, our exports of manufactures to the United Kingdom amounted to $50,373,074, while for the corresponding twelve months 1916 they amounted to $202,973,346. Our exports under the head of agriculture during the corresponding two periods aggregated $97,657,594 and $275,849,761 respectively. The total exports from Canada to the United Kingdom, including the mine, fisheries, forest, animals and produce, agriculture, manufactures and miscellaneous, for the two twelve-month periods ending July 31st, 1915 and 1916, were $228,210,069 and $595,817,576 respectively.

Two Millions Daily.

"Or, to put the case in a more concrete form, we have been sending to the United Kingdom for several months past Canadian products to the value of two million dollars per day. When it is taken into consideration the great difficulties encountered in securing adequate vessel accommodation, it will be at once realized that the government's efforts have been remarkably effective.

"The Canadian naval stations on the Atlantic and Pacific coasts have also furnished to the imperial navy large quantities of supplies, amounting to about $5,000,000.

"As has been stated, the figures given do not include large purchases of wheat and other commodities which were shipped to the allied governments.

"Canada, therefore, is to be congratulated on the manner in which Great Britain has availed herself of the splendid resources of this country, which is due to a large extent to the persistent activities of the government in the direction indicated."

The department of agriculture is purchasing large quantities of hay and oats, etc.; the British War Office purchasing agency at Montreal, is operating under the direction of Lord Shaughnessy, president of the Canadian Pacific Railway Company; the Hudson's Bay Company, Montreal, are making extensive purchases for the French government; and the department of trade and commerce, Ottawa, have been instrumental in placing business on behalf of the Italian government.

On October 1st, 1914, Hon. Martin Burrell, minister of agriculture, Ottawa, was asked by the British war office to undertake through his department the purchase of hay and oats. In November, 1915, the department was asked to purchase supplies of flour and a flour expert was sent from London to assist in this particular phase of the work.

In a statement to *The Monetary Times*, Mr. Burrell said:—"Since the time the department started operations, up to October 1st, 1916, namely, two years, there have been shipped 370,891 tons of hay, 40,752,320 bushels of oats, and 203,374 tons of flour (equivalent in wheat—10,846,453 bushels). In sending the above quantities overseas 339 transports were fully or partially loaded.

"The inland movement of the baled hay, the oats and the flour required 60,000 railway cars, or over 1,500 trains of 40 cars each.

"The total expenditure in all these purchases and their preparation for shipment up to October 1st, 1916, was $51,362,282."

Payments and Shipments.

The receipt of large war orders for the current year is likely. As noted above, orders for shrapnel shells have been placed for 1917.

The policy of the Imperial Munitions Board in placing new business is to keep all plants now producing munitions fully employed, and where increased production is required on any particular class of work to extend the operations of plants which are already equipped and producing munitions.

Some idea of the rate of payments on munitions orders may be gathered from the fact that at the close of 1915, the total of the orders placed by the British government in Canada for ammunition was $303,000,000, on which, up to the end of that year, $80,000,000 had been paid out. Payments naturally depend largely upon deliveries.

With the closing of navigation on the St. Lawrence last fall there commenced a heavy movement of eastbound freight over the government railways. Shipments to the British government are going over the Intercolonial Railway to the seaboard at the rate of about 100,000 tons a month. Special preparations have been made by the minister of railways to provide the road with adequate equipment for the handling of this traffic. The rolling stock has been largely reinforced by the addition of box cars and a considerable number of new locomotives of a powerful type.

Credits for Britain.

The provision by Canada of credits here for Great Britain has facilitated the placing of war orders in this country. Indeed, the volume of these orders largely depends upon the amount of credits Canada is able to advance. To date, the total credits of this nature have been $200,000,000. Following the establishment of a credit of $50,000,000 early in October, for example, an order for munitions valued at $60,000,000 was received from Great Britain.

The financing of large foreign orders in Canada presented some difficulties in the early days of the war. For example, a big order for Canada was understood to be hanging fire in 1915 because the company did not desire to accept Russian notes in payment. A certain amount of temporary assistance has been rendered by the Dominion government in connection with foreign purchases in Canada. Advances were made during 1915 of about $25,000,000, to finance purchases by the British, French, Russian, New Zealand and South African governments. Over $200,000,000 credits, as noted above, have been advanced to Great Britain for purchases here. These advances are repaid from time to time by the government concerned, in sterling exchange.

The question of financing of war contracts obtained by Canadian firms from foreign governments has been receiving

attention by the Dominion government practically since the outbreak of the war, and especially when the international exchange situation became so unfavorable to Europe. Efforts have been made from time to time to bring about the arrangements of credits in London from which payments might be made. The Canadian minister of finance, cognizant of the significance of the exchange situation, has offered, in the event of the banks requiring such accommodation, at any time to make advances in Dominion notes against foreign securities which they might buy to facilitate purchases of munitions and supplies in Canada.

The attitude of Canadian banks two years ago was understood to be that they were already extending credits on a generous scale to customers engaged in manufacturing munitions and supplies, and that, although their position was more liquid than for years they had to conserve their resources for the movement of the big crop. The question of currency inflation, should further Dominion notes be issued against securities, was also of great importance in the consideration of the question. However, during the past year, as a result of conferences between the government and the bankers, the financing of war orders placed in Canada has proceeded on a satisfactory and sound basis.

How to Get More Orders.

In an address at Halifax in October Sir Thomas White stated that it was not generally understood that the placing of orders for munitions in Canada depended very largely upon our power to provide the credits here from which the British government must pay for them. These credits had been provided. Sir Thomas emphasized the question: How shall we obtain the money with which to bear our own war expenditures and loan large amounts in addition to the imperial government to maintain and even increase the volume of orders for munitions and supplies which are coming to Canada at the rate of $1,000,000 a day?

His reply was by increased production and by economy in expenditures. This would enable us to pay our interest upon foreign indebtedness and retain a large balance representing the national gain upon the year's operations. "The policy which I commend, therefore, at the present time is one of national saving and investment of these savings in national securities," he said.

The steel companies are all busy with various war orders. The steel companies are also engaged in making chemical explosives. Many other shops, slack in their own line, are busy with shells.

Some Big Orders.

Some of the numerous large orders received since the war commenced are as follow:—

Company.	Order.	Ordered by
Canadian Car & Foundry Co.	$83,000,000 (shells)	Russia
Canadian Car & Foundry Co.	2,000 box cars	Russia
Eastern Car Co.....	2,000 box cars	France
Canadian Locomotive Co....	50 locomotives	Russia
Eastern Car Co.....	1,000 coal cars	France
Canadian Car & Foundry Co.	box cars	Great Britain

These are typical orders and give an idea of the size of the business being placed in Canada. These and other companies are negotiating with the governments concerned, for still further orders. At the same time the Dominion government is placing large orders for the equipment of its expeditionary forces.

The Eastern Car Company have delivered 2,000 extra large box cars to the Russian government at Vladivostok. These cars have been in service for some time and it is understood are giving excellent satisfaction. The Eastern Car Company has also delivered in France their first order for 1,000 cars for one of the Franch state railways. They are also working on two other orders for France, one for the state railways and the other for the Paris and Orleans railway system. These amount in all to 3,000 cars. Two steamer loads were ready for shipment in October. A large proportion of both these orders went forward before the end of the past year. The Eastern Car Company is also in negotiation for other work of a like character, both with France and Russia.

The effect of the war upon the business of the Dominion Iron & Steel Company, Limited, is described in the following extract from the report of the directors, presented at the last annual meeting:—

"The most important elements in the steel business continue to be those which have resulted from the war. One-fifth of the steel shipped from the works was in forms suitable for the manufacture of shells; one-half of the total output was exported."

This indicates that the steel company's excess of business was due chiefly to its increased exports, rather than to the diversion of its output to materials for munitions. As a matter of fact, the company undertook orders for large quantities of steel which smaller concerns all over Canada converted into finished shells, and it is understood that their activities in this line were limited only by the capacity of the various contractors to whom the Sydney steel was allocated by the munitions board.

A new industry, which was originated by this company through causes directly due to the war, is the recovery of benzol and its homologues from the gases generated at the steel company's coke ovens, and the development of processes and appliances for the manufacture of explosives. This is a matter of considerable importance, but for obvious reasons it is not possible to publish exact information about it.

Mr. F. C. T. O'Hara, deputy minister of trade and commerce, Ottawa, informs *The Monetary Times* that the war orders placed by the department to October 24th, 1916, aggregated $22,843,051. Details are given in the table at the beginning of this article.

Through the Canadian Pacific Railway's British war office service, which commenced operations in May, 1915, approximately $26,000,000 of orders had been placed to October 24th last. Details are given in the foregoing tables. This purchasing agency, under the supervision of Lord Shaughnessy, and in charge of Mr. Edward Fitzgerald, is confined to supplies of Canadian manufacture.

Large Russian Contracts.

The Russian contracts obtained by the Canadian Car & Foundry, Limited, Montreal, will probably be completed this month. In September, it was stated by the company's directors that unfilled orders on its Canadian books and of its subsidiaries had a value of over $15,000,000, and new business was pending. Lack of working capital, due to the large sums necessarily tied up in the Russian enterprises, they said, had been a handicap in the execution of the large war orders placed with the company's Canadian plants, but this difficulty was expected to be removed by this time, when the company's entire capital, together with its energies, would be concentrated on its Canadian enterprises.

By contracts signed in October, the Canadian fisheries from the Maritime Provinces to the Pacific coast, including the Great Lakes, arranged to supply the British army with 1,500,000 pounds of frozen and tinned fish.

With one arm Canada is supporting in the battlefield the British cause. With the other the Dominion is speeding its industrial plant to supply munitions and general equipment to Great Britain and the Allies. The business coming to Canada as a direct result of the war has acted as a pillar of strength to the Canadian industrial situation. That, taken in conjunction with the facts that liquidation of the position has been in evidence for over two years and that a large harvest of agricultural products was gathered and sold at high prices in 1915, with a fair crop at good prices last year, obviously gives a wholesome appearance to the Canadian position.

FARM LIVE STOCK IN CANADA

The total number of cattle in Canada other than milch cows is 3,313,519, a decrease as compared with 1915 of 85,636. The following are the estimated total numbers of each description of live stock in Canada for 1916 as compared with 1915:—

Description.	1915.	1916.	Decrease.
Horses	2,996,099	2,990,635	5,464
Milch cows	2,666,846	2,603,345	63,501
Other cattle	3,399,155	3,313,519	85,636
Sheep	2,038,662	1,965,101	73,561
Swine	3,111,900	2,814,672	297,228

These figures will be revised after compilation of the returns from the census of the western provinces taken during the past year.

When War Orders Cease, What Then?

From 50 to 75 Per Cent. of the Munitions Machinery may have to be Scrapped—Wages will likely be Lower but the Number of Highly Skilled Mechanics will have Increased—Financial Position of Industries—How Large will the Export Trade be?—Views of Leading Industrial Captains

THAT from 50 to 75 per cent. of the machinery now being used in the manufacture of munitions, will have to be scrapped when war orders cease, is the opinion of many of leading Canadian manufacturers whose views were recently sought by *The Monetary Times*. Only about 25 per cent. is likely to be adaptable for the manufacture of peace lines. (Senator Curry takes a different view). Those industrial firms engaged in munition work are preparing for this contingency, and are placing themselves in a strong financial position. Canada's captains of industry unanimously believe there will be a serious labor readjustment after the war, but they differ in their views as to the share of export trade which this country will get.

The views of Senator Curry, president of the Canadian Car and Foundry Company, Limited, as given to *The Monetary Times* regarding these important matters, are unusually interesting.

"Manufacturers of munitions, I believe, are generally strengthening their financial position, and at the same time are adding greatly to the efficiency and capacity of their works, paying for same from profits on munition contracts," he said.

Suitable for Other Work.

"The greater part of machinery bought for shell making is suitable for general commercial work, and being new and more up-to-date than most plants were equipped with before the war, will, in most cases, be kept in service, and when the scrapping time comes it will be machinery from ten to twenty years old that will be thrown out.

"The knowledge and experience gained by the metal workers of Canada during the war will be of very great benefit in their regular business. Before the war there were very few concerns in Canada that understood heat treating and working the higher grades of steel, or working to very close limits, but now there are hundreds of factories that can successfully work all grades of steel; also copper, brass, aluminum, etc., and meet specifications where limits as to sizes are down to one-thousandth of an inch. This should mean that many new lines of machine work will be undertaken both for export and home consumption.

Labor Will Adjust Itself.

"As to the labor situation, the return of our troops from the war should pretty well take care of the shortage now existing, and while many of the munition workers, who are now making abnormally high pay, cannot expect to do as well on commercial work, still, I do not expect to ever see salaries and wages again as low as the prevailing rate of even five years ago.

"Referring to manufacturing, trade and commerce after the war, the enormous wastage of steel and other metals, as well as lumber and other commodities, must be replaced. There will be a great opportunity for Canada to share in this work. I believe that our people are alive to this situation and will take advantage of it, with the result that our exports will continue to grow. Canadian paper, pulp and lumber are now in great demand, and this demand is bound to grow. Our farmers are receiving large sums for 1915 and 1916 crops. Our railways continue to show increased earnings notwithstanding the fact that last year's wheat crop is much smaller than that of 1915; this means that general business is better.

Prosperity Is Ahead.

"A good deal is said about the reconstruction period after the war, but I do not think we will experience very much of a slowing down of business in Canada during this period. After summing up the whole situation, my opinion is that Canada has before her a long period of prosperity," concluded Senator Curry.

Mr. T. H. Watson, president of the Canada Machinery Corporation, Galt, Ont., thinks the percentage of munitions machinery which will be useless for other purposes, will probably represent 75 per cent. of the equipment of the munition plants. This will be due to the fact that the bulk of this machinery has been specially designed for the various operations in shell making, and is not adaptable to a general line of machine shop work, he said, adding:—

"I believe manufacturers working on munition contracts are strengthening their financial position, and clearing up outstanding liabilities well in advance of any dividend disbursements. I am not aware of any definite policy being pursued by manufacturers in creating special reserves to take care of the situation likely to arise after the war, but conservative management would naturally prompt such a course.

For Peace Lines, 25 Per Cent.

"About 25 per cent. of machinery now used for the manufacture of munitions will be adaptable for manufacturing general lines. Approximately 75 per cent. munition machinery will be useless for other purposes at the close of the war.

"The labor situation will call for serious readjustment after the war, as a large number of the workmen now engaged in munition work will be available for other purposes and the supply of labor will likely exceed the demand, for some little time. Wage adjustments will also cause considerable difficulty owing to the high rates now being paid by munition factories, which rates cannot possibly be maintained on general lines of work.

"Domestic trade after the close of the war should show a substantial increase, as stocks of manufactured goods are very low, and there is a steady consumption going on, which is reducing these stocks more and more every day, and to restore normal conditions in various lines, will keep manufacturers fairly well employed for some little time after the war.

"The possibility of development of export trade will depend very largely on the ability of Canadian manufacturers to meet competition of other Allied countries, who have advantages in the way of cheaper raw material, lower freight rates, and labor costs.

Export and Home Trade.

"Under normal conditions the manufacturing capacity of Canada is not very much in excess of home consumption, and to enter into the export trade on a permanent basis would involve considerable capital expenditure for extensions of plants to increase output. Heretofore, the policy of Canadian manufacturers has been to utilize export markets for the sale of surplus products, during dull periods; but such a policy will never build up a permanent export trade, as foreign markets demand that their requirements be supplied at all times, regardless of domestic conditions."

No Demand for Machinery.

Lieutenant-Colonel Nicholls, president of the Canadian General Electric Company, Limited, Toronto, in a statement to *The Monetary Times*, said that while a percentage of the machines now used for the manufacture of munitions is suitable for the manufacture of peace lines, the difficulty will be to provide a market for such machinery. "Due regard must be had to the fact," he continued, "that just prior to the war a period of dullness had followed one of over-production, and consequently manufacturers in general had more equipment than they could profitably use. When the vast quantity of machinery that has been purchased specially for the manufacture of munitions is thrown on the market there will be little or no demand for same, manufacturing industries being previously adequately equipped, with the result that little, if any, better prices than scrap value will be obtained, as the supply will enormously exceed any possible demand.

"As regards a substantial increase in domestic trade at the close of the war, I am personally optimistic. Financially Canada has shown herself to be wonderfully sound, as will

be proven by a study of the bank returns, savings bank deposits, and the ready response to the call for subscriptions to Canada's war loans. After the war very many constructive works that have been deferred will be actively prosecuted by the federal and provincial governments, municipalities, corporations and individuals. The railways will require to spend large amounts in betterments, if not in new construction, and many concerns, especially the steel industries, have developed a valuable export trade during the war period. For the above reasons, as well as others, I am not one of those who expect a depression after peace is declared, although there may be a few months dislocation of business while the situation adjusts itself."

Railways Have Bought Little.

Mr. Basil Magor, vice-president of the National Steel Car Company, Limited, of Hamilton, Ont., told *The Monetary Times* that his company will probably use 25 per cent. or more of their munitions machinery after the war.

"It seems to be the prevailing opinion that there will be a great deal of unemployed thrown on the market after the war, although I believe this will only be temporary, if Canada will come in for a lot of work which she did not manufacture before the war," continued Mr. Magor.

"We certainly expect considerable increase in domestic trade, on account of the fact that the railways have bought practically no equipment in the last two years.

"We have very strong export connections; and providing labor is equally efficient and obtain same at the same price as the United States, we believe that this export trade will continue.

"I believe, that for a short time there will be a depression in the manufacturing trade in Canada, but inside of a year or two it ought to pick up steadily, and our balance of trade in this respect will be much more favorable than it has been in the past."

Mr. C. S. Wilcox informed *The Monetary Times* that the Steel Company of Canada, Limited, Hamilton, of whose board he is chairman, is strengthening its financial position and setting aside reserves to take care of conditions after the war. "A large part of the machinery we have installed specially for the manufacture of munitions," said Mr. Wilcox, "will have to be scrapped after orders for munitions have stopped.

"In regard to conditions generally after the war, I think this will depend upon the duration of the war. If war continues until European countries are exhausted, Canada will have a very heavy debt. It is important for individuals and corporations to put themselves now in a strong financial position and to avoid unnecessary and unprofitable expenditures. If this is done, the country will be in much better position to stand the period of reorganization which will follow the war."

Mr. H. Cockshutt, president and managing director of the Cockshutt Plow Company, Limited, Brantford, drew attention to the shortage of labor and material. "We are handicapped in many other ways," he said. "We have had much business offered to us that we have been unable to handle on account of these difficulties. We expect the labor market will be entirely changed at the end of the war, and we also anticipate that material will be easily procured and at a very much lower price." This company is not interested in the manufacture of munitions.

BRITISH COLUMBIA MUST FEED ITSELF

Farms Are the Basis of Prosperity—Pacific Coast's Record Last Year

BY ERNEST McCAFFEY.

The impetus given to mining, largely on account of the war, has been one of the most notable advances in British Columbia during the past year. The same applies to fisheries. Agriculture is taking on new elements of strength and activity, and manufacturing has made considerable strides. Particularly this may be noted of shipbuilding, which has assumed considerable proportions in Vancouver and Victoria, with possible important developments at both New Westminster and Prince Rupert as well.

The activities in lumbering circles, already beginning to be felt, will undoubtedly take on additional prosperity by the providing of vessels for the foreign shipment of lumber. The railways are reporting additional increases in freight traffic, and, generally speaking, business conditions everywhere, and in all lines, are steadily growing better in this province. More local money is being invested in various enterprises, and this is a significant sign of returning confidence in present conditions. When war commenced, capital manifested a tendency to "mark time." Now, the word is, "Develop as we go along." Greater interest is being taken in plans to increase and foster additional production in all lines of manufacture.

High Cost of Living.

The high cost of living is simply the low rate of agricultural production. So far as British Columbia is concerned, general prosperity rests, in the last analysis, with the farms of the province. Until the province practically feeds itself, instead of paying out millions for the importation of foodstuffs, it will not be prosperous generally. That this fact is recognized is evidenced by the steady and determined grappling with the problem of more agricultural production. In 1915 the figures for agricultural production were $30,872,901, an increase over 1914 of $3,449,289. The past year may show a decrease as compared with 1915, because of the serious drawbacks occasioned by extraordinary weather conditions, but nevertheless farming is slowly but surely coming into its own in the province, particularly mixed farming.

Mining, for at least two years after the war, will be face to face with an increased demand for metals. Capital has recognized this fact by renewed activities in this industry, and 1916 was a year of marked importance in the production of mineral, as well as in a general stimulus to prospecting. In 1915, the increase over 1914 was $3,059,183, with a total of $29,447,508. Last year there was a decided increase over the production of 1915.

Fisheries and Lumber.

The figures for the fisheries production of British Columbia for 1915-1916 were $14,538,320. This was an increase of close to three million dollars over 1914-1915. The figures for Nova Scotia during 1915-1916 were $9,166,851. The figures for New Brunswick for 1915-1916 were $4,737,141. It will be seen, therefore, that British Columbia's fisheries value for the last fiscal year exceeded Nova Scotia and New Brunswick combined by a matter of $634,328. The total value of commercial fisheries for Canada for 1915-1916 was $35,860,708, of which British Columbia contributed $14,538,320, or about 40 per cent.

The production in timber for 1915 for the province was $29,150,000, an increase over 1914 of $470,000. What the total will be for 1916 is problematical at present, but the problem of transportation promises to be greatly simplified by the construction of the ships now building in the shipyards of British Columbia cities. Prairie markets show renewed demand, and as local building begins to pick up there will be results to tally from that quarter. The timber industry has not yet begun to reach its natural plane of prosperity. The work of conservation in British Columbia, the saving of the forests through scientific fire patrol and precautions has been of vital importance from an economical standpoint, and much valuable publicity has been given out from the forestry branch of the provincial government.

Manufacturing has received considerable impetus along certain lines by reason of the war contracts, but the figures for production are not available except as to approximations, and are, therefore, not submitted. Generally speaking, manufacturing is in a much healthier state than it was a year ago, and the outlook is good. A great deal will depend upon the question of increased population, and this is one of the questions which the end of the war may possibly solve to some extent. Cheap living and good living depends upon the purchasing power of the dollar, and here agriculture must meet the necessities of the manufacturer by providing good and cheap living if cheap labor is hoped for to accelerate manufacturing.

Panoramic View of Canada's Import Trade

Analysis of Canadian Imports, Prepared for Dominions Royal Commission—How Great Britain, United States and Other Countries Share Business

THE accompanying charts and tables were prepared for the Dominions Royal Commission, which visited Canada last year, by Mr. C. H. Wickes, British trade commissioner to Canada and Newfoundland. They are printed for the first time—by special permission. They show at a glance the disposition of Canada's import trade. This is the first occasion on which our import trade has been analysed in this way, thus giving a valuable panoramic view of the situation.

One of the most striking examples of the practical value of trade statistics analysed in this way to the British Trade Commissioner occurred after he had made a similar analysis for the imports into Australia, only in that country, returns are issued "by States," as well as for the whole of Australia. A comparison of "certain articles," State by State, with all Australia showed that the British proportion for the Commonwealth exceeded 80 per cent., while for the same series of articles in *one* of the States, the British proportion was 50% or less. It was ascertained to be due to an order from a British house to an important firm of German manufacturers.

The real value of the analysis, however, is in the direction of assisting the Trade Commissioner to advise manufacturers and traders what is the value of any trade "*as a whole*," that they are engaged in; then, by ascertaining the value of the articles which they are particularly interested in, the value of the latter and its proportion to the value of the whole trade is of assistance to them in estimating future developments.

The Dominions Royal Commission, for whom the following figures were prepared, is composed of representatives of the governments of Great Britain, Canada, Australia, New Zealand, South Africa and Newfoundland. They have investigated the natural resources and trade conditions of these countries and are now preparing their final report. Sir George Foster, minister of trade and commerce, is Canada's representative on the commission.

CHART I.

Tariff Analysis.

I have prepared a chart, illustrative of the extent in which imports into the Dominion of Canada were affected previous to 1914, by the tariff, which is given hereunder:—

Trade merchandise. This is after eliminating from the gross imports the following:—Coin, bullion, settlers' effects and horses, pictures, menageries, etc., (temporarily in Canada), articles for the Governor-General, etc. all of a non-trading description.

(A) Total imports, trade merchandise,—the proportion governed by the preferential rates of duty 68.00%
(After the transfer from free to dutiable of articles though free from United Kingdom, are dutiable from other countries).

(B) Total imports, trade merchandise,—the proportion governed by general rates of duty... 2.00%

(C) Total imports, trade merchandise,—the proportion entered free of duty 30.00%
(Less transferred to dutiable as above).

100.00%

Competitive Merchandise.
Entrepot Merchandise.
Non-Competitive Merchandise.

Chart 2 hereunder, gives particulars of "competitive," "entrepot," and "Non-Competitive" merchandise in the year 1913, the percentage of the trade secured by the United Kingdom in respect of the above is also given.

CHART II.

Imports of trade merchandise analysed to demonstrate the value of the Canadian market to the United Kingdom.

(A) The proportionate value of "competitive merchandise" imported, i.e., articles the British manufacturer makes and can compete for the supply.

(B) The proportionate value of "entrepot merchandise" imported, i.e., articles which are mainly or wholly neither of British or American origin, which the British merchant competes for the supply.

(C) The proportionate value of "non-competitive merchandise" imported, i.e., articles whose supply is mainly or wholly not competed for by British manufacturers or merchants.

"A" 1913.—The proportion of "competitive" imports 55.8%
"B" 1913.—The proportion of "entrepot" imports.. 9.5%
"C" 1913.—The proportion of "non-competitive" imports 34.7%

The above analysed, distinguishing "dutiable goods" of a class (subject and not subject to preference, and "free goods,"—with the proportionate percentage of trade secured by the United Kingdom in "A," "B" and "C."

"A" "Competitive" imports in 1913; value, $380,000,000.

	%	United Kingdom share of trade. %
Subject to preference	83.6	33.6
Dutiable. Not " " "	2.2	57.4
(i.e., general tariff).		
Free	14.2	25.1
	100.00	

"B" "Entrepot" imports in 1913; value, $64,500,000.

	%	United Kingdom share of trade. %
Subject to preference	39.24	21.9
Dutiable. Not " " "	.01	50.3
(i.e., general tariff).		
Free	60.75	14.0
	100.00	

"C" "Non-competitive" imports in 1913; value, $23,550,000.

	%	United Kingdom share of trade. %	Millions.
Subject to preference	51.7	00.8	$121.5
Dutiable. Not " " "	2.5	1.9	5.5
(i.e., general tariff).			
Free	45.8	00.5	107.5
	100.00		

As some slight variations occur from year to year in the respective percentages of competitive, entrepot and non-competitive merchandise, that together constitute "The Imports of Trade Merchandise into the Dominion," I have prepared Chart III-A. hereunder, which illustrates such variations. It was thought desirable also to give the British percentages of the trade for each class, and this also is shown at the bottom of the chart for each year, for goods dutiable, both subject and not subject to preference, as well as goods entered free.

Chart III-B. In order that the commission may have before them "the value" of competitive and entrepot trade, this is given immediately under and following Chart III-A.

CHART III-A.

Imports of trade merchandise into Dominion, analysed to demonstrate proportion of competitive, entrepot and non-competitive goods entered for years, 1911-1915.

Trade Merchandise.	1911-1912.	United Kingdom.	1912-1913.	United Kingdom.	1913-1914.	United Kingdom.	1914-1915.	United Kingdom.
	%	%	%	%	%	%	%	%
Competitive ...	55.4	32.4	55.8	33.0	55.9	33.9	52.2	31.7
Entrepot	9.4	21.7	9.5	17.1	9.2	17.1	8.0	16.9
Non-competitive.	35.2	.7	34.7	.7	34.9	.6	39.8	.4
	100.0		100.0		100.0		100.0	

United Kingdom percentage of trade in competitive merchandise.

Subject to preference	34.5	33.6	34.8	34.08
Not subject to preference.....	45.0	57.4	57.0	62.6
Free	21.1	25.1	25.4	18.5

CHART III-B:—**Value in Millions of Dollars.**

To 31st March.	Competitive. All C. $	Competitive. United Kingdom. %	Entrepot. $	Entrepot. United Kingdom. %
1912	316.25	32.4	37.5	21.7
1913	380.00	33.0	64.5	17.1
1914	352.25	33.9	57.0	17.1
1915	257.90	31.7	39.0	16.9
Average for 4 years.	326.50	32.7	49.5	18.2

Trade merchandise, average for four years, $581,250.000.

Analysis by trades of imports of competitive merchandise into the Dominion.

Up to this point, the analysis of the merchandise imported into the Dominion has been dealt with in the mass. Chart I. on the previous page demonstrated the proportion of trade merchandise affected by preferential rates of duty, general rates of duty, and merchandise imported free.

Chart II. demonstrated the splitting up of trade merchandise into competitive imports, entrepot and non-competitive imports, with their respective values, and the British share of the trade therein.

Chart III-A. illustrated the variations in the respective percentages of competitive, entrepot and non-competitive merchandise for the four years, 1911 to 1915.

Chart III-B. demonstrated "the value" of competitive and entrepot trade with the percentage secured by the United Kingdom for the years 1911 to 1915.

In order that the commission may examine the "whole" with the "part," I have prepared tables I. and II., which are annexed to this memorandum.

Table I. gives the imports into the Dominion of Canada for the fiscal year ending 31st March, 1914.

Table II. illustrates how competitive merchandise has been split up under trade headings, and admits of a comparison being made for the two years 1913-14 side by side with the respective proportion secured by the United Kingdom, the United States, and other countries, for each trade, and the respective increase or decrease in the trade for each country.

The relative value of trades. It was considered that to complete this memorandum the relative value of one trade compared with another should be demonstrated. In Chart IV. hereunder, this is accurately shown, an average having been taken of the value of each trade for the two years 1913-1914. The importance of the two trades, "manufactures of metals" and "dry goods" at once becomes apparent. These together represent 70.2 per cent. of the imports of competitive merchandise. Paper and stationery with 4.5 per cent., and groceries with 4.2 per cent. are the nearest trades in value, and are relatively insignificant.

CHART IV.

"Competitive" Imports Trade Merchandise Averaged for Two Years.

Year ended March 31st, 1913 1914 =	1000's.	%
Imports from		
United Kingdom	$118.96	33.5
United States	$199.37	55.9
Other countries	$ 37.55	10.5

Competitive Merchandise by Trades.

Percentage of each trade.		1000's.	U.K.	U.S.A.	O.C.
30.0	Dry goods	$105.66	62.15	21.00	16.85
3.0	Chemicals and dyes	$ 10.96	31.95	53.8	14.1
4.2	Groceries	$ 15.20	56.45	29.5	13.85
1.1	India rubber, manufactures of (not raw).	$ 4.13	9.3	85.7	4.8
1.3	Leather	$ 4.88	23.5	74.5	1.6
3.0	Jewellery and fancy goods	$ 10.64	22.7	47.9	29.3
40.2	Manufactures of metals	$143.16	14.84	81.16	3.89
2.3	Earthenware, china and glass	$ 8.42	38.9	31.7	29.3
1.4	Building materials, stone, slate, tiles, etc.	$ 5.18	18.3	79.5	2.1
.7	Paints and varnishes.	$ 2.43	35.7	52.1	12.1
4.5	Paper and stationery.	$ 16.02	22.85	68.1	9.00
8.2	Miscellaneous	$ 29.25	24.3	65.4	10.2
		$355.89	33.5	55.9	10.5

TABLE I.

(A) Statement showing the Imports into the Dominion of Canada during the fiscal year ended 31st March, 1914.

Gross Imports	$669,492,500	Dutiable, preferential tariff	$432,590,500
Deduct coin and bullion, settlers' effects, etc	40,142,000	General "	15,641,500
	$629,350,500	Free	181,138,500

(Amount transferred "Free" to Dutiable, $15,499,500.)

(B) Statement showing the Imports of Trade Merchandise analyzed to demonstrate the value of the Canadian Market to the United Kingdom.

	Trade Merchandise	Percentage of Total
I. Competitive	$352,288,000	55.9
II. Entrepot	57,156,500	9.2
III. Non-competitive	219,906,000	34.9
Total	$629,350,500	

(C) Analysis of Competitive, Entrepot and Non-competitive Merchandise, distinguishing dutiable goods of a class subject and not subject to Preference and Free Goods.

Countries whence imported	Total Imports $	%	"A" Competitive $	%	"B" Entrepot $	%	"C" Non-competitive $	%
United Kingdom	131,077,000	20.8	119,724,500	33.9	9,980,000	17.1	1,521,500	.6
United States	405,136,000	64.3	193,294,500	54.7	16,550,000	28.9	195,291,000	88.4
All Countries	93,137,500	14.8	39,269,000	11.4	30,776,500	54.0	23,193,500	11.0
Total	629,350,500		352,288,000		57,306,500		220,006,000	
Preferential								
United Kingdom	107,341,500	24.7	101,554,000	34.8	5,158,500	18.6	628,500	.5
United States	260,817,000	60.3	159,972,500	54.5	6,756,000	24.3	94,088,500	83.7
All Countries	64,432,000	14.7	31,118,000	10.6	15,714,500	57.0	17,599,000	15.6
Total	432,590,500		292,644,500		27,629,000		112,316,000	
General								
United Kingdom	5,502,500	35.1	5,388,000	57.0	6,500	37.8	108,000	1.7
United States	5,876,000	37.6	2,894,500	30.7	4,000	20.2	2,977,500	48.3
All Countries	4,243,000	27.1	1,159,500	12.2	8,000	41.8	3,075,500	49.8
Total	15,621,500		9,442,000		18,500		6,161,000	
Free								
United Kingdom	18,233,500	10.0	12,786,500	25.4	4,665,000	15.7	785,000	.7
United States	138,442,500	74.6	30,427,000	60.8	9,790,000	33.1	98,225,000	96.8
All Countries	24,462,500	13.5	6,991,000	13.7	15,054,500	51.0	2,416,500	2.4
Total	181,138,500		50,204,500		29,509,500		101,426,500	

TABLE II.

Comparative table of Competitive Merchandise for the fiscal years 1912-13 and 1913-14, together with the increase or decrease in trade.

TOTAL TRADE

	1913		1914			Decrease	Increase
	$	%	$	%		$	$
United Kingdom	121,549,727	33.0	116,372,104	34.1	United Kingdom	5,177,623	.....
United States	210,871,800	57.0	187,882,229	54.8	United States	22,989,571	.....
Other Countries	36,942,007	10.0	38,169,807	11.1	Other Countries	.....	1,227,800
Total	369,363,534		342,424,140			28,167,194	1,227,800

Trade	Country	1913 Amount	1913 %	1914 Amount	1914 %	Decrease	Increase
		$		$		$	$
Dry Goods	United Kingdom	67,587,470	62.6	63,865,480	61.7	3,721,990	.....
	United States	22,651,677	20.9	21,832,800	21.1	818,877	.....
	Other Countries	17,735,711	16.5	17,663,639	17.2	72,072	.....
	Total	107,974,858		103,361,919		4,612,939	.....
Chemicals	United Kingdom	3,470,106	31.7	3,542,513	32.2	.....	72,407
	United States	5,887,309	53.5	5,933,474	54.1	.....	76,165
	Other Countries	1,632,193	14.8	1,495,847	13.6	136,346	.....
	Total	10,959,608		10,971,834		136,346	148,572
Groceries	United Kingdom	8,626,616	57.3	8,532,773	55.6	93,843	.....
	United States	4,433,486	29.4	4,573,175	29.6	.....	139,689
	Other Countries	2,007,274	13.3	2,245,222	14.4	.....	237,948
	Total	15,067,376		15,351,170		93,843	377,637
India Rubber	United Kingdom	392,613	9.0	385,310	9.7	7,303	.....
	United States	3,720,704	86.3	3,361,382	85.2	359,322	.....
	Other Countries	204,080	4.7	197,919	5.0	6,161	.....
	Total	4,317,397		3,944,611		372,786	.....
Leather	United Kingdom	1,336,261	23.8	1,046,906	23.3	289,355	.....
	United States	4,172,395	74.8	3,059,072	74.1	1,113,323	.....
	Other Countries	78,405	1.4	73,086	1.9	5,319	.....
	Total	5,587,061		4,179,064		1,407,997	.....
Jewellery & Fancy Goods	United Kingdom	2,518,877	22.9	2,274,968	22.5	242,909	.....
	United States	4,924,305	44.8	5,284,844	51.0	.....	360,539
	Other Countries	3,558,181	32.2	2,733,658	26.4	824,523	.....
	Total	11,000,363		10,293,470		1,067,432	360,539
Metals	United Kingdom	21,335,908	14.8	21,281,478	15.8	54,430	.....
	United States	125,874,618	83.3	106,833,630	79.3	19,040,988	.....
	Other Countries	4,408,883	2.88	6,593,556	4.9	.....	1,184,673
	Total	151,619,409		134,708,664		19,095,418	1,184,673
Simple Forms	United Kingdom	11,560,990	16.5	12,060,257	19.95	.....	499,267
	United States	55,517,444	80.5	44,798,649	74.1	10,718,795	.....
	Other Countries	1,805,902	3.0	3,561,090	5.7	.....	1,755,188
	Total	68,884,336		60,419,996		10,718,795	2,254,455
Machinery	United Kingdom	5,978,747	11.5	5,557,520	11.8	421,227	.....
	United States	45,266,554	87.0	40,374,494	86.0	4,892,060	.....
	Other Countries	819,368	1.5	1,011,174	2.2	.....	191,806
	Total	52,064,669		46,943,188		5,313,287	191,806
Hardware	United Kingdom	3,796,171	12.3	3,663,701	13.3	132,470	.....
	United States	25,090,620	81.8	21,660,487	79.2	3,430,133	.....
	Other Countries	1,783,613	5.9	2,021,292	7.4	.....	236,679
	Total	30,670,404		27,345,480		3,562,603	236,679
Earthenware	United Kingdom	3,405,309	39.1	3,200,257	38.7	205,052	.....
	United States	2,686,232	30.9	2,697,377	32.5	.....	11,145
	Other Countries	2,492,422	30.0	2,365,539	28.7	126,883	.....
	Total	8,583,963		8,263,173		331,935	11,145
Building Materials	United Kingdom	958,208	15.0	879,450	21.7	78,758	.....
	United States	5,123,390	84.0	3,033,620	75.0	2,089,770	.....
	Other Countries	50,597	1.0	133,805	3.2	.....	83,208
	Total	6,132,195		4,046,875		2,168,528	83,208
Paints and Varnishes	United Kingdom	873,640	35.0	869,190	36.5	4,450	.....
	United States	1,358,516	54.3	1,186,862	50.0	171,654	.....
	Other Countries	265,118	10.7	323,192	13.4	.....	58,074
	Total	2,497,274		2,379 244		176,104	58,074
Paper and Stationery	United Kingdom	3.678,502	23.0	3,640,151	22.7	38,351	.....
	United States	10,922,497	68.2	10,911,102	68.0	11,395	.....
	Other Countries	1,406,130	8.8	1,483.381	9.2	.....	77,251
	Total	16,007,129		16,034.634		49.746	77.251
Miscellaneous	United Kingdom	7,367,217	24.9	6,853,628	23.7	513,589	.....
	United States	19,146,671	64.6	19,174,891	66.3	.....	28,220
	Other Countries	3,103.013	10.5	2.860.963	10.0	242,050	.....
	Total	29,616,901		28,889.482		755,639	28,220

CAPITAL FOR BRITISH COLUMBIA FACTORIES

Good Opportunities Need Financing—Canadian Customs Official at New York

BY J. A. CUNNINGHAM.

British Columbia is essentially a manufacturing country. It has been endowed by Nature with all the attributes to successful industrial enterprise. It has within its boundaries abundant supplies of raw material,—it has millions of acres of fertile land suitable for mixed farming, fruit growing, grazing, etc.,—its standing (immediately convertible) timber represents one-fifth of the timber of the Dominion, it has unlimited supplies of coal, iron and other minerals, has the finest natural harbors in the world, and is blessed with tremendous water powers, which can be developed at a minimum of cost practically at tide water. In addition, by its geographical position it has the cheapest of all freight routes, the ocean, and is therefore happily placed to develop a large overseas trade. General manufacturing is only in its initial stages.

Our population, like that of all the western provinces, was attracted by the prospect of easy money in speculating rather than by industry, the result being a real estate boom, consequent overgrowth in our cities, large sums borrowed and invested in non-productive and unremunerative enterprises. This led banks and financial experts to regard British Columbia credits with disfavor, and the bona fide manufacturer suffered with the rest. The day of the real estate speculator is gone, and the people of British Columbia have now settled down to legitimate enterprise on sound business principles. Credit is being restored, and to-day a casual observer would be surprised at the remarkable progress made in the last few years.

At present, our business conditions are coming back to normal, the only slackness being in the building and allied trades. Our lumber and shingle mills are operating full time and overtime.

Our mining interests have increased their output over 1915 by $30,000,000 dollars, our general manufacturing plants have an output of approximately $60,000,000 dollars per annum. The articles manufactured are many and varied.

There are throughout the province exclusive of the basic industries, lumber, fish and mining, some 600 manufacturing plants, and British Columbia to-day ranks as the third manufacturing province in the Dominion per capita.

Customs Official at New York.

There are still several obstacles in the way of successful manufacturing, namely, high freight rates, scarcity of labor, and lack of co-operative effort. Strong representations have been made to the federal government for the appointment of a Canadian customs official at New York to enable raw material and supplies to be shipped through New York in bond, and give British Columbia the benefit of water rates and the Panama Canal. For some unexplained reason the government has not yet seen its way to grant this, and apparently has failed to realize that their refusal is of serious moment to the government itself. The manufacturers would prefer to see a Canadian line of steamers from the Atlantic to the Pacific seaboard, but apparently the freight offering would not warrant this at the present, and the appointment of an officer as requested would meet the requirements in the interim.

The labor question will settle itself as manufacturing increases, and we may expect a large influx of land settlers and skilled artisans at the cessation of the world war. In regard to lack of co-operative effort, the manufacturers were the first to realize this and formed the Manufacturers' Association of British Columbia for mutual benefit, and to further British Columbia industries. Other organizations covering other business interests have been formed, and the exigencies of the war have brought all organizations into close and intimate touch with each other. An association of all interests has been formed to look after the acquisition of new trade in home and foreign markets.

One of our most serious drawbacks was the want of shipping. To-day we have commenced shipbuilding on a large scale, and orders are in hand at present in British Columbia yards amounting to over $10,000,000.

Copper and zinc smelters are being established. An immediate start is expected in the erection of blast furnaces for the manufacture of iron, and electric power is available for steel production. Other industries being attracted at present by cheap electric power are fertilizer manufacturers, aluminum manufacturers, electrolytic treatment of metals and concentrates and chemical manufacture.

Our lumber interests, when ocean bottoms are available, will be called on for material to reconstruct devastated Europe. There is now being created a demand for our halibut, herring, cod and other fish besides salmon. This demand will be continued when the war ceases. Plants are now being erected for the treatment of fish offal for various purposes, and plants are to-day in operation extracting potash, algin, etc., from our kelp beds. Our pulp industry has increased from 90 tons in 1911 to 75,000 tons in 1915, and this will be greatly increased in the near future by the operation of three new plants employing 2,500 to 3,000 hands.

With the opening of new foreign markets there will be further development in all classes of wood manufacture, such as furniture, freight cars, vehicles, motor bodies, etc., in fact, motor cars, tires, etc., are likely to be manufactured for export in the new year. The manufacturers of foodstuffs, etc., are in their infancy and sure to develop by export,—and development is looked for in the manufacture of paper, rope, twine, pigments and kindred lines. Metal trades, machinery, etc., will have enlarged markets. Our province is also going in strongly for cattle and sheep raising, and this will mean the establishment of tanning and other leather plants, wool spinning and kindred plants.

Capital is Wanted.

In addition to the above our harbors are being steadily improved. Steamship companies are establishing headquarters at Vancouver and Victoria, through shipping by our ports has increased and is increasing by leaps and bounds. This all means a considerable circulation of coin of the realm, and taking all the above into consideration, our province is destined to become one of the foremost, if not the foremost, manufacturing province of the Dominion.

The one thing hitherto and still lacking in this great western province is the necessary capital to develop the natural resources to the stage where the small manufacturer can obtain his raw material to make the different commodities that would replace the imported articles for home consumption, at the same time catering to the export trade; and in time bring the balance of trade, which at present is against us, into a favorable balance. We in common with other portions of the Dominion wish to help to make the empire self-supporting, and keep the wealth of the empire within the empire, as has been found so necessary from a supply and credit basis in the crisis we are passing through, and replace in our own country and those of our Allies raw materials and manufactured products previously supplied by our enemies.

We confidently expect that English and American capital will be largely invested in this province after the war, and the Manufacturers' Association of British Columbia, of which the writer is president, is inaugurating a campaign to induce eastern Canadian and British manufacturers to establish here to manufacture for export to the Russian and other eastern markets.

As to export trade after the war, Canada has a great many natural products which Europe is bound to need, war or no war. These natural products should be put well before the consuming public in Europe and foreign countries generally. We have possibly the greatest supply of pulp wood in the world. This could be manufactured in Canada and exported. We have some of the greatest mines and minerals —some of them not even yet explored or exploited. We have great lumber and great fishing interests, which the world will require. A number of lines of manufactured goods can also be exported. With such we can compete in the world's markets. In taking orders abroad just now for goods to be manufactured, the war might be over before the goods were manufactured and delivered, and the result a loss to the manufacturers. In addition, the exchange is so much against the different outside countries, making export almost impossible, and I am doubtful that we could make any great progress in looking abroad for markets for our products at the present time, except it be along the line of natural products. Unless one can get cash for exported goods just now, it may be risky, as one cannot know how foreign purchasers may be affected by the war at any moment.—E. F. Hutchings, Winnipeg.

SHIPBUILDING IN BRITISH COLUMBIA

Important Orders Are Being Filled—Question of Materials and Labor

BY H. H. STEVENS, M.P.

During the past 25 years shipbuilding has been carried on in British Columbia only as it relates to smaller craft, from row-boats to coasting steamers, with an occasional deep-sea vessel. Shipbuilding on an extensive scale had not been seriously undertaken until recently. There have been several reasons for this, but two stand out pre-eminently: (1) Cost of material, owing largely to unreasonably high freight rates; and (2) scarcity and costliness of the right class of labor. Other factors have been lack of capital, or of interest in this class of industry.

Since the opening of the Panama Canal, however, it has become possible to secure transportation of materials at much lower rates, thus removing the first obstacle, and the growth of the shipbuilding industry in the Pacific coast cities south of the line has gradually attracted numbers of skilled laborers from the British yards, and as this class of labor moves readily from place to place, this will tend to solve the second main difficulty.

New Fields of Investment.

The war conditions, which struck British Columbia with peculiar force, had proven in this respect a real blessing, as they have resulted in driving capital, usually devoted to this particular industry, to seek new fields of investment owing to the congestion of the European yards and the abnormal demands for tonnage.

For some years it has been felt by all students of Canadian industrial progress that some scheme of aids to shipbuilding would be necessary if Canada is going to take her place among the ship constructing nations of the world, and many forms of assistance were suggested but nothing definite was accomplished.

For many years the lumbering interests of the Pacific Coast states have constructed wooden ships for their own trade, and this example finally induced British Columbians to agitate for a similar course, which ultimately resulted in the provincial government passing a bill granting such aid as to induce the undertaking of wooden shipbuilding.

At the present, there are under construction in the various yards of Vancouver and Victoria ten six-masted, wooden schooners of 2,500 tons burthen auxiliary power, and costing, complete, approximately $160,000 each.

Ships for Norway.

Subsequent to this, representatives of Norwegian ship owners appeared on the scene, desirous of placing orders, but certain difficulties were encountered. It was found that at the request of the Imperial authorities, an embargo had been placed on the construction of ships for foreign register, and that while the customs regulation provided for a drawback of 99 per cent. duties on material used in manufacturing articles for export, it did not apply to ships. Steps were at once taken at Ottawa to have these difficulties removed and the prime minister and Dr. Reid, minister of customs, fully recognizing the importance of the question, immediately approached the Imperial authorities and finally decided to authorize construction for foreign register, providing, of course, that the purchasers or ultimate owners were satisfactory to the government. The question of the drawback of 99 per cent. of the duty on all materials entering into the construction of such ships was finally settled and an order-in-council passed granting the same.

On the successful outcome of these negotiations, local yards were in a position to accept contracts for steel ships and orders were placed for a number.

Building of Steel Ships.

The Wallace Shipyards, of Vancouver, have contracts for one 4,500 ton, steel cargo steamer, with reciprocating engines, and four 8,800 ton, single-screw steel cargo steamers, geared turbines. Messrs. J. Coughlin and Sons, of Vancouver, have contracts for three 8,800 ton, steel cargo vessels, length over all 424 feet with 54 ft. beam, speed 11½ knots and a steaming radius of 10,000 miles. These will cost approximately $1,200,000 each. Messrs. Yarrows, Limited, of Victoria, have just completed a steel hull for owners in India and because of the satisfaction given in this case, have received an order for another, similar to the one just completed. This firm, which is a subsidiary company to Yarrows of Great Britain, claim they have proven that they are able to build such craft equally as well in British Columbia as in the Old Country.

While this is the first serious attempt to enter into the business of construction of deep-sea ships, it is now realized that in future British Columbia Coast cities will be centres of great development along these lines.

The question of raw materials (other than wood) is an important one. At present we are compelled to import all ship plates and angles, also machinery and fittings from eastern Canada and the United States, but it is confidently believed that ere long a large iron and steel industry will be located here which will supply these requirements, as well as cater to the foreign steel trade. The large deposits of iron ore in British Columbia will be used for this purpose, which, together with the almost illimitable coal deposit, points to a bright future for such an industry. The establishment of a steel plant will inevitably be followed by factories which use the finished product of the steel plant for their raw material, and in turn will supply many of the articles which we are now compelled to import at high costs.

Matter of Labor.

The labor problem in the future will not be so serious a factor, at least no more so than in older communities. During recent years, labor conditions in Great Britain and eastern America have been so greatly improved and wage standards raised so materially that the difference hitherto existing between these districts and the Pacific Coast has largely vanished, or has been reduced to a minimum. Therefore, it will not be necessary for British Columbia to reduce her standards of labor in as much as the standards have been so drastically improved elsewhere. The most hopeful sign for British Columbia's future, is the complete disappearance of the speculative sentiment, which had been so much in evidence before the war, and in place of it has arisen a grim determination to develop our great industrial possibilities along sane lines and upon secure foundations. Shipbuilding, which is now well established, is only the forerunner of numerous other industries for which our province is well suited.

PRIMARY PRODUCTION LAST YEAR

Value was $1,241,029,350 Compared with $1,138,908,671 the Previous Year

The value of production in Canada last year from field crops, forests, mines and fisheries was approximately $1,241,029,350, compared with $1,138,908,671 in 1915. The details for the two years are as follow, the figures for 1916 being necessarily to some extent an estimate of *The Monetary Times*, but well within the mark, as our previous estimates have shown:—

	1915.	1916.
Field crops	$ 797,669,500	$ 845,029,350
Forests	172,880,000	190,000,000
Mines	137,109,171	170,000,000
Fisheries	31,250,000	36,000,000
	$1,138,908,671	$1,241,029,350

Production Nearly Doubled Since 1908.

The value of production (field crops, mines, fisheries and forest products) each year since 1908 has been as follows:—

	Total.
1908	$ 703,590,000
1909	816,274,000
1910	701,085,000
1911	901,709,000
1912	909,358,000
1913	907,311,000
1914	975,380,006
1915	1,138,908,671
1916	1,241,029,350

The value of the field crops last year is estimated by *The Monetary Times* to be $844,929,350, of which the wheat

and grain crops account for $595,147,350 and the root and fodder crops $249,882,000. While the production was considerably less in most crops last year, the prices were higher, thus giving a greater crop value in 1916 than in the previous year.

The total value of the mineral production in Canada in 1915 was $137,109,171, which included metals and metallic ores, $75,814,841, and non-metallic products valued at $61,294,330. The value of the metalliferous production in 1916 will probably exceed that of 1915 by nearly 50 per cent., according to a statement furnished *The Monetary Times* by Mr. John McLeish, B.A., F.S.S., chief of the division of mineral resources and statistics, Ottawa. There has been a considerable increase, both in quantity of production and price, in the metals nickel, copper, lead and zinc; also an increased production of cobalt and molybdenite. The production of silver may possibly not equal that of 1915 in quantity, but owing to higher prices will exceed last year in total value. The production of gold also shows a considerable increase. There has been an important increase in the production of pig iron and steel, although, owing to the fact that these are derived largely from imported materials, they enter to only a small extent into the total value of Canadian mineral production.

In so far as non-metallic products are concerned, there will probably be a decline in some products, such as coal, but this will likely be counterbalanced by increased prices in estimating the values of same. On the whole, it seems probable that there will not be a serious decline in the total value of non-metallic production—perhaps no decrease at all. Mr. McLeish anticipates that the total value of the mineral production in Canada during the past year will probably reach somewhere between $165,000,000 and $170,000,000.

Increased Fisheries Output.

In an interview at Toronto in September, Hon. J. D. Hazen, minister of marine and fisheries, stated that the 1916 output of the fisheries would be approximately $36,000,000. The demand made upon the fishing vessels for war services has been a factor in Great Britain, where many steam trawlers and drifters have been requisitioned for mine sweeping operations. France has also suffered from a similar cause, the Iceland fishing of that nation being practically suspended and the steam trawling fleet which plied its operations in Newfoundland waters being reduced to a minimum. These conditions benefited the Canadian industry, and, in fact, the fishing business as well of nearly all neutral countries.

Forest Products Last Year.

The following is an estimate from the official information available of the total value of forest products in Canada during the calendar year 1915:—

Lumber, lath and shingles	$ 69,750,000
Firewood	60,650,000
Pulpwood	15,750,000
Fence posts and rails	9,000,000
Cross-ties	3,500,000
Square timber exported	480,000
Cooperage	1,400,000
Poles	500,000
Logs exported	1,325,000
Tanning materials	170,000
Round mining timber	680,000
Miscellaneous exports	175,000
Miscellaneous products	9,500,000
Total	$172,880,000

No official figures are available for 1916. With the war demand for forest products, it would, we think, be quite conservative to estimate the production at $190,000,000 last year.

The value of manufactured products last year is estimated at $2,000,000,000, compared with $1,400,000,000 in 1913 and $1,110,000,000 in 1910.

Mr. C. S. Noble, of Nobleford, Alta., has a thousand-acre field, the wheat crop of which, thrashed, gave a yield last fall of 52 bushels to the acre, said to be the highest ever known in any part of the world. The world's record for wheat was formerly held by Whitman county, Washington, U.S.A., with 51 bushels.

CASH WHEAT FLUCTUATIONS, 1894 TO 1916

Prices per Bushel at Winnipeg, on Opening Market Day of each Month.*

Month	1894	1895	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
January	0.63	0.69	0.55½	0.81	0.92	0.77	0.64½	0.80¾	0.72	0.70	0.81⅜	0.98	0.75⅜	0.71⅜	1.07⅛	0.99½	1.03¼	0.92	0.93	0.81⅜	0.83⅛	1.25⅝	1.13
February	0.64	0.66	0.64½	0.71	0.92	0.75	0.65½	0.83	0.73	0.73⅜	0.83½	0.91¼	0.76	0.73½	1.05	1.00	1.03	0.93	0.96½	0.83	0.86½	1.49	1.26⅝
March	0.65	0.70	0.65½	0.73	1.00	0.69	0.66¾	0.84	0.72⅛	0.73⅜	0.94⅜	0.97	0.74⅝	0.74⅜	1.09	1.11⅝	1.03⅜	0.88¼	0.98¾	0.85⅝	0.91¼	1.48¾	1.09⅜
April	0.68	0.70	0.66	0.68	0.98	0.69	0.67½	0.81	0.72½	0.73¼	0.93¾	0.92	0.75⅜	0.75¾	1.06¾	1.13¾	1.05	0.88	1.00	0.87⅝	0.89⅜	1.50	1.14⅛
May	0.64	0.72	0.64	0.70	1.28	0.71	0.67½	0.79	0.77¼	0.77¼	0.84⅝	0.88¼	0.78¼	0.80⅝	1.10⅜	1.20	0.98½	0.94⅞	1.03¼	0.92⅜	0.90⅜	1.63⅜	1.19⅜
June	0.62	1.05	0.59	0.61	1.22	0.74	0.69	0.79	0.75	0.78¾	0.86¼	0.93	0.79½	0.90⅜	1.10	1.26¾	0.88	0.96	1.03⅜	0.93¾	0.94¼	1.43⅛	1.10⅝
July	0.63	1.05	0.59	0.73	1.03	0.75	0.84	0.68	0.76	0.83¼	0.86½	1.05½	0.81	0.92¼	1.02¼	1.32¾	0.98	0.97	1.08	0.96½	0.89⅜	1.32	1.13⅜
August	0.61	.....	0.65	0.80	0.93	0.68½	0.80¼	0.69½	0.75¾	0.87¼	0.96⅜	1.01	0.78	0.91¼	1.04⅜	1.10	1.05	0.96	1.06	0.95¾	0.97⅝	1.27½	1.28¼
September	0.57	0.60	0.60	0.87	0.80	0.68	0.84	0.69¼	0.69	0.84⅛	1.03	0.78¼	0.71¼	0.97	0.97⅛	0.95¾	1.06	1.02	1.05⅜	0.88	1.14⅜	.96¼	1.56¼
October	0.54	0.61	0.68½	0.85	0.69	0.70	0.88½	0.67¼	0.68	0.81⅜	1.00¼	0.76⅛	0.75⅝	1.03⅝	0.97⅜	0.96¼	0.98	0.99½	0.88½	0.83⅝	1.07⅛	.91½	1.65⅜
November	0.55	0.57	0.76	0.95	0.72	0.69	0.81	0.70	0.72	0.81½	0.97⅜	0.77⅝	0.74⅜	1.03⅝	0.98⅜	0.98⅜	0.89	0.98	0.87¼	0.81⅞	1.17⅛	1.02½	1.85
December	0.58	0.55	0.81¼	0.92	0.69	0.65¼	0.76	0.71	0.71	0.79	0.91½	0.75½	0.72½	1.02	0.99½	0.96	0.91	0.96¼	0.78¼	0.81⅞	1.17	1.04⅜	1.84¼
Average in cents	61.25	71.81	65.52	78.66	93.16	70.89	74.56	75.18	72.91	78.75	91.65	90.31	76.04	88.09	103.97	108.56	99.19	95.08	97.38	87.66	98.30	1.2786	

* Prices for the years previous to 1910 taken from compilation by the Dominion Government's Labour Gazette. Other prices are those of the Winnipeg Grain Exchange. No. 1 Manitoba Northern Wheat in store, Fort William or Port Arthur.

HOW THE WEST CAME BACK

Agriculture Rectified Position, While East Was Getting War Orders

BY F. MACLURE SCLANDERS, F.R.G.S.

In 1913, when under the chilling influence of a general financial stringency the Western realty boom swiftly faded and died, the East said, "I told you so." Probably the most widely accepted illusions characterized this portion of the Dominion as literally and almost indefinitely down and out. Had it not taken the West about thirty years to recover from the collapse of the early eighties? Was it, therefore, intelligent to assume a lesser period of recovery for the depression of 1913? Such a conclusion might, perhaps, have been reasonable if Western conditions in the early eighties and in 1913 had been similar. In the former case, this country could have been accurately indicated by the algebraic "X." In 1913, however, she had millions of producing acres, was streaked with thousands of miles of operating railways and dotted with innumerable towns and villages.

At that time things in the West looked far from bright; but was not the condition then Dominion-wide? Were not some Eastern centres finding it a considerable strain to arrange for the soupkitchening of unemployed thousands?

Here, as in every other portion of Canada, the influx of outside capital had suddenly ceased, railway and other construction work petered out and immigration dwindled to the merely negligible. Further, realty, in which so many good people had tied up their all, became utterly unnegotiable, while the banks had shut down tightly upon all credit. To the unthinking, there remained for this West not one of those propitious factors upon which she seemed to have wholly depended for prosperity. Therefore, she had no alternative save to crinkle up. So firmly did this impression become rooted in the Eastern mind that every contrary protest and argument from the West fell unheeded. There was nothing more to be said; so we of the West sat tight and said nothing. But, as we contemplated the swift, silent, stealthy exodus to the places of their genesis—mostly in the East—of those piratical parasites by whom our country had been infested we realized that the depression was certainly not without its compensation.

Then the West breathed a little easier—and smiled; for she was clearly conscious all through that, strange to say, the wise of the East had utterly overlooked the fact that agriculture was our industry—not real estate.

One Crop Did It.

The West simply kept on smiling, notwithstanding the outbreak of war in 1914 and the partial crop failure of that season. For the West knew that even without millions upon millions worth of war orders it would not be long ere she vindicated herself through the medium of her own inestimable resources, independent of outside money, railway and other construction, immigration, and even reasonable banking credit.

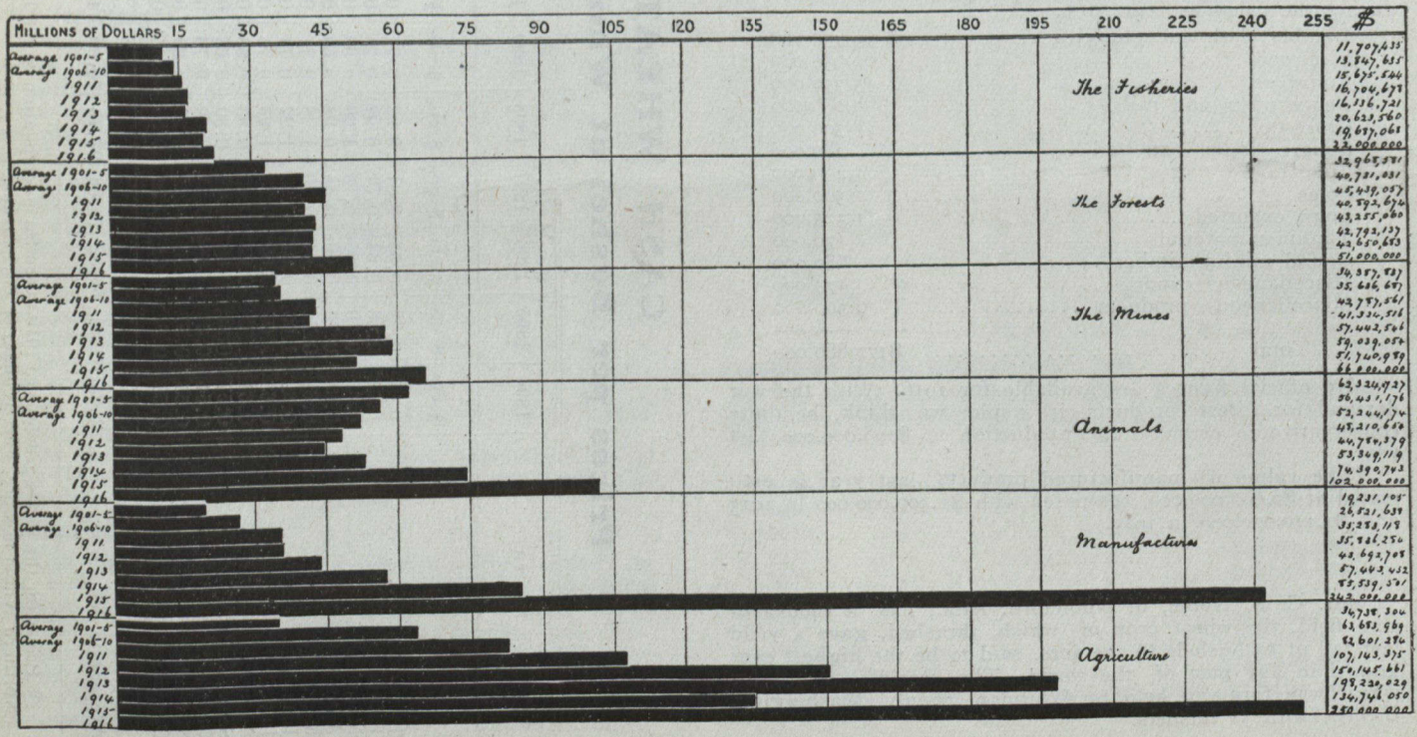
Left solely upon her own resources, she proceeded to convince the East and elsewhere that behind every dollar intelligently invested within her prairie limits there lay the mightiest and most sterling of all assets—her infinitude of magnificent land.

Nor did this process of conviction absorb anything like the predicted three decades. One crop—only one crop did it all—the crop of 1915. This shattered the illusions and demonstrated to the world that, after all, the West could stand alone, and that her prosperity did not necessarily involve any bolstering from beyond. For, in 1915, merely the grain crops of the three prairie provinces, estimated at but one-half of their current values, amounted to approximately $407,800,000, to which must be added many more millions representing other field crops, live stock, dairy and poultry products.

Again last season, most portions of the West harvested a crop which for yield is but second to the phenomenal one of 1915—a crop which, at present much higher prices, will bring in probably as much money as that of last year. Remember, too, that only a trifling fraction of our arable land has as yet come under the plough.

Canada Exported $741,000,000 of its Products Last Year

DURING the past fiscal year, exports of Canadian produce amounted to $741,000,000, as compared with $409,000,000 for the previous year and $431,588,000 for 1914. The accompanying chart, compiled by the Canadian Bank of Commerce, shows from what sources these domestic exports were made up from 1901 to 1916. Had the necessary shipping been available the figures would have been still more striking last year.



HINTS FOR FUTURE BUSINESS

Some of the Things We May Expect After the War—Canada and Export Trade

BY E. F. HUTCHINGS.

The war may end as suddenly as it started. The world may get a greater jolt than it did at the beginning of the struggle. Therefore, great care and consideration must be used especially in Canada, because we are a young and vigorous country. We are full of optimism and vim and enterprise. Therein probably lies our danger at present. All the forces of finance, manufacturing, production and young manhood are engaged in this war. If it comes to a sudden stop, some of these forces will suffer. Notwithstanding the fact that we are engaged in this great war, Canada has been prosperous, financially. In 1915, we had a good crop throughout Canada, especially in the West, for which we received good prices. Last year, we had a medium crop. Part of Western Canada produced splendid returns. In other parts, we had a light crop, but the price of everything the farmer produces is high. There will probably be the largest crop in Western Canada this year that has ever been sown, and, should the war continue until the end of the year and good prices are realized, Canada should be in a strong position, financially. On the other hand, should the war cease, and this large crop be grown, it will mean that we have gone to a lot of expense, and we shall possibly find that we have not a satisfactory market for our products.

That would mean really that we may not get war prices for 1917 wheat. The cost of raising that crop will be higher per bushel than ever before on account of the high cost of wages and of everything, in fact, that the farmers will use in producing that crop. Then, as soon as the war stops the great Russian market, which has been held up for two or three years, will be opened to the world, and, no doubt, the price of wheat will tumble accordingly. The war may not come to an end before the end of 1917, and in such case no doubt prices would be maintained; but there is the danger that this expense will have to be put into the crop, and the farmers will have to run the risk of whether or not they will be able to get war prices for their product. There will be always a fair demand for the necessaries of life, and, fortunately this is what we produce.

High prices are not only for products of the soil. They have been obtained for every necessity. When the war stops, these prices will recede. Merchants and manufacturing concerns who have a large stock on hand then must expect that their values will fall quickly, and they must expect to bear losses. They have all made money on the rise of stocks and merchandise generally. They must lose when prices go back

(Continued on page 240.)

*COMMERCIAL FAILURES IN CANADA, 1902-1916

Calendar Year	Total Commercial			Manufacturing		Trading		Other	
	No.	Assets	Liabilities	No.	Liabilities	No.	Liabilities	No.	Liabilities
		$	$		$		$		$
1902	1101	7,772,418	10,934,777	209	4,247,723	874	6,221,017	18	466,037
1903	978	4,872,422	7,552,724	227	3,043,248	725	4,243,543	26	265,933
1904	1246	8,555,875	11,394,117	307	4,138,908	914	6,577,788	25	679,421
1905	1347	6,822,005	9,854,659	289	3,129,262	1039	6,552,821	19	172,576
1906	1184	6,499,052	9,085,773	293	3,482,511	863	5,145,142	28	458,120
1907	1278	9,443,227	13,221,250	393	6,667,452	847	5,756,651	38	797,156
1908	1640	12,008,113	14,931,790	426	5,967,498	1171	8,242,436	43	712,856
1909	1442	10,318,511	12,982,800	354	3,933,938	1059	7,867,287	29	1,181,575
1910	1262	11,013,396	14,514,650	292	7,030,227	947	6,943,579	23	540,850
1911	1332	9,964,604	13,491,196	321	4,760,016	986	7,606,891	5	1,124,289
1912	1357	8,783,409	12,316,936	323	4,556,615	975	6,906,665	59	853,656
1913	1719	12,658,979	16,979 406	452	6,792,763	1216	8,681,419	51	1,505,224
1914	2898	30,909,563	35,045,095	614	11,063,191	2164	18,677,935	120	5,303,968
1915	2661	39,526,358	41,162,321	655	13,877,414	1888	21,696,890	118	5,588,017
‡1916	1788	19,450,020	26,422,441	407	9,295,405	1290	13,072,064	91	4,054,972

‡COMMERCIAL FAILURES IN CANADA FOR TWELVE MONTHS

Province	Total Commercial			Manufacturing		Trading		Other	
	No.	Assets	Liabilities	No.	Liabilities	No.	Liabilities	No.	Liabilities
		$			$		$		$
Ontario.....	552	4,212,318	6,695,665	142	2,631,577	384	2,938,632	26	1,125,456
Quebec	561	6,285,363	9,196,382	137	3,612,162	393	4,391,845	31	1,192,375
Brit. Columbia	132	2,086,860	2,299,587	35	955,458	84	955,288	13	388,841
Nova Scotia..	53	106,520	370.327	7	36,600	44	297,727	2	36,000
Newfoundl'nd	7	29,600	83,400	2	11,200	5	72,200	..	.....
Manitoba.....	162	3,620,652	3,298,283	41	1,299,756	111	1,329,927	10	668,600
New Bruns...	54	187,285	336,273	11	61,100	43	275,173	..	.....
Prince E. I...	5	8,000	61,400	..	.....	5	61,400	..	.....
Alberta.....	120	1,848,817	2,039,073	19	567,719	96	889,854	5	581,500
Saskatchewan	142	1,064,605	2,042,051	13	119,833	125	1,860,018	4	62,200
Total.....	1,788	$19,450,020	$26,422,441	407	$9,295,405	1,290	$13,072,064	91	$4,054,972

*Figures of R. G. Dun & Co., Toronto. ‡From ecember 1st, 1915, to November 30th, 1916.

CANADA'S COMMERCIAL BALANCE SHEET (Compiled for *The Monetary Times* by the Department of Trade and Commerce)

(Coin and Bullion excluded)

COUNTRIES (Fiscal years ended March 31st) IMPORTS	1911			1912			913			1914			1915			1916			
	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	ree	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	
BRITISH EMPIRE	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
1 United Kingdom	85,019,220	25,565,784	110,585,004	89,828,419	27,363,202	117,191,621	108,858,210	30,788,146	139,646,356	103,000,590	29,820,640	132,821,230	67,867,733	22,487,892	90,355,625	51,553,441	25,422,962	76,976,403	1
2 Africa—BritishEast	1,318	4,911	6,229	242,415	.....	242,415	4,598	.....	4,598	12,110	3,770	15,880	7,558	15,169	22,727	3,252	.....	3,252	2
3 British South	37,878	185,139	223,017	40,421	101,708	142,129	86,669	181,020	267,689	94,562	382,435	476,997	7,668	307,467	315,135	16,464	168,495	184,959	3
4 British West	.....	3,382	3,382	.....	.....	.....	4	135	139	4,423	25,772	30,195	.....	.....	.....	.....	50	50	4
5 Australia	267,851	244,908	512,759	255,384	170,397	425,781	249,432	189,237	438,669	611,743	250,442	862,185	157,484	227,990	385,474	17,501	1,029,481	1,046,882	5
6 Bermuda	30	8,944	8,974	78	8,918	8,996	1,518	33,218	34,736	1,815	5,724	7,539	51	23,863	23,914	60	28,783	28,943	6
7 British Guiana	3,789,544	3,657	3,793,201	5,000,360	4,270	5,004,630	3,382,622	1,812	3,384,434	3,554,353	6,547	3,560,900	2,909,514	13,601	2,923,115	5,681,148	4,902	5,686,050	7
8 British West Indies	4,952,082	1,517,300	6,469,382	4,162,967	1,382,894	5,545,861	4,362,510	1,696,449	6,058,959	2,368,940	2,116,004	4,484,944	4,267,015	1,772,580	6,039,595	4,696,006	1,658,985	6,354,991	8
9 E.Indies—Brit.Ind.	895,322	1,882,012	2,777,334	1,204,095	1,632,982	2,837,077	175,861	4,497,418	4,673,279	183,525	4,823,335	5,006,860	829,265	3,307,137	4,136,402	2,381,077	2,360,440	4,741,517	9
10 Straits Settle	145,442	83,703	229,145	188,359	247,561	435,920	254,344	267,650	521,994	223,360	341,850	565,210	206,370	788,232	994,602	205,990	49,702	255,692	10
11 Other East Indies	22,242	1,345,766	1,368,008	54,173	1,694,295	1,748,468	54,989	1,672,039	1,727,028	107,734	1,536,739	1,644,473	62,647	1,622,417	1,685,064	72,303	1,825,463	1,897,766	11
12 Fiji	217,553	1,877	219,430	130,311	70	130,381	268,004	2,074	270,078	239,180	1,537	240,717	1,996,924	.....	1,996,924	1,074,459	.....	1,074,459	12
13 Hong Kong	475,455	109,692	585,147	510,460	278,589	789,049	526,644	368,436	895,080	563,434	448,579	1,012,013	651,959	616,801	1,268,760	481,988	785,462	1,267,450	13
14 Newfoundland	35,044	1,783,263	1,818,307	17,781	1,824,265	1,842,046	12,412	2,044,885	2,057,297	24,123	1,817,436	1,841,559	14,767	1,228,553	1,243,320	797,381	782,667	1,580,048	14
15 New Zealand	128,497	785,111	913,608	569,723	753,820	1,323,543	1,602,982	1,463,603	3,066,585	2,097,488	1,204 754	3,302,242	1,298,969	2,607,493	3,906,462	346,349	2,969,733	3,316,082	15
16 Other Brit. Empire	3,821	4,096	7,917	2,611	12,176	14,787	6,629	320,896	327,525	3,090	180,541	183,631	5,973	574,840	580,813	5,878	720,898	726,776	16
Totals, Brit. Empire	95,991,299	33,529,545	129,520,844	102,207,557	35,475,147	137,682,704	119,847,428	43,527,018	163,374,446	113,090,470	42,966,105	156,056,575	80,283,897	35,594,035	115,877,932	67,333,297	37,808,023	105,141,320	
FOREIGN COUNTRIES																			
17 Argentine Republic	11,312	2,293,645	2,304,957	38,800	2,968,769	3,007,569	24,870	4,143,336	4,168,206	26,480	2,577,236	2,603,716	10,226	3,354,561	3,364,787	35,132	3,936,164	3,971,296	17
18 Austria-Hungary	1,286,102	61,463	1,347,565	1,489,125	44,094	1,533,219	1,555,644	118,705	1,674,349	1,703,382	84,091	1,787,473	581,670	31,501	613,171	1,825	60	1,885	18
19 Belgium	2,691,956	938,384	3,630,340	2,573,448	1,109,312	3,682,760	2,610,095	1,486,337	4,096,432	2,978,570	1,512,874	4,491,444	1,204,517	651,050	1,855,567	30,391	12,902	43,293	19
20 Brazil	276,864	647,183	924,047	9,211	1,094,610	1,103,821	14,511	1,281,846	1,296,357	2,370	1,161,415	1,163,785	728,180	425,797	1,153,977	859,373	28,054	887,427	20
21 CentralAmer.States	539	104,472	105,011	45,565	144,741	190,306	39,084	144,562	183,646	62,082	109,523	171,605	50,779	67,406	118,185	222,325	75	222,400	21
22 Chile	19,579	399,484	419,063	84	305,584	305,668	2	624,964	624,966	24	767,265	767,289	190	.....	190	.....	169,284	169,284	22
23 China	240,553	445,359	685,912	168,748	442,563	611,311	223,515	541,136	764,651	453,193	569,233	1,022,426	311,868	813,113	1,124,981	261,012	655,972	916,984	23
24 Cuba	743,726	311,928	1,055,654	1,456,731	314,143	1,770,874	1,998,199	747,373	2,745,572	3,362,993	569,113	3,932,106	1,520,619	183,585	1,704,204	1,149,079	244,415	1,393,494	24
25 Denmark	14,653	73,598	88,251	20,048	28,261	48,309	34,211	84,773	118,984	22,203	92,391	114,594	10,403	33,729	44,132	6,676	38,157	44,833	25
26 Danish West Indies	149,467	465	149,932	77,257	1,125	78,382	241,411	.....	241,411	259,214	.....	259,214	117,687	.....	117,687	58,307	.....	58,307	26
27 Dutch East Indies	1,787,630	30,453	1,818,083	1,317,426	54,543	1,371,969	3,602,959	252,022	3,854,981	332,197	99,073	431,270	47,000	81,589	128,589	26,238	137,854	164,092	27
28 Dutch West Indies	.....	9,444	9,444	.....	378	378	138	.....	138	.....	367	367	.....	.....	.....	.....	.....	.....	28
29 Egypt and Soudan	34,326	605	34,931	47,987	68	48,055	49,517	813	50,330	45,309	852	46,161	20,845	8,820	29,665	6,540	811	7,351	29
30 France	9,570,179	2,185.128	11,755,307	9,766,582	2,119,124	11,885,706	11,830,211	3,698,017	15,528,228	12,043,909	2,360,367	14,404,276	6,995,425	1,256,185	8,251,610	4,712,453	1,001,600	5,714,053	30
31 French Africa	230	3,598	3,828	.....	9,180	9,180	28	5,429	5,457	1,098	40,486	41,584	3,216	5,478	8,694	4	.....	4	31
32 French West Indies	.....	.....	.....	.....	616	616	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	32
33 Germany	7,553,299	2,533,900	10,087.199	7,998,895	3,147,844	11,146,739	10,277,322	4,196,511	14,473,833	11,176,198	3,509,871	14,686,069	3,760,566	1,149,289	4,909,855	7,763	880	8,643	33
34 Greece	453,220	427	453,647	564,377	240	564,617	556,394	225	556,619	440,559	225	440,784	414,173	1,958	416,131	324,315	11,215	335,530	34
35 Hawaii	4,685	21,124	25,809	16,881	17,311	34,192	28,555	18,171	46,726	52,480	11,380	63,860	22,106	9,395	31,501	19,097	1,700	20,797	35
36 Hayti	.....	5	5	.....	28	28	.....	.....	.....	.....	106	106	.....	.....	.....	.....	.....	.....	36
37 Holland	990,911	850,004	1,840,915	1,167,072	1,276,194	2,443,266	1,474,547	1,745,243	3,219,790	1,649,550	1,537,437	3,186,987	1,335,815	589,013	1,924,828	644,792	233,403	878,195	37
38 Italy	687,482	334,323	1,021,805	776,133	424,321	1,200,454	1,334,108	502,200	1,836,308	1,485,592	661,773	2,147,365	1,090,291	417,257	1,507,548	679,900	286,846	966,746	38
39 Japan	1,173,171	1,251,767	2,424,938	1,689,443	1,209,668	2,899,111	1,753,544	1,384,990	3,138,534	1,474,804	1,140,246	2,615,050	1,331,297	1,481,323	2,812,620	2,242,517	7.836,756	4,079,273	39
40 Mexico	9,572	485,396	494,968	15,045	994,672	1,009,717	37,045	3,105,536	3,142.581	36,847	1,433,724	1,470,571	58,497	1,267,736	1,326.233	326,772	418,673	745,445	40
41 Norway	385,215	40,948	426,163	294,836	25,746	320,582	423,148	61,502	484,650	472,180	39,861	512,041	319,931	68,878	388,809	176,718	68,124	244.842	41
42 Panama	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	42
43 Peru	163,251	2,665	165,916	74,126	.....	74,126	429,581	.....	429,581	647,632	1,000	648 632	1,359,940	86,696	1,446,636	1,079,359	373,180	1,452,539	43
44 Philippines	7,900	30,401	38,301	3,863	66,020	69,883	4,795	19,323	24,118	5,129	800	5,929	1,399	3,976	5,375	811	11,268	12,079	44
45 Porto Rico	48	140	188	153	635	788	.....	99	99	22	1,591	1,613	.....	.....	.....	3	.....	3	45
46 Portugal	162,470	24,536	187,006	199,118	58,157	257,275	291,551	69,247	360,798	260,566	21,067	281,633	200,072	19,177	219,249	137,046	43,470	180,516	46
47 Port. Africa (Azores)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4,217	.....	4,217	47
48 Roumania	315	2,195	2,510	118	635	753	499	680	1,179	6,956	750	7,709	4,379	185	4,564	.....	.....	.....	48
49 Russia	26,969	240,239	267,208	27,906	312,622	340,528	28,447	893,763	922,210	21,782	461,649	483,431	61,013	42,941	103,954	8,368	115,699	124,067	49
50 San Domingo	843,831	.....	843,831	1,012,462	2,806	1,015,268	1,871,942	.....	1,871,942	3,166,144	.....	3,166,144	3,464,512	.....	3,464,512	3,288,695	124	3,288,819	50
51 S.Pierre & Miquelon	38,735	1,942	40,677	27,813	4,768	32,581	13,553	1,911	15,464	29,546	2,653	32,196	40,264	2,022	42.286	1,924	3,016	4,940	51
52 Spain	1,062,224	65,310	1,127,534	1,203,986	99,721	1,303,707	1,165,704	55,178	1,220,882	1,276,335	78,289	1,354,624	902,908	76,097	979,005	494,197	87,356	581,553	52
53 Sp.Africa(C'n'ry Is.)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	53
54 Sweden	241,002	40,855	281,857	262,994	74,731	337,725	407.056	68,155	475,211	577,107	87,974	665,081	412,153	134,547	546,700	53,060	46.988	100,048	54
55 Switzerland	3,100,207	49,580	3,149,787	3,459.720	47,477	3,507,197	4,344,293	68,440	4,412,733	4,293,182	61,844	4,355,026	3,943,913	58,869	4,002,782	3,384,528	50,816	3,435,344	55
56 Turkey	454.775	101,920	556,695	423,011	49,780	472,791	407,980	127,897	535,877	432,313	82,081	514,394	279,119	16,378	295.497	27,145	.....	27,145	56
57 United States	161,535,448	122,789,873	284,325,321	204,870,045	137,349,086	342,219,131	288,989,870	160,960,173	449,950,043	262,999,229	147,586,020	410,585,249	207,614,812	130,122.833	337,737,645	221,797,959	172,116,601	393,914,560	57
58 Alaska	262	139,854	140,116	1,200	61,072	62,272	24,738	38,671	63,409	169,836	37,655	207.491	109,053	17,524	126.577	187,829	1,629	189,458	58
59 Colombia	84,370	30,476	114,846	27,488	73,153	100,641	.....	139,852	139,852	.....	150,545	150,545	67,963	114.425	182,388	144,515	.....	144,515	59
60 Uruguay	5,800	500	6,300	.....	314,511	314,511	684	160,191	160,875	936	54,702	55,638	1.415	11,347	12,762	.....	280,437	280,437	60
61 Venezuela	.....	90,839	90,839	.....	148,002	148,002	8,908	193,842	202,750	3,560	129,683	133,243	53,392	158,590	211,982	113,227	789	114 016	61
62 Other For.Countries	15,224	58,556	73,780	34,828	45,123	79,951	140,100	50,095	190,195	262,597	183,599	446,196	215.589	143,503	359,092	345,605	30,239	375.844	62
Total s, For. Coun	195,827,502	136,692,984	332,520,486	241,162,525	154,441,434	395,603,959	336,238,759	186,991,208	523,229,967	312,234,106	167,220,811	479,454,917	238,667,197	142,906.773	381,573,970	242,859,717	182,244,557	425,104,274	
Grand Totals	291,818,801	170,222,529	462,041,330	343,370,082	189,916,581	533,286,663	456,086,187	230,518,226	686,604,413	425,324,576	210,186,916	635,511,492	318.951,094	178,500,808	497,451,902	310,193,014	220,052,580	530,245,594	

	COUNTRIES (Fiscal years ended March 31st) EXPORTS	1911			1912			1913			1914			1915			1916			
		Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	
	BRITISH EMPIRE	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
1	United Kingdom	132,156,924	4,806,047	136,962,971	147,240,413	4,592,966	151,833,379	170,161,903	7,820,099	177,982,002	215,253,969	7,068,323	222,322,292	186,668,554	25,089,164	211,757,718	451,852,399	11,228,842	463,081,241	1
2	Africa—British East	10,239	.....	10,239	22,172	.....	22,172	51,022	6	51,028	57,103	25	57,128	59,838	.....	59,838	76,681	.....	76,681	2
3	British South	2,295,731	25,609	2,321,340	2,411,252	7,241	2,418,493	3,332,040	8,473	3,340,513	3,831,270	3,322	3,834,592	4,585,791	59,798	4,645,589	5,456,201	52,880	5,509,081	3
4	British West	23,290	.....	23,290	54,721	.....	54,721	82,830	.....	82,830	39,011	.....	39,011	40,927	.....	40,927	128,508	50	128,558	4
5	Australia	3,900,212	25,380	3,925,592	3,924,023	22,992	3,947,015	3,954,481	41,906	3,996,387	4,673,997	31,825	4,705,822	5,522,594	30,092	5,552,686	7,748,051	25,158	7,773,209	5
6	Bermuda	467,596	9,870	477,466	526,517	16,755	543,272	414,644	23,867	438,511	383,151	21,958	405,109	357,712	10,551	368,263	435,615	12,866	448,481	6
7	British Guiana	614,070	8,665	622,735	576,365	7,171	583,536	627,244	3,236	630,480	649,675	3,061	652,736	675,660	3,137	678,797	1,207,134	4,770	1,211,904	7
8	British West Indies	3,991,490	121,780	4,113,270	3,967,748	66,677	4,034,425	3,915,172	45,453	3,960,625	4,469,329	20,540	4,489,869	4,333,095	33,697	4,366,792	4,115,872	19,029	4,134,901	8
9	E. Indies—Brit. Ind.	57,612	2,196	59,808	156,335	633	156,968	226,184	416	226,600	416,373	1,106	417 479	415,105	575	415,680	904,889	11,425	916,314	9
10	Straits Settle	67,955	.....	67,955	131,647	168	131,815	228,606	.....	228,606	230.455	1,099	231.554	245,355	101	245,456	281,734	.....	281,734	10
11	Other East Indies	6,611	150	6,761	19,675	121	19,796	7,243	.....	7,243	39,496	250	39,746	23,905	.....	23,905	44,217	.....	44,217	11
12	Fiji	115,388	1,579	116,967	125,615	144	125,759	144,898	641	145,539	118,441	282	118,723	112.355	324	112.679	196,308	770	197,078	12
13	Hong Kong	513,372	2,733	516,105	564,729	14,640	579.369	774,954	189	775,143	1,879,261	3,020	1,882,281	653,838	1,215	655,053	779,358	34,615	813 973	13
14	Newfoundland	3,714,332	160,338	3,874,670	4,131,602	151,955	4,283,557	4,472,717	254,805	4,727,522	4,508,090	232,555	4,740,645	3,976,160	216,303	4.192.463	4,820,395	246,529	5,066,924	14
15	New Zealand	999,277	5,093	1,004,370	1,330,762	10,070	1,340,832	1,694,408	3,685	1,698,093	1,933,698	2,178	1,935,876	2,619,556	4,299	2,623,855	3,307,404	54,595	3,361,999	15
16	Other Brit. Empire	33,343	125	33,468	58,425	128	58,553	93,321	147	93,468	159,198	60	159,258	260,324	1,268,781	1,529,105	1,135,474	364,614	1,500,088	16
	Totals, Brit. Empire	148,967,442	5,169,565	154,137,007	165,242,001	4,891,661	170,133,662	190,181,667	8,202,923	198,384,590	238,642,517	7,389,604	246,032,121	210,550,769	26,718,037	237,268,806	482,490,240	12,056,143	494,546,383	
	FOREIGN COUNTRIES																			
17	Argentine Republic	3,021,537	171	3,021,708	2,975,908	76	2,975,984	2,251,855	11,969	2,263,824	2,134,522	751	2,135,273	634,387	5,082	639,469	2,398,628	27	2,398,655	17
18	Austria-Hungary	152,463	4,468	156,931	55,662	203	55,865	154,165	429	154,594	368,425	10,399	378,824	220,654	59.134	279,788	.....	.....	.....	18
19	Belgium	1,908,357	865,087	2,773,444	2,851,044	881,178	3,732,222	4,241,568	567,429	4,808,997	4,269,394	550,449	4,819,843	2,220,709	1,038,650	3,259,359	334,762	.....	334,762	19
20	Brazil	1,032,829	.....	1,032,829	760,910	12,778	773,688	974,462	.....	974,462	767,858	.....	767,858	541,998	517	542,515	1,059,700	82,405	1,142,105	20
21	CentralAmer.States	102,446	319	102,765	126,439	5,800	132,239	103,480	1,320	104,800	113,482	632	114,114	72,760	57	72,817	61,396	.....	61,396	21
22	Chile	232,502	.....	232,502	175,253	.....	175,253	136,107	.....	136,107	134,457	21	134,478	55,302	45	55,347	88,634	.....	88,634	22
23	China	525,477	4,344	529,821	413,899	908	414,807	740,690	1,270	741,960	473,074	105	473,179	294,251	2,152	296,403	536,332	150	536,482	23
24	Cuba	1,761,882	83,287	1,845,169	2,024,617	72,161	2,096,778	1,496,857	29,986	1,526,843	1,815,414	13,107	1,828,521	1,482,649	39,342	1,521,991	1,419,087	12,203	1,431,290	24
25	Denmark	443,035	.....	443,035	605,609	3,454	609,063	785,606	.....	785,606	637,286	607	637.893	529,690	190.230	719,920	111,432	1,556	112,988	25
26	Danish West Indies	16,854	112	16,966	11,489	98	11,587	17,870	191	18,061	15,207	173	15,380	13,536	35	13,571	7,537	.....	7,537	26
27	Dutch East Indies	2,551	.....	2,551	7,001	.....	7,001	11,578	.....	11,578	20,366	.....	20,366	25,927	.....	25,927	272,710	.....	272,710	27
28	Dutch West Indies	432	.....	432	917	.....	917	3,853	.....	3,853	2,289	.....	2,289	6,715	.....	6,715	7,701	.....	7,701	28
29	Egypt and Soudan	14,044	.....	14,044	5,904	.....	5,904	35,947	.....	35,947	62,677	.....	62,677	26,464	.....	26,484	39,493	346	39,839	29
30	France	2,535,304	246,788	2,782,092	2,048,768	74,937	2,123,705	2,357,154	207,449	2,564,603	3,632,444	178,118	3,810,562	10,499,680	4,096,025	14,595,705	33,703,183	2,382,630	36,085,813	30
31	French Africa	29,921	.....	29,921	223,521	.....	223,521	65,409	.....	65,409	57,105	.....	57,105	4,170	.....	4,170	12,536	4	12,540	31
32	French West Indies	5,626	.....	5,626	12,141	.....	12,141	30,161	.....	30,161	20,862	.....	20,862	32,479	.....	32,479	103,895	.....	103,895	32
33	Germany	2,028,649	634,368	2,663,017	3,577,847	237,067	3,814,914	3,049,105	353,289	3,402,394	4,044,019	389,717	4,433,736	1,447,391	714,619	2,162,010	.....	.....	.....	33
34	Greece	4,921	130,426	135,347	8,644	.....	8,644	65,658	.....	65,658	11 934	.....	11,934	87.485	.....	87.485	222,330	.....	222,330	34
35	Hawaii	142,677	90	142,767	133,147	564	133,711	76,498	125	76,623	29,672	5,741	35,413	70,591	700	71,291	35,756	3,783	39,539	35
36	Hayti	47,711	34	47,745	26,218	.....	26,218	33,069	.....	33,069	37,783	.....	37,783	4.295	.....	4,295	2,119	.....	2,119	36
37	Holland	1,008,049	388,970	1,397,019	1,434,379	348,347	1,782,726	2,380,983	360,730	2,741,713	3,985,987	1,522,819	5,508,806	1,623,405	3,631,424	5,254,829	1,815,950	747,676	2,563,626	37
38	Italy	374,470	4,800	379,270	282,225	2,866	285,091	328,148	277,571	605,719	514,660	140,596	655,256	521,802	1,319.108	1,840,910	6,572,687	4,160,601	10,733,288	38
39	Japan	616,230	3,759	619,989	486,441	1,127	487,568	1,137,867	1,731	1,139,598	1,587,467	1,600	1,589,067	963,631	73,370	1,037,001	996,575	1,665	998,240	39
40	Mexico	1,267,568	582	1,268,150	494,723	772	495,495	218,371	47	218,418	51,747	155	51,902	18,551	.....	18,551	72,819	14,344	87,163	40
41	Norway	412,915	20	412,935	618,738	835	619,573	673,304	727	674,031	845,331	53	845,384	1,000,715	75	1,000,790	458,530	12	458,542	41
42	Panama	315,522	5,918	321,440	224,649	4,609	229,258	191,953	14,845	206,798	222,741	953	223,694	125,630	3,406	129,036	153,556	.....	153,556	42
43	Peru	34,466	.....	34,466	12,825	48	12,873	11,120	.....	11,120	11,817	.....	11,817	13,141	.....	13,141	47,182	80	47,262	43
44	Philippines	58,305	.....	58,305	22,431	93	22,524	75,404	.....	75,404	60,806	.....	60,806	41,574	.....	41,574	7,323	.....	7,323	44
45	Porto Rico	504,005	2,759	506,764	689,424	196	689,620	609,375	2,431	611,806	542,962	324	543.286	468,698	.....	468,698	699,460	3,256	702,716	45
46	Portugal	88,088	.....	88,088	70,390	.....	70.390	49,142	.....	49,142	55,481	.....	55,481	25,206	763,279	788,485	56,726	.....	56 726	46
47	Portuguese Africa	170,892	50	170,942	72,819	.....	72,819	103,808	.....	103,808	91,296	.....	91,296	79,611	.....	79,611	76 182	421	76,603	47
48	Roumania	140,145	44	140,189	97,395	.....	97,395	106,052	.....	106,052	69,800	.....	69,800	3,150	.....	3,150	.....	.....	.....	48
49	Russia	1,176,571	.....	1,176,571	1,241,438	36	1,241,474	2,145,211	25	2,145,236	1,430,426	1,154	1,431,580	1,270,941	60,250	1,331,191	4,874,152	1,863,000	6,737,152	49
50	San Domingo	31,335	.....	31,335	29,254	.....	29,254	53,050	.....	53,050	59,721	.....	59,721	3,938	.....	3.938	12,919	.....	12,919	50
51	S.Pierre & Miquelon	142,687	3,767	146,454	138,035	4,816	142,851	155,927	6,748	162,675	114,827	8,466	123,293	141,097	14.235	155,332	154,920	16,650	171,570	51
52	Spain	27,580	363	27,943	114,546	18	114,564	48.628	.....	48,628	63,995	4	63,999	243,001	246,679	489.680	634,977	21	634,998	52
53	Sp.Africa(C'n'ry Is.)	19,271	.....	19,271	6,607	.....	6,607	12,923	.....	12,923	21,639	.....	21,639	29,841	328	30,169	24,598	.....	24,598	53
54	Sweden	108,623	360	108,983	129,309	5	129,314	121,582	540	122,122	177,313	179	177,492	172,796	500	173,296	53,440	.....	53,440	54
55	Switzerland	17,545	5,128	22,673	16,329	3,189	19,518	7,599	7,753	15,352	21,439	25,276	46.715	11,853	4,592	16,445	224,535	754,568	979,103	55
56	Turkey	17,691	.....	17,691	27,111	2,500	29,611	58,255	1,650	59,905	469,378	.....	469,378	3,979	1,982	5,961	.....	.....	.....	56
57	United States	104,115,823	8,092,853	112,208,676	102,041,222	10,915,073	112,956,295	139,725,953	11,235,722	150,961,675	163,372,825	13,575,474	176,948,299	173,320,216	13,022,640	186,342,856	201,106,488	15,562,774	216,669,262	57
58	Alaska	439,064	32,926	471,990	335,887	26,553	362,440	345,140	24,736	369,876	134,238	32,308	166.546	297,282	16.595	313,877	331.558	24,708	356,266	58
59	Colombia	36,945	533	37,478	23,550	.....	23,550	37,304	2,119	39,423	25,686	.....	25,686	24,027	90	24,117	32,259	.....	32,259	59
60	Uruguay	77,010	.....	77,010	191,642	.....	191,642	160,636	.....	160,636	90,615	.....	90.615	52,820	.....	52,820	33,101	.....	33,101	60
61	Venezuela	32,995	.....	32,995	22,982	319	23,301	65,892	.....	65,862	139,264	.....	139,264	56,196	.....	56,196	98,567	.....	98,567	61
62	Other For.Countries	106,098	1,766	107,864	112,567	7	112,574	118,214	.....	118,214	136,191	.....	136,191	83,813	495	84,308	164,663	409	165,072	62
	Totals, For.Coun.	125,349,111	10,514,092	135,863,203	124,981,856	12,600,633	137,582,489	165,572,933	13,110,832	178,683,765	192,945,922	16,459.181	209,405,103	198,868,067	25,305,636	224,173,703	259,120,398	25,633,289	284,753,687	
	Grand Totals	274,316,553	15,683,657	290,000,210	290,223,857	17,492,294	307,716,151	355,754,600	21,313,755	377,068,355	431,588,439	23,848,785	455,437.224	409.418,836	52,023,673	461,442,509	741,610,638	37,689,432	779,300,070	

CANADIAN TEA IMPORTS MAKE RECORD

Last Year Net Imports Were 37,225,882 Pounds—Where We Get Our Tea

BY P. C. LARKIN.

The tea trade in Canada during the past twelve months has been no less beset by fears and alarms than has the majority of businesses and, although the cost to the consumer is slightly higher than it was before the war, Canadian consumers still enjoy a lower price for tea than do those of any other country in the world.

Freights, before the war, from Colombo or Calcutta to Toronto or Montreal were about 2½ cents per pound: since then they have risen to 8½ cents per pound, and it is very difficult to get freights even at this price. Taking it all around, the public are well served, for when one considers that a pound of tea at, say, 50 cents a pound will make about 375 cups of tea of very satisfactory infusion, it is a remarkably cheap beverage; coffee, for instance, only yields forty cups to the pound.

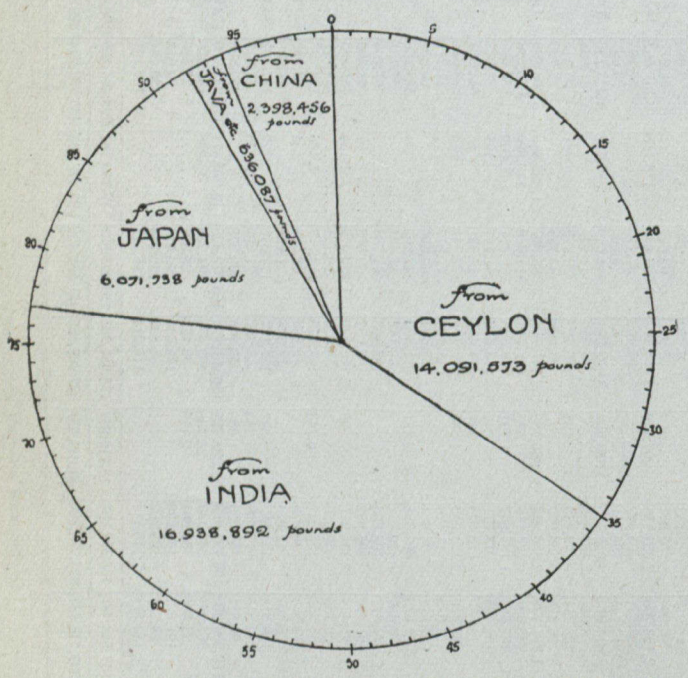


Chart showing imports of tea into Canada for the twelve months ended March, 1916, according to countries of origin.

The popular form in which tea is sold in Canada is in packets, and not since early in 1915 has any increase been made in the standard price of packet tea, and this, although teas to-day are literally costing 6 cents per pound more to lay down in Canada than they were this time last year. In the face of this it is a well-known fact that the packet tea men are by no means making money; and it has been thought on the street that they were losing money heavily, that is, during the past three or four months.

The latest available figures of the imports of tea are those for the twelve months ending March, 1916, and in that period a total of 40,136,746 pounds entered Canada, the largest quantity ever yet imported in one year, and, after allowing for exports to the United States and Newfoundland, a net total of 37,225,882 pounds would appear to have been consumed in Canada during the twelve months. Of this total 31,030,465 pounds came from Ceylon and India, the balance from Japan, China and the East Indies. From the figures for the past nine years the most remarkable fact is the rapid increase in the imports of Ceylon and India teas, nearly twice the number of pounds being imported from these countries in 1916 as in the year 1907.

The largest consumer of tea in the world is Australia, where the per capita consumption is something like eight pounds of tea a year. In England the per capita consumption is nearly seven pounds a year, and in Canada about five pounds a year. The world over, however, tea is rapidly gaining more devotees, and, although a greater quantity of leaf was exported from the tea producing countries this year, the increased demand more than offset this, and the market prices were well maintained for this reason.

Tea and Prohibition.

Tea is in great demand by all the belligerent nations in Europe, its stimulating and refreshing effects, coupled with its great portability, making it the choice of the commissariat departments. 20,500,000 pounds have been delivered to the British forces in France and to the Naval Department during the past nine months, and this is compared with 10,750,000 pounds for a similar period a year ago. Now that vodka has been abolished in Russia there has been a large increase in the consumption of tea there, although the Russian duty of about 35 cents a pound makes the retail price prohibitive to many as yet. There seems no doubt, from the experience of other nations, that we shall see a marked tendency to use more tea in Canada now that prohibition is in force with such a large proportion of the population.

The years 1914 and 1915 were the largest tea-crop years on record and the increased production amounted to about 100 million pounds: during the season just past the yield dropped about 25 million pounds, and this is thought to be responsible for the steadily increasing market prices.

HINTS FOR FUTURE BUSINESS

(Continued from page 237.)

to normal. We do not know just when this factor is coming. Therefore, it behoves every good business man to keep his stock only at normal, to keep his accounts well collected, and to keep out of debt.

New York is making a great effort to unload Russian and other bonds in Canada. Although the Russian and other bonds seem to be a good investment, every time a Canadian dollar goes into those investments, the gold must move to New York to cover them. Then the money goes to United States manufacturers. They get the benefit of the profit on the manufactured war goods while Canada is putting up the gold, which stimulates these United States industries. Suppose that a large amount of those foreign bonds are placed on the Canadian market and sold, and the war stopped soon, this would separate Canada from a large portion of her gold reserves. As our bank circulation is based on these gold reserves, it would mean the tying up of the bank circulation, making bank money probably as tight as it was two and a half years ago at the end of our land boom.

More Business Here.

If we had been as wise as some of the New York banking and brokerage institutions, we might have adopted their methods in Canada to some extent. We might have got a larger amount of business out of the war, especially the foreign trade. If our financial institutions had taken up, even to a much smaller degree than Morgans have in New York, and worked along the same lines, we could have exported a far larger amount of manufactured war goods to Russia and France. We could have marketed the Russian or French bonds here. They would have paid for those goods made in Canada, and we would have had not only the benefit of speculation or profit in the bonds, but we might have had also the benefit of the profit on the goods produced as well. Our gold would not have left Canada, but would have been retained here. Every man who buys a Russian or foreign bond in the United States is assisting to stimulate the trade of the United States.

Our great need is a comprehensive and well-organized immigration scheme. This should be planned now and put into force as soon as the war closes. There should be thrift on the part of Canadians, an attempt to keep out of debt, and efficiency. The consuming public, especially the ladies, should see to it that the goods required and used by them are of Canadian production. This with Canadian enterprise, good sense and push, will keep Canada prosperous.

Enters a new business at $100,000 a year

The Board of Directors of a gigantic wholesale grocery concern had gathered to select a new president.

A keen, broad-minded director arose and said: "I know the man we want." He named the president of a great National Bank.

"What!" cried one astonished director, "what does a banker know about *our business?*"

"This man knows more than just banking," was the answer. "Banking, like wholesaling, is only one phase of business. This man is not limited to any one field. He knows all the departments of business—finance, economics, organization, selling, accounting." They discussed the matter from all standpoints. Finally they unanimously agreed to get him if they could.

The banker accepted the presidency of the wholesale grocery concern at a salary of $100,000.

In a surprisingly short time he had completely reorganized the whole concern.

New, well-planned office short cuts replaced the old, roundabout methods.

Methods of shipment and distribution were completely revolutionized. And to-day this company is reaping the benefits of the changes made, in the form of increased dividends amounting to hundreds of thousands of dollars.

The inspiring success of this banker, in a business totally new to him, was the result of his broad business training. His greatness lay in his knowledge of business fundamentals. Each move, each decision he made, was backed up by a clear, intelligent grasp of the *why* and the *how* of the problems he had to solve.

The problems this man had to face were far more complicated than those listed below. Yet these comparatively simple problems are the very rocks upon which business careers are smashed. Sooner or later, you too, will meet these questions. How will you answer them?

Do you know why most inexperienced promoters fail trying to raise money for a new business, and how to avoid their mistakes .....?

Do you know the vital difference to a business man between "getting a loan" and "discounting his note," and when each is necessary.....?

Can you answer a letter of complaint so as to satisfy the complainant and yet preserve the firm's prestige.....?

What are the six things a business man should watch for and satisfy himself on before he signs his name to a business paper.....?

By comparison of a series of financial statements, can you tell whether the business is going as it should, and then put your finger on the weakness or strength shown.....?

Can you analyze the market of a proposition so as to tell accurately whether it will be cheaper to sell direct by mail, or thru usual trade channels .....?

The knowledge that carries men thru

You cannot catalog the answers to these broad questions. Circumstances vary. But the big underlying principles always remain the same. It is the knowledge of the basic principles that carries men thru to success.

It is this broad grasp of the fundamentals of business that the Alexander Hamilton Institute is giving to more than 50,000 business men today.

The Modern Business Course and Service of the Alexander Hamilton Institute gives you a logical foundation on which to build your future business knowledge and experience. All departments of business are covered and presented to you in interesting, practical form.

The kind of men enrolled

Presidents of big corporations are often enrolled in the Alexander Hamilton Institute along with ambitious young clerks in their employ. Among the 50,000 subscribers are such men as H. C. Osborn, President, American Multigraph Sales Co.; Melville W. Mix, President of the Dodge Mfg. Co., a $1,500,000 corporation; Geo. M. Verity, President of the American Rolling Mills, a $5,000,000 corporation; Wm. H. Ingersoll, Marketing Manager of the biggest watch company in the world; N. A. Hawkins, General Sales Manager of the Ford Motor Co.—and scores of others equally prominent.

Advisory Council

Business and educational authority of the highest standing is represented in the Advisory Council of the Alexander Hamilton Institute. This Council includes Frank A. Vanderlip, President of the National City Bank of New York; Judge E. H. Gary, head of the U. S. Steel Corporation; John Hays Hammond, the eminent engineer; Joseph French Johnson, Dean of the New York University School of Commerce, and Jeremiah W. Jenks, the publicist.

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Canada's Export Trade Analyzed

Where Canadian Merchandise Went Last Year—Primary Industries Have Helped to Increase Total—Some Striking Changes.

By WILLIAM LEWIS EDMONDS.

Canada's export trade during the fiscal year 1916 was easily the most striking in the history of the Dominion. And it was striking in more respects than one.

When war broke out one of the things that caused much perturbation in the minds of men of finance and of business was the outlook for the export trade, for it was realized that unless Canada could on the one hand at least maintain such hold as she then had upon her markets abroad, and on the other hand diminish her imports, her financial position might be seriously imperilled.

That there was good ground for this seriousness there can be no doubt. During the preceding years of abnormal prosperity which we had been enjoying, we had been living as if we believed a recurrence of business depression was among the remotest of possibilities.

Undoubtedly, the business life of the country was developing in an extraordinary manner. We boasted that there was nothing like it in history to equal it. And there was ground for this stand, for it possessed a strong element of truth. But it caused us, to some extent, to lose our head.

Instead of acting like wise business men, and making borrowings fit in with necessities, we acted more like adventurers and borrowed money lavishly, at the rate of about 300 million dollars annually. But that was not the only direction in which indiscretion was manifested. Still another was in regard to purchases abroad. These were so free and liberal that year after year the balance of imports over exports grew steadily larger.

Adverse Trade Balance Increased.

In spite of the marked development in home industries and the rapid increase in immigration, the value of imports per capita increased from $44.53 in 1905 to $80.59 in 1914. The annual adverse trade balance increased in the same period from $63,517,000 to $171,748,000. This, with the interest charges of about $135,000,000 which we had to meet annually on the money borrowed abroad, meant to all intents and purposes an adverse trade balance of something like $306,000,000 in the year the war broke out.

As the London money market was closed with the outbreak of hostilities, it was not possible to obtain from that quarter funds which would enable Canada to live on borrowed capital to the extent it formerly had.

When the German raiders were swept from the "seven seas," and it became apparent that the British navy was equal to the task of keeping the enemy's fleet in the Kiel canal, the outlook for the export trade became brighter. Then, when the demand set in from Great Britain and her allies for the products of fields, factories, forests, fisheries and mines, and, later still, when orders were placed in Canada for munitions, the outlook took on a brighter hue. But even then, no one dreamed that the export trade would develop to the extraordinary extent that it has.

Compared with the export trade in domestic and foreign merchandise for the fiscal year 1914, that of 1916 increased by the enormous sum of $323,862,846, or over 71 per cent.

Another extraordinary feature is that the exports of merchandise exceeded the imports of the same by no less than $271,516,709, a sum sufficient to meet interest charges abroad for a period of two years in pre-war times. It may be said that for the time being the enormous favorable trade balance of exports over imports has transformed Canada from a debtor to a creditor nation.

Primary Industries have Helped.

But still another striking feature is the fact that the exports of 1916 exceed by nearly ten million dollars the aggregate foreign trade—imports and exports combined—of five short years ago. That this is a remarkable achievement is evident upon the face of it.

And a further gratifying feature in regard to the export trade is that all primary and diversified industries have participated in the increase, as will be seen from a glance at the following summary which shows the exports, domestic and foreign, 1916 and 1914, compared:—

	1916.	1914.	Increase.
Mine products	$ 73,919,398	$ 59,233,906	$ 14,174,549
Fish and its products	22,591,284	20,734,849	1,856,435
Forest products	51,698,284	43,386,087	8,312,197
Animals and their produce	105,819,190	54,612,072	51,207,118
Agricultural products	266,875,190	206,815,718	60,059,472
Manufactured goods ..	250,052,223	67,602,238	182,449,985
Miscellaneous	8,344,501	3,052,354	5,292,149
	$779,300,070	$455,437,224	$323,862,846

While all these increases are substantial, and in most instances remarkable, yet the most striking increase is, of course, that in manufactured goods, the percentage of gain being nearly 270.

Manufactured Exports were Large.

At the same time, however, the sum of $250,000,000 does not fully represent the actual total value of the manufactured goods exported in 1916, there being several important lines, the product of Canadian factories, which are not included in these figures, but are allocated to other classifications.

For example, under "products of the mine," we have such products of the smelters as silver, copper, lead, etc.; under the classification of "agricultural products," flour, oatmeal, prepared cereal foods, canned fruits, canned vegetables; under "animal products," butter, cheese, canned meats, condensed milk and cream, and dressed furs; under "fisheries," canned fish of all descriptions; under "forest products," lumber of all kinds, shingles, shooks, staves, etc.

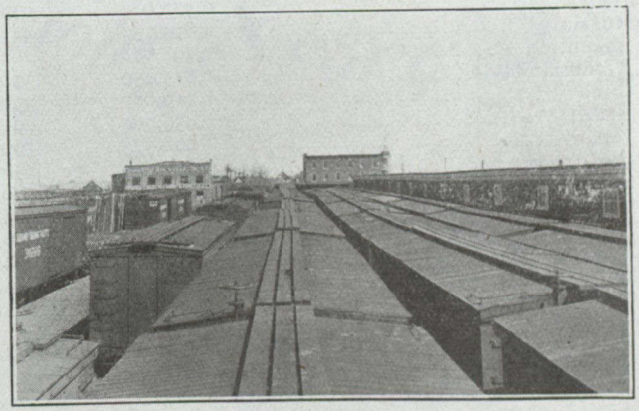
The Canadian Year Book, issued by the department of trade and commerce, classifies these and other lines which might be mentioned, as manufactured goods. They are also so classified in the census returns. Notwithstanding that they are not so classified in the trade and navigation returns issued by the department of finance, we have, therefore, good authority, aside altogether from the basis of reason, to include them when we are endeavoring to arrive at an estimate of the total value of Canada's export trade in manufactured goods.

The principal articles of this class which were exported during the fiscal year 1916, but which did not appear under the classification of manufactured goods, were as follow: Fine copper, $10,818,000; pig copper, $3,851,000; silver in concentrates, $14,298,000; nickel, matte, etc., $7,714,769; salt, $41,854; canned herring, $106,638; canned lobster, $2,692,678; canned salmon, $6,318,000; fish oil, $229,866; laths, $2,246,777; pickets, $238,568; planks and boards, $23,885,000; shingles, $3,644,000; shooks, $461,934; butter, $1,050,000; cheese, $27,495,000; condensed milk in cans, $770,577; dressed furs, $120,758; canned meats, $2,734,000; canned and preserved fruit, $866,449; flour, $35,771,000; oatmeal, $471,000; prepared cereal foods, $1,950,000; canned vegetables, $641,000.

In round numbers the sum total of this list is $140,600,000, and yet it does not include all that might be taken into account as manufactured goods. But added to the $250,000,000 worth of merchandise classified as manufactured goods exported, we have a total of $390,600,000.

Countries to Which Exports Increased.

Naturally, the largest increase in the exports of domestic merchandise was on British account. The total value of the merchandise shipped to Great Britain was $451,852,399, compared with $236,598,430 in 1914, an increase of 109.91 per cent. The proportion which the exports to Great Britain bore to the total to all countries was 60.86 per cent., compared with 49.88 in 1914. Taking the British empire as a whole the proportion was a little over 65 per cent., as against 55.22 per cent. in 1914.



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Extensive Coal Fields. Several Mines in actual operation within City limits.

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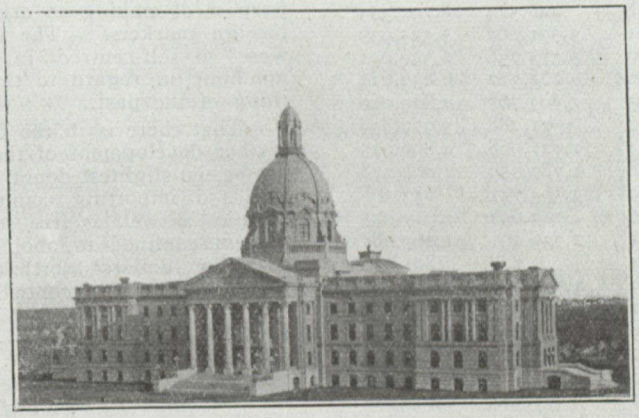

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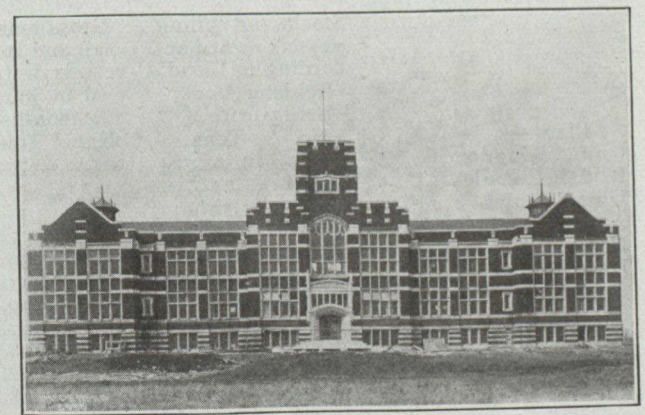
Railway Divisional Point. Gateway to the Great North West and Peace River country.

HEALTHY CLIMATE



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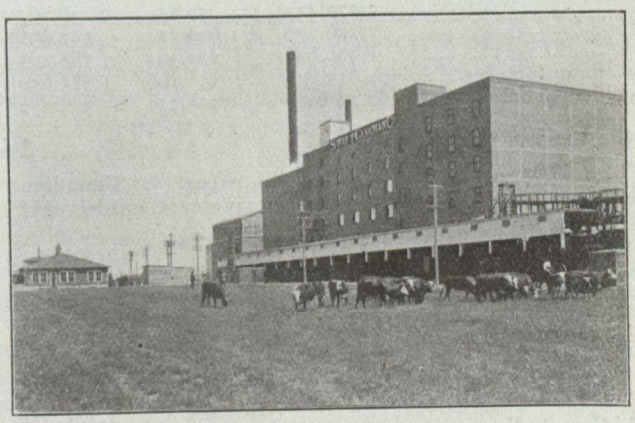


From the Farm to the Factory. Edmonton District is unrivalled as to its Agricultural and Live Stock industries.

The second largest increase was in exports to the United States, that country taking $37,733,663 worth more of Canadian merchandise than it did in 1914, or an increase of nearly 124 per cent. The proportion which the exports to the United States bore to the total to all countries was 27.11 per cent., which was a decrease of 10.74 per cent., compared with the figures of 1914.

France stands third in order as far as total amount of increase is concerned, but first on the basis of increase in percentage. The increase in total exports of Canadian merchandise to France was no less than $30,070,739, the total amount being $33,703,183, compared with $3,632,444 in 1914, a gain of nearly 828 per cent.

Exports of Domestic Merchandise.

The principal articles of Canadian merchandise exported to all countries during the fiscal years 1916 and 1914, together with the increase in the former, as compared with the latter year, is summarized as follows:—

	1916.	1914.	Increase over 1914.
Wheat	$172,896,445	$117,719,217	$55,177,228
Cartridges	73,904,584	13,353	73,891,231
Iron and steel and manufactures of	54,663,597	11,374,981	43,288,616
Flour of wheat	35,767,044	20,581,079	15,185,965
Cheese	26,690,500	18,868,785	7,821,715
Bacon	25,710,767	3,763,195	21,947,572
Planks and boards	23,880,341	19,514,128	4,366,213
Printing paper	17,974,292	11,386,845	6,587,447
Gold-bearing quartz	16,870,394	13,326,755	3,543,636
Oats	14,637,849	13,379,849	1,258,000
Cattle	12,625,760	7,906,794	4,718,966
Deals	10,926,950	7,956,563	2,970,387
Copper, fine, etc.	10,818,324	9,489,729	1,328,595
Wood pulp	10,376,548	6,364,824	4,011,724
Clothing	9,148,878	446,524	8,702,354
Automobiles	8,897,801	3,571,862	5,325,939
Nickel, fine	7,714,769	5,374,738	2,340,031
Explosives	7,080,926	228,312	6,852,614
Coal	6,032,765	3,703,765	2,329,000
Harness and saddlery	5,999,126	21,288	5,977,838
Beef	5,994,833	1,127,908	4,866,925
Hay	5,849,428	1,787,050	4,062,378
Codfish, dry salted	5,418,039	4,564,731	853,308
Horses	4,700,686	783,631	3,917,055
Sole leather	4,303,778	2,336,491	1,967,287
Copper, black or coarse	3,851,749	.....	3,851,749
Vegetables	3,796,512	1,578,257	2,218,255
Aluminum, in bars	3,682,351	1,885,074	1,797,277
Shingles	3,644,159	1,775,619	1,868,540
Calcium carbide	3,485,670	161,026	3,324,644
Asbestos	2,962,010	2,891,669	70,341
Brass, old and scrap	2,868,332	371,549	2,496,783
Canned meats	2,730,616	94,961	2,635,655
Fertilizers	2,708,472	2,540,286	168,186
Upper leather	2,378,367	113,916	2,264,451
Eggs	2,273,412	37,150	2,236,262
Laths	2,246,777	1,699,221	547,556
Pork	1,990,856	202,391	1,788,465
Cotton manufactures	1,815,846	130,196	1,685,650
Unspecified articles	67,133,907	41,590,530	25,543,377

How the Exports were Distributed.

The following table shows how the exports of Canadian merchandise were distributed; also the increase or decrease as compared with 1914:—

	1916.	Increase over 1914.
Great Britain	$451,852,390	$236,598,430
Australia	7,748,051	3,074,054
British South Africa	5,456,201	1,624,931
Newfoundland	4,820,305	312,305
British West Indies	4,115,872	*353,457
New Zealand	3,307,404	1,373,706
British East Indies	1,230,840	544,516
British Guiana	1,207,134	557,459
Gibraltar	1,073,156	1,035,152
Hong Kong	779,358	*1,099,903
Other British empire	899,430	180,530
Total British empire	$482,490,471	$243,847,723
United States	$201,106,488	$ 37,733,663
France	33,703,183	30,070,739
Italy	6,572,687	6,058,027
Russia	4,874,152	3,443,726
Argentina	2,398,628	264,106
Netherlands	1,815,950	*2,170,037
Cuba	1,419,087	*396,327
Brazil	1,059,700	291,842
Japan	996,575	*590,892
Porto Rico	699,460	156,498
Spain	634,977	570,982
China	536,332	63,258
Norway	458,530	*386,801
Belgium	334,762	*3,934,632
Germany	.....	*4,044,019
Other foreign countries	2,509,887	*965,657
Total foreign countries	$259,120,398	$ 66,174,476
Total exports Canadian merchandise	$741,610,638	$310,022,199

*Decrease.

Future of Export Trade.

Although much of the remarkable increase which has taken place in the export trade is, directly and indirectly, due to the war, yet it by no means follows that all of this increase will be lost when peace again reigns. In the first place more manufacturers have ventured into the export field, and the connections they have made abroad will have become, in many instances, cemented for all time to come. Then there is a decidedly stronger and more general interest being taken in the foreign market than in ante-bellum times. And what is perhaps still more significant is the fact that for the first time in the history of the Dominion, definite steps are being taken by individual firms and groups of firms for the purpose of making an organized effort to secure business in foreign markets. The day when Canadian manufacturers were so self-centred in the home market that they were apathetic in regard to the foreign market appears to be a thing of the past.

That there is in the foreign market ample room for the further development of the Canadian export trade there can not be the slightest doubt. There are in the world something like 150 importing countries, counting dependencies and colonies as well as free states. Canada's export trade is at present confined to about one-third of these, while to the 20 billion dollars' worth of merchandise they annually import the Dominion contributes less than 4 per cent.

MERCHANT SHIPS DESTROYED

The total shipping losses of the principal nations to date, compared with the number of ships and tonnage, are indicated in the following table:—

	Steam and sailing vessels owned according to Lloyd's Register Book, 1915-1916.		Gross tons of sail and steam vessels destroyed in war, (27 months).	
Flag—	No.	Tons.	No.	Tons.
United Kingdom	9,285	19,541,364	941	1,970,067
British Colonies	2,068	1,732,700	1	3,464
*United States	2,580	3,522,913	7	12,671
Austro-Hungarian	433	1,018,210	8	17,478
Danish	835	854,966	55	59,428
Dutch	809	1,522,547	52	111,611
French	1,539	2,285,728	100	230,547
German	2,166	4,706,027	76	187,728
Italian	1,177	1,736,545	108	198,277
†Japanese	1,155	1,826,029	6	22,539
Norwegian	2,174	2,529,188	209	268,342
Russian	1,256	1,054,762	48	57,602
Spanish	642	899,204	13	34,828
Swedish	1,462	1,122,883	71	63,520

*Excluding vessels trading on the Great Lakes of North America. †Japanese sailing vessels are not inserted in Lloyd's Register Year Book, and are therefore not included in this table.

The Story of "Scotia"

The following facts concerning "Scotia" are based upon observations made by a special commissioner of The Monetary Times of Canada. Visits were made to the company's ore properties at Wabana, Newfoundland, coal mines, iron and steel furnaces at Sydney Mines, C.B., and the forge shop and rolling mills at New Glasgow, Nova Scotia.

THE story of the Nova Scotia Steel & Coal Company, familiarly known as "Scotia," is a veritable romance of the industrial world. From a little forge-shop with a capital of $4,000, and ten employees, it has grown in about three score years to a huge enterprise capitalized at about $20,000,000 and employing 10,000 men. Its successful operation means dividends to shareholders the world over and bread and butter to 40,000 persons resident in the province. If for any cause the steel industry down by the sea discontinued operations, about one out of every ten persons living there would be deprived of his or her means of livelihood.

The "Scotia" plants are the mainstay of three prosperous communities, Bell Island, Newfoundland; Sydney Mines and New Glasgow, in Nova Scotia. They did much to save the province from industrial stagnation when the wooden shipbuilding passed away before the advance of steel, and they are contributing not a little to the prosperity of Canada. They may play their part also in reviving Canadian shipbuilding on modern lines, the latest development of the company's enterprise being the beginning of work on a steel steamship for ocean service.

The strength and productive capacity of one of Canada's greatest steel companies are of vital importance to the general prosperity of the Dominion. Not only has the company thrown its energies into the successful conduct of the war, but it has also developed business which will prove of value after the war. With its immense ore bodies and collieries, its modern plants, its able management and directorate, the harmonious relation of employers and men, its managerial foresight and the constant improvement in the efficiency of plants, "Scotia" is destined to become one of the greatest industries on this continent. The company's market is the round globe. It controls its own raw materials, both coal and ore, and its mines are in close proximity to the furnaces and mills. With plant situated on the sea-board, it has unrivalled facilities for shipping to any part of the world.

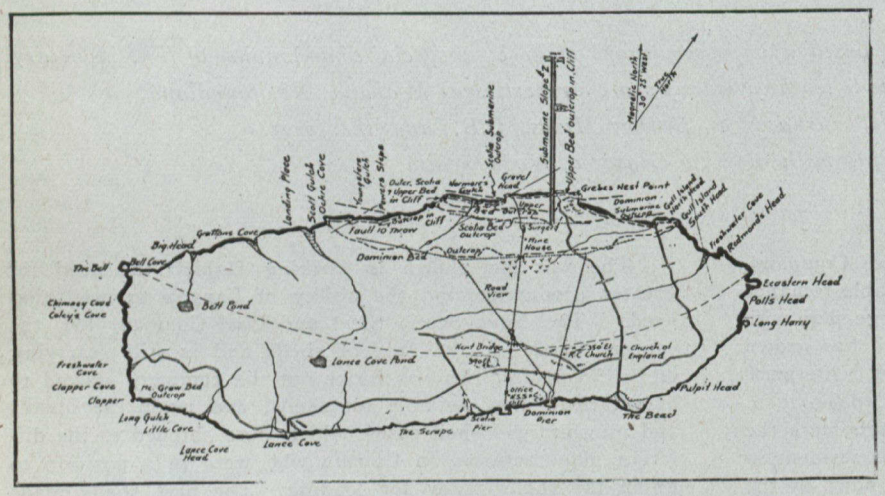
The war has shown in striking fashion the need for greater production and the ability of Canada to meet that need. The Nova Scotia Steel and Coal Company led the country in the manufacture of shells and is still "carrying on." Soon after the war broke out the company started to manufacture steel suitable for shells, and made the blanks and rough-forged shell cases, which were shipped to the different manufacturers in Canada who were in a position to finish the shells ready for loading. The first shells made from steel produced in Canada were made from "Scotia" steel on September 22nd, 1914. Since then the company has installed a complete equipment for finishing shells and has been turning out daily large quantities of the finished product. For the twelve months ended August 31st, 1916, "Scotia" shipped a total of 4,350,253 shell forgings, more than 20 per cent. of which were of the largest size high-explosive shells yet made in Canada. Major C. L. Cantley, son of Colonel Cantley, the president of the company, is in charge of the manufacture of munitions. After spending a year with his regiment, the Royal Highlanders of Canada, and seeing service in France, he was recalled by the Militia Department to serve his country in his present capacity.

A history of the Nova Scotia Steel and Coal Company is in large measure the record of Canada's achievements in the development of her iron and coal industries. Merged in "Scotia" are the companies that mined the first coal and smelted the first steel in Canada. Their activities date back to nearly a century ago, when concessions were first granted that included the sole right to mine coal in the whole of Cape Breton Island and Nova Scotia. With such antecedents it is only natural that no efforts should be spared by the Nova Scotia Steel and Coal Company to keep this great industry in the van of further development, and progress. The company's record has been one of continuous and substantial expansion, reflecting careful forethought in administration and planning. With its subsidiary, the Eastern Car Company of New Glasgow, N.S., it has become one of the largest in-

dustries in Canada, really combining five distinct industries: (1) The iron mines of Wabana, Newfoundland; (2) the coal mines at Sydney Mines, N.S.; (3) the blast furnaces and smelting works at Sydney Mines, N.S.; (4) the steel works at New Glasgow, N.S.; (5) the car works at New Glasgow, N.S.

It is evident that these five branches cover the whole field of steel making from the digging of the ore to the finished product, and even a most important use of the finished steel—car building. The different branches are co-ordinated by wise management into a most harmonious whole, each part serving the others and receiving in turn much strength from being a member of so large and efficient an organization. It is a story of steady growth; "Scotia" is no mushroom. The rapid progress of the last few years is due to the fact that the company, in the hands of men of foresight and ability, was equipped and ready to seize opportunities as they were presented by the ever increasing demands of the world for iron and steel. A case in point is the pioneer position of "Scotia" in the manufacture of shell steel and the finishing of shell bodies.

It has been aptly remarked that there is no such thing as a soulless corporation. A corporation must have a soul, an animating spirit, or it does not exist. Anyone acquainted with the "Scotia" company knows that the soul is Colonel Thomas Cantley, who has been with "Scotia" for more than thirty years, general manager since 1901, and was made president in 1915. He is a man of untiring energy, of keen and seasoned judgment, and of indomitable courage, with a large faith in the future founded on a thorough knowledge of the past history and present conditions of the steel industry. His experience, his personality, his ability have been recognized, for example, during the past year by his election as president of the Canadian Manufacturers' Association, which has a membership of over 3,000. He is also chairman of the Canadian Munitions Resources Commission in Canada. Colonel Cantley has just returned from a trip to England and France, which may be expected to have some tangible results for the company.



Map of Great Bell Island, showing outcrops of ore beds. Based on map by R. E. Chambers, and survey by G. Van Ingen and A. D. Hayes, 1912.

Outline of Development.

Here is a brief outline of the development of the original forge into the present large organization. In 1882, the Nova Scotia Forge Company, successor to the Hope Iron Works, organzed the Nova Scotia Steel Company, and in 1883 from imported pig iron and scrap steel they produced the first steel ingots made in Canada. In 1889, the two companies amalgamated. In 1890, the New Glasgow Iron, Coal and Railway Company, formed by leading shareholder of the Nova Scotia Steel and Forge Company, purchased extensive ore lands on the East River, of Pictou, and elsewhere, built a railway, a large coal washing plant, retort coke ovens, and a modern blast furnace. Two years later they acquired the famous iron ore deposits at Bell Island, Newfoundland, and added a new name, Wabana, to the list of the world's shipping ports. The next year the New Glasgow Iron, Coal and Railway Company united with the Nova Scotia Steel and Forge Company under the name of the Nova Scotia Steel and Coal Company.

No less necessary to the iron and steel industry than the ore itself is the coal for smelting, and Nature has arranged that these raw materials occur in eastern Canada in close proximity to each other. As the result of wise foresight and careful management "Scotia" has now control of vast supplies of iron ore and of coal, far more than sufficient for her own needs for many years to come. Just twenty-one years ago, on Christmas Day, 1895, the first shipment of ore from Wabana was made. In 1900 "Scotia" took over the coal properties at Sydney Mines, C.B., from the General Mining Association, and from that date her future was assured.

Ore Holdings.

Let us examine in some detail the various branches of this great industry. The Wabana Iron Mines were the scene of a special visit last year by a party of bankers, captains of industry and others, including a representative of *The Monetary Times*.

The ore bodies, the raw materials for the steel plants are of great importance. "Scotia's" possessions in this regard are practically unrivalled—being the largest in the continent if not in the world.

In 1909, Mr. H. Kilburn Scott, M.I.M., of London, estimated the quantity of ore as follows:—

Mineral practically proved..	204,000,000 tons
Mineral reasonably supposed to exist	448,500,000 tons
Total	652,500,000 tons

Then deducting the mineral lost in pillars and by faults and unrecoverable zones, he arrived at the total available ore as follows:—

Mineral proved	104,000,000 tons
Mineral reasonably supposed to exist	291,525,000 tons
Total	395,525,000 tons

Since this report was written, further development and investigation has proved how conservative Mr. Scott's estimates actually were.

Mr. E. C. Eckel, an eminent mining engineer of the United States, says that on one ore bed alone the ore runs 30 feet thick, and contains about 90,000,000 tons to the square mile. At the present time "Scotia's" submarine areas exceed 80 square miles.

The president of the Nova Scotia Steel and Coal Company gave the company's shareholders at a recent annual meeting some very interesting information as to the iron ore properties and holdings of the company. He refers to a recently published estimate by the above mentioned authority giving a comparison of the holdings of various companies on the American continent, as follows:—

Company.	Ore District.	Tonnage owned.	Present annual draft.	Duration of supply years.
U. S. Steel Corp.	Lake District	900,000,000	21,000,000	43
*U. S. Steel Corp.	Lake and Alabama	1,300,000,000	23,000,000	55
Pennsylvania Steel Co.	Cuba alone	600,000,000	954,092	642
Rep. Iron & Steel Co.	Alabama	89,000,000	700,000	127
Rep Iron & Steel Co.	Lake and Alabama	128,000,000	2,000,000	64
Beth. Steel Co.	Cuba alone	250,000,000	318,814	783
Sloss-Sheffield Co.	Alabama	78,000,000	800,000	95
Woodward Iron Co.	Alabama, red ores	235,000,000	500,000	450
Dom. Steel Corp.	Newfoundland	600,000,000	700,000	425
N. S. Steel and Coal	Newfoundland	2,000,000,000	600,000	3,300

*The U. S. Corporation combined Lake and Alabama tonnage is 1,300,000,000; Scotia deposit by these figures exceeds that of the U. S. Steel Corporation by 50 per cent.

Mr. Eckel says:—

"The Dominion and Nova Scotia figures are estimates based on recent work, and are probably conservative, amazing though they seem to any one whose attention has been fixed on the Lake District. Taken as a whole, these estimates of reserve tonnage may be accepted as fair, impartial, and accurate as possible."

When the Dominions Royal Commission visited Newfoundland, they investigated the Wabana ore fields and recently filed an interim report in which they say that the hematite ore deposits at Bell Island are considered of immense potential importance to the iron and steel industries of the United Kingdom and Canada.

We also find Dr. Lorimer, the chairman of the Steel Company of Scotland, in a recent article, saying that "one of the largest and most valuable deposits of iron ore in the world is now being worked in Newfoundland.

Submarine Areas.

Apart from their practically inexhaustible riches, a most interesting and remarkable feature of the mines is that they extend 1,200 feet below the level of the sea, and are reached by tunnels more than a mile in length.

Mining Methods.

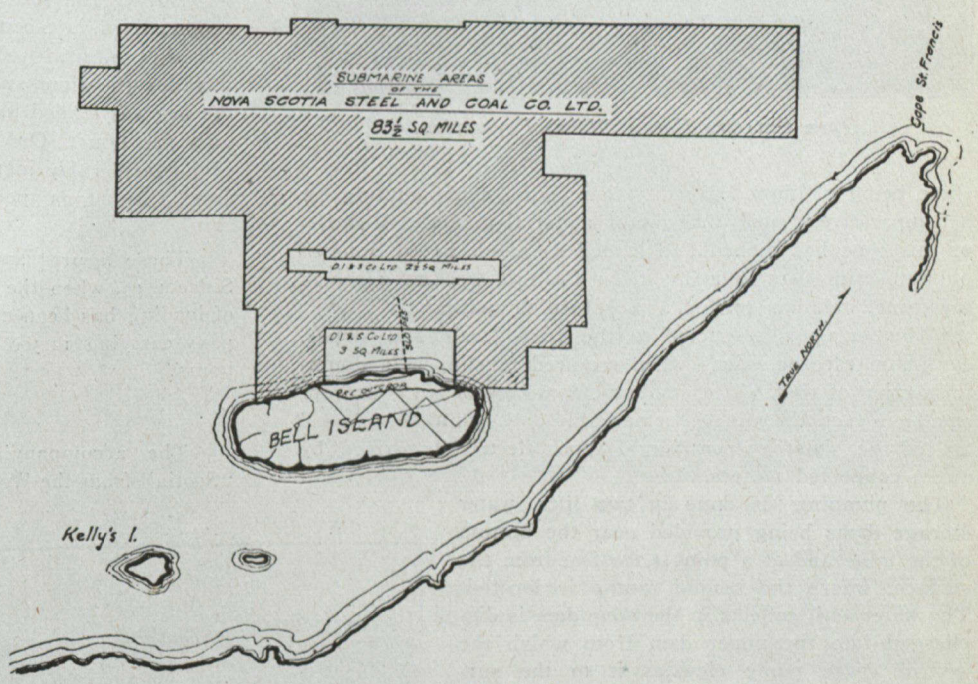
On a commercial scale "Scotia" commenced tapping the ore under the sea in 1911. The slopes sunk to reach these areas, which are entered at a distance of 4,000 feet from the shores of Bell Island, were begun in May, 1906, by continuing what is known as No. 2 slope on the land areas of the "Scotia" Company, and the submarine areas were reached within three years.

The slopes were then continued a further distance of 3,400 feet, the last 1,000 feet of which were altered in grade, in order to reach the underlying, or what is known on the land as the Dominion seam; the increased thickness of which led the company to select this seam for their mining operations. These slopes thus tapped and opened up both seams.

Mining in the "Scotia" submarine areas presents few difficulties other than those incidental to increased depth and distance from the surface; and these economic drawbacks while they cannot be entirely overcome, have been materially lessened by a judicious choice of equipments and skillful operation.

In order to obtain satisfactory costs of extraction, a large daily output is necessary, and the submarine mine was laid out and equipped to enable at least 2,000 tons of ore to be mined and delivered on the surface per day of ten hours. This ore-bearing zone at this point varies in thickness from 18 to 30 feet, while the cover lying between the ore beds and the bottom of Conception Bay, consists of 1,060 feet of alternate beds of shales and massive sandstone.

The development of the submarine areas has necessitated large additions and improvements to the equipment, as this ore is recovered with a separate mining plant. Modern water tube boilers have been installed, and stokers built on piles at the shipping pier and adjacent to the coal charging plant. These supply steam to Bellis and Morcom marine type engines, operating Brown Boreri generators, generating 60 cycles, 3 phase current at 6,600 volts, at which voltage it is transmitted direct to the various points of consumption in the mines, both land and submarine. A deck-head of an absolutely new type, in which the cars are handled without any horizontal landing, has been completed. The cars, each containing 20 tons of ore, are hauled up and out of the mine by a rope of proper strength and 8,000 feet long. They dump their contents automatically, thus reducing to the minimum the number of men required to attend them. The hoisting is done by a Fraser and Chalmers first motion, duplex steam hoisting engine, which is said to be the most powerful of the kind in British North America.



Submarine Areas at Wabana, Newfoundland.

This engine is equipped with the most modern overwind and automatic braking devices. The cars are filled in the mine from bins, which in turn are supplied by small 2-ton mine cars.

By Compressed Air.

Drilling, hoisting and pumping are all carried on by compressed air. When the company commenced to mine on its land areas two compressors were installed, a 1,200 cubic feet capacity Norwalk machine and a 2,500 cubic feet Norberg machine. Since then a Walker compressor with a capacity of 3,500 cubic feet has been added to this equipment, and the piping of the three machines is so connected that they may be operated as one plant or separately as required.

An interesting feature is the mechanical loading of ore at the mining face by large electric shovels. Several types of machines were designed and tried out for this purpose, but none of them gave as satisfactory results as the regular steam-shovel type of loader, which has been modified for submarine work. One of these specially designed shovels

actuated by a single motor for thrusting, hoisting and slewing motions, was placed in "Scotia's" Wabana mines in 1912. This was the first instance of a shovel of this type being used in submarine mines. This shovel is designed to turn in a radius of 25 feet, and has an overall height of 12 feet above the rail.

The shovel is of the revolving type, turning completely around its axes, which enables it to load ore at the mining face and turn around and load cars behind it. This is of great advantage where small mine cars have to be used; these being of limited capacity there is a lot of handling for a comparatively small amount of material loaded. A shovel of this type has picked and loaded as much as 350 tons of ore into mine cars in a day from a single working place in the mine, and has proved a most useful auxiliary.

Open Cut Ore Face. Shows Formation.

Timbering is restricted to the main levels and slopes, except on rare occasions when required to support a doubtful section of roof. The amount of seapage of water is very small; in fact, the mine is remarkably dry. The pumps used are of the six-stage centrifugal type, electrically driven by direct connected motors.

The pumping is done in two lifts, water storage dams being provided near the bottom of the mine and at a point 4,200 feet from the surface, where the second pump is located. The water as it collects in the mine dam is discharged into the upper dam from which the second stage pump elevates it to the surface.

Stock Piling.

In summer the ore is transported direct to the shipping pier; during the winter, as navigation is closed from January to April, it is mechanically stockpiled, the ore gradually accumulating throughout the season until the return of navigation in the spring. The system is unique inasmuch as no trestle is required although at times the pile reaches a height of 75 feet.

From Mines to Pier.

To transport the ore from the mines to the shipping pier situated on the south side of the island, slightly more than two miles distant, a double-track tramway, operated by an endless cable is employed. The tramway is in the form of the letter "T," the head of which lies parallel and close to the outcrop of the "Scotia" bed and tapping the various surface pits and the mines, No. 1 to the west and No. 2 to the east of the long leg which stretches in a straight line in a southerly direction across the island to the shipping pier. The tramway is of 2-foot gauge and has two tracks, one for loaded cars and the other for empties. Twenty-eight and eighteen pound steel rails are used on the respective tracks.

A special feature of the plant is the loading pier. It is located at a distance of about 500 feet from the storage bin and at a lower level. The ore is conveyed from the workings to the storage bin in cable cars and is discharged from the bin on to an endless bucket conveyor. As the buckets pass under the bin they are loaded and pass out to the head of the pier, where they turn over a sprocket wheel and deposit their load into a chute, conveying it into the steamer's hold. There is a continual stream of loaded buckets passing along the top of the pier and a corresponding stream of empties returning to the bin to be loaded.

Some Loading Records.

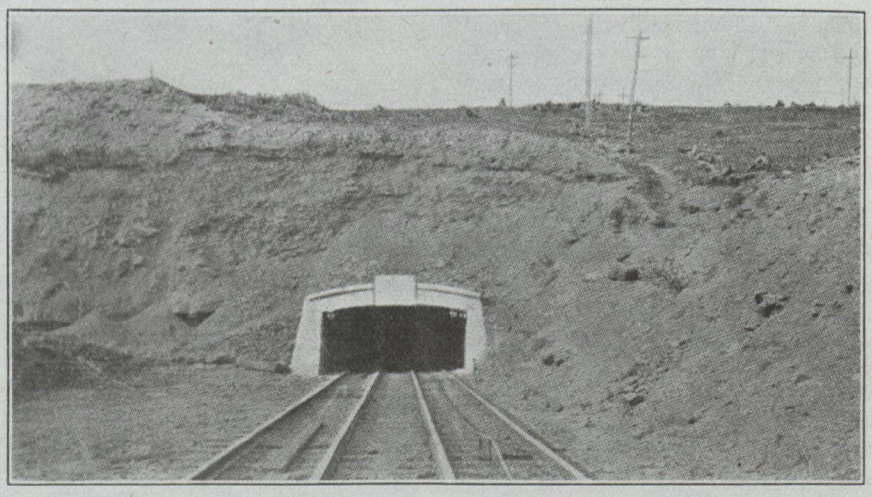
Wabana loading records have never been equalled working under similar conditions, i.e., with a single loading chute.

During the season of 1909, between April 19th and December 23rd, 460,000 tons were loaded in vessels at the "Scotia" pier in 308 loading hours. This calculation also includes the time spent in moving the vessels. Therefore, the ore was loaded in ship's hold at the average rate of 1,500 tons per hour. On numerous occasions this rate has been very considerably increased on single vessels, when a rate of over 2,200 tons per hour was attained on a 7,000-ton ship.

These figures apply to loading through a single chute. Since 1913, when the east pier was put into service, the time of loading has been cut almost in half, and ships of this company carrying 12,500 tons each have been fully loaded in 3½ hours.

Millions of Tons.

The accompanying table shows the ore shipped by "Scotia" from the Wabana mines from 1895-1916:—



Entrance to Submarine Slope.

Table of Ore Shipments of the Nova Scotia Steel & Coal Company, Limited, From Wabana Mines From 1895-1916 Inclusive.

Year.	Tons shipped yearly.	Tons shipped to date.
1895	2,400	2,400
1896	35,900	38,300

Year.	Tons shipped yearly.	Tons shipped to date.
1897	45,387	83,687
1898	101,127	184,814
1899	302,784	487,598
1900	127,791	615,389
1901	342,638	958,027
1902	422,906	1,380,933
1903	343,227	1,724,160
1904	245,933	1,970,093
1905	308,044	2,278,137
1906	387,841	2,665,978
1907	346,496	3,012,474
1908	312,795	3,325,269
1909	460,387	3,785,656
1910	516,651	4,302,307
1911	516,334	4,818,641
1912	484,472	5,303,113
1913	623,037	5,926,150
*1914	249,957	6,176,107
*1915	190,060	6,366,167
*1916	208,000	6,574,167

*Shipments during these years were reduced on account of war.

While the ore deposit is now a very valuable one, its value is increasing on account of the gradual depletion of other deposits. In recent years, there has been a growing feeling of unrest as to the future supply of ore, accentuated by the fact that the principal deposits, particularly in the United States, have fallen into the hands of big corporations. The amount of ore imported into the United States is increasing every year, and this circumstance adds to the value of the Wabana deposit. With the extent of the Wabana areas being proved larger every year, the progress of time must inevitably make these deposits of still greater importance.

The extraction of ore in the first few years of operation was exclusively by what is known as open-cut mining. This was rendered possible because while the dip of the seam was shallow, being 14 per cent., and the overlying surface of the earth nearly level, the amount of cover increased but slowly.

The process was further made even more simple near the outcrop because this superimposed earth lying upon the ore had been scraped off some little distance to the dip by natural forces supposedly during the glacial period.

To Mr. R. E. Chambers, manager of the ore mines and quarries and a director of the company, is due the credit for bringing the attention of the "Scotia" company to the value of the iron ore of Bell Island, Newfoundland, and for opening up the Wabana property. Mr. A. R. Chambers, a son, also an able mining engineer, is his assistant, and has contributed very greatly to the success of the enterprise.

In the World's Markets.

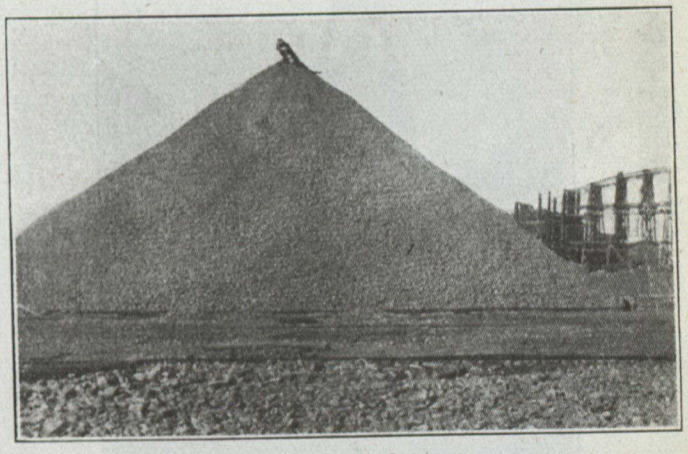
"Scotia's" ore is well liked wherever it is used. Furnace men have a high opinion of it. It is known in the principal markets, and there will always be an excellent demand for it. Sufficient ore has been developed in the "Scotia" company's submarine areas alone (from which over 1,000,000 tons of ore has already been extracted) to assure an annual output of 1,000,000 tons from this mine for many years to come.

The mineral, which has a sub-metallic lustre, is non-bessemer. The average metallic iron content of the output from the "Scotia" bed is 51 per cent. to 55 per cent., with 7 per cent. to 9 per cent. silica, phosphorus 8 per cent., and that of the lower bed on the land 48 per cent. to 52 per cent., with 10 per cent. to 15 per cent. silica, .70 per cent. to .86 per cent. phosphorus. Not only is the ore used in the Canadian furnaces, but, before the war. it was gaining a market in Europe and the United States. When normal commercial conditions are restored this market will reopen; and, as the Nova Scotia Steel and Coal Company holds its great areas in fee simple, it will have ample and sure supplies both for its own use and for sale.

Moreover, its mines are directly upon the marine track of North Atlantic shipping. This is an important feature, for perhaps the most necessary requirements for an iron property, after the quality and quantity of the ore shall have been assured, is its geographical position. Indeed, accessibility is fundamental. From Wabana, situate midway between Europe and America, the seaboard markets of both continents lie open.

A Wonderful Combination.

The Wabana iron mines, among the most important in the British Empire, have a geographical position that commands the markets of the world and the cheapest possible water transportation; the Wabana ore properties are in an unique position. There are larger deposits worked. There are deposits in operation that have a higher percentage of iron in the ore. It is doubtful, however, if there exists in the world any deposit that so combines the advantages of good ore, easy mining, excellent location and cheap transportation.



75,000 Tons of Ore.

We may now summarize the features of the Wabana iron mines of "Scotia" as follows:—

(1) The Wabana mine is undoubtedly one of the largest deposits of iron ore of proven value at present operated in the world. It consists of several beds occurring in a rock basin of large area, the greatest part of which extends under Conception Bay, Newfoundland, but outcrops upon the north shore of Bell Island.

(2) The deposit has been worked continuously for twenty years, the production of ore increasing gradually from year to year.

(3) The company have all the necessary facilities for efficient mining operations. Further extensive additions and equipment of the most modern type are continually being installed to provide for the maintenance of the present output with additional increase.

(4) The submarine areas have been developed by means of a slope driven 7,300 feet out under the waters of Conception Bay, and the ore found to be fully maintained, both in quality and quantity in this territory. No conditions have been met with adverse to efficient mining.

(5) Sufficient ore has been developed in the "Scotia" company's submarine areas alone to assure an annual output

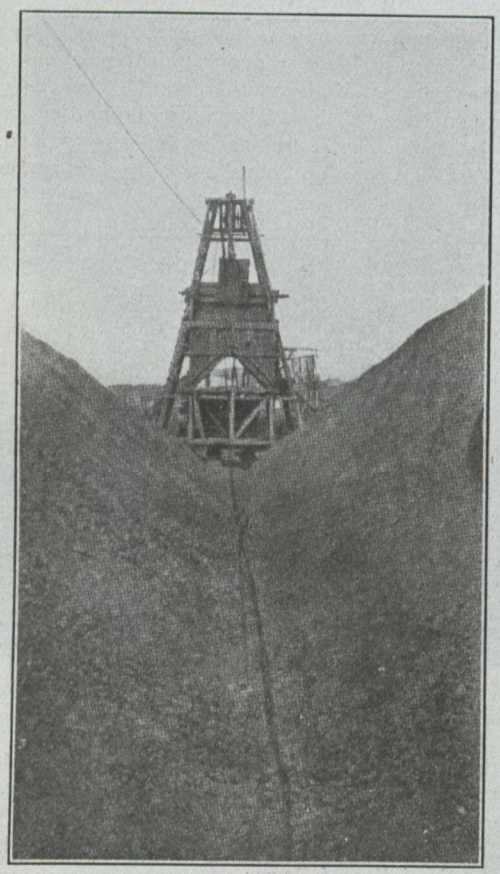
of one million tons from this mine for many years to come.

(6) The situation of the deposit, on a comparatively small island in the Atlantic ocean, almost equidistant from Europe and America, affording, therefore, a choice of either market, is unique.

(7) The "Scotia" company sells about 500,000 tons of ore a year in markets abroad. The remainder of the company's output is shipped to their furnace at Sydney Mines, Nova Scotia.

Coal Areas.

The coal areas of the company, estimated at over 2,500,000,000 tons, are among the most important holdings in the Dominion. Since "Scotia" took over the coal properties from the General Mining Association a tremendous amount



Stock Pile Loader at Work.

of development has taken place at Sydney Mines. Where, in 1900, one colliery was in operation, with an annual output of 240,000 tons, to-day five well equipped mines have a capacity of about 1,000,000 tons, and there is a modern steel plant with a blast furnace and open-hearth steel capacity of about 150,000 tons per year, equipped with all the necessary coke ovens, coal washers and engineering shops. The railway system has been practically rebuilt and greatly extended, while at the shipping port of North Sydney, three miles only from the collieries and steel works, extensive docks, with the most modern facilities for coal shipping and ore receiving, have been constructed. This development has given new life to the sister towns of Sydney Mines and North Sydney, and they have developed into one of the most important industrial centres of the Maritime Provinces.

Mr. Thomas J. Brown, general superintendent at Sydney Mines, started in as office boy with the General Mining Association over 30 years ago. When "Scotia" bought out the General Mining Association he joined the "Scotia" staff and became the manager of the collieries now known as the "Princess," and in 1902 became general superintendent of collieries. Under his supervision several of the most important collieries now in operation by the company were opened. In 1905 Mr. Brown became general superintendent of all operations at Sydney Mines, including steel and coke departments.

Mr. W. H. Graham, works superintendent at Sydney Mines, is a native of New Glasgow. He was at one time employed with the Lackawanna Iron and Steel Company at Buffalo. He is now superintendent of all mechanical operations, as well as the operating of open-hearth and blast furnaces at Sydney Mines.

Four different blocks of coal areas are held by the company: the Sydney Mines land, Sydney Mines submarine, Boulardarie land and the outer submarine areas. The first three areas run continuously from the north side of Sydney harbor to the south side of the Great Bras d'Or, some ten miles, while the outer submarine areas extend from Cape Dauphin to Cape Percy, covering the entire Cape Breton.

A comparatively small portion of these areas has been worked in the 90 years that mining has been carried on here, operations having been confined almost entirely to the southern part of the Sydney Mines land and submarine areas. Collieries have been opened in the central portion of that district only within the last few years, while as yet not a pound of coal has been taken from the northern side or from the Boulardarie or the outer submarine fields.

The thickness of the coal operated in by the various mines runs from 4 feet to 6½ feet, the dip being uniformly about 8 per cent. The coal is largely mined by the room and pillar system in all the collieries, but several different systems of mining, pumping, haulage and ventilation exist in different mines to meet varying conditions. Nos. 1 and 3 mines are equipped to produce 1,000 tons per day, the remaining three collieries' output varying from 500 to 600 tons. For steam, metallurgical and general purposes, Sydney coal is generally regarded as the best in Nova Scotia.

Iron and Steel

All the company's crude iron and steel are now produced at Sydney Mines, the manufacturing departments, finishing mills, forges and machine shops being concentrated at New Glasgow. Employing upwards of 4,000 men, the "Scotia" works at New Glasgow are easily the most important industry of that town. To this point are brought the steel ingots produced at the open-hearth furnaces in Sydney Mines to be converted into a great variety of finished steel products.

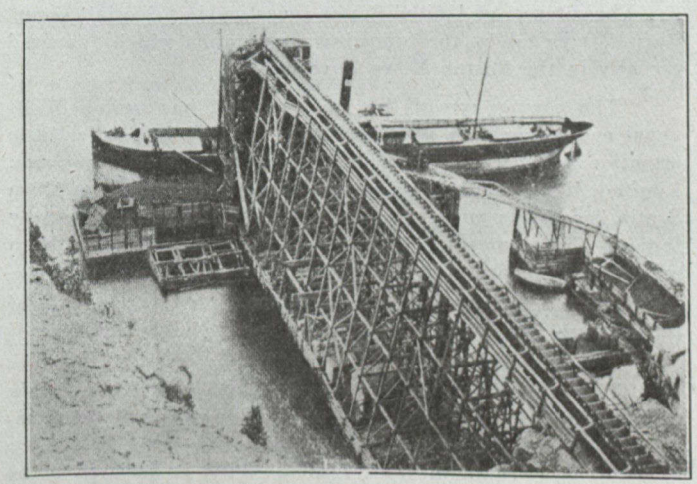
In the spike department are automatic machines capable of turning out 50 tons of finished railway spikes per day. Other products of the company are machinery, steel, polished shafting, track bolts and nuts, tank plate, structural steel, rivets, etc.

Up to 30 Tons Weight.

At the forge shop marine machinery and railway forgings of steel up to 30 tons in weight are produced. The forgings are principally made from large flask ingots cast in Sydney Mines and brought by rail to New Glasgow. In the axle shop are the best and most modern devices for manufacturing car axles to be found in the Dominion, and, I understand, this shop has produced a greater number of axles per day and year than any other works in the British Empire. The billets from which the axles are hammered are heated in a large, continuous furnace, and are then hammered by two large upright axle hammers to the shape and size required.

The Steam Hydraulic Forging Plant.

The steam hydraulic forging plant comprises one 4,000-ton press, handling ingots weighing 30 tons and upwards, and one 600-ton press for smaller work. These presses replace the steam hammers so long used for this purpose, and enable the company to furnish forgings from fluid compressed steel equal in quality and dimensions to any produced abroad.



Nova Scotia Steel & Coal Company's S.S. "Woburn" Loading at "Scotia" Pier.

There are extensive carpentry, pattern, woodworking, structural and engineering shops as adjuncts to the works, while the shipping and storeroom, the whole of which is served with travelling cranes, is exceedingly efficient, being 850 feet long and 75 feet span. This entire plant has been practically rebuilt in the last two or three years, and is conceded to be easily one of the best equipped in Canada.

Car works are operated by the Eastern Car Company, Limited, a subsidiary of "Scotia," at New Glasgow. The directors of "Scotia" foresaw the demand for railway equipment, and recognized the fact that a car company would prove a good customer for "Scotia" products. They accordingly organized the Eastern Car Company, whose common stock is all held by the "Scotia" company.

The car plant is situated on the east bank of the East River, a short distance below or down stream from the "Scotia" works. This site, which consists of 65 acres, is within a few miles of the collieries of the Pictou fields, thus insuring a supply of cheap fuel. By means of the tidal waters of the East River, heavy materials, such as southern pine timber and pig iron, may be delivered directly to the car company's plant by ocean-going steamers. The company began operations in September, 1913, and have made excellent progress. All types of freight cars, but principally all steel or steel frame cars, are now being manufactured. The shops are the most modern in industrial construction as to light, air, warmth and convenience of arrangement. They consist of four parallel buildings, each 1,100 feet long and 90 feet wide, all of steel, with concrete foundations and reinforced concrete walls, and are so arranged as to permit of progressive construction. The raw materials enter at one end of the range and leave it a completely finished car at the other end. All the buildings are one story high.

Further Outlet for Steel.

As noted previously, one object in organizing the Eastern Car Company, an important subsidiary of "Scotia," was to give the latter company a further outlet for its steel. There is no doubt that in normal times this will be a great advantage to the steel company, whose directors are convinced that they made no mistake in organizing the car concern. The company commenced operations in September, 1913, and has a daily capacity of 40 cars. Even under the adverse conditions of 1913-14, the plant paid its bond interest with a little over.

The business of the Eastern Car Company has developed rapidly since the outbreak of the war. At the end of 1915 the company cleared eleven freight vessels, ranging from 6,000 to 11,000 tons dead weight each, completely loaded with freight cars for Russia. These cars are each 86 cubic meters internal capacity, and are probably the largest freight cars ever built on this continent.

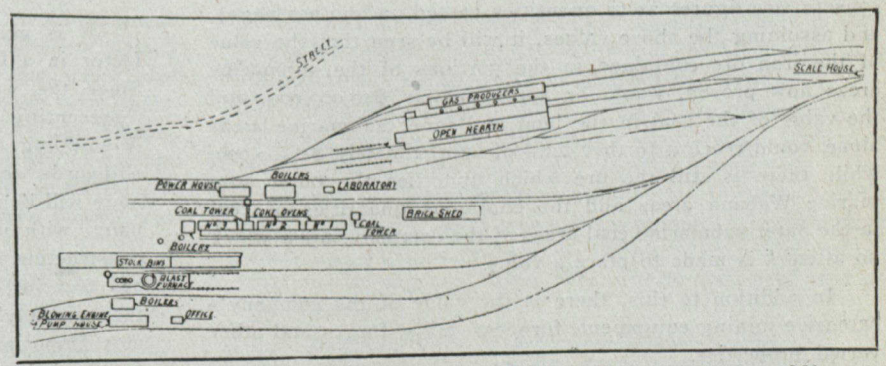
Much is being done to seek business during the period to follow the war. Despite the fact that the Eastern Car Company is filling a large number of war orders, it is able to complete also certain domestic orders. These, however, are not likely to be attempted in any great volume until after the close of the war.

The main building of the car plant is 1,100 feet long and consists of four spans each 90 feet wide, arranged so that the material will travel a comparatively short distance from one department to another. The whole layout is planned with a view to reducing the handling of material to a minimum. River improvements are under way to allow large ocean vessels to land their cargo at the company's docks. Labor conditions are good in this section, and altogether this plant, it is felt, ought to be a strong factor in the car building business of Canada.

The storage for steel and lumber is at the north end of the plant. From this point material moves toward the south into the shop, from which it emerges in the form of finished cars.

Supply of Raw Materials.

Just as "Scotia" has provided for a continual supply of raw material for the steel plants, so has a similar supply been arranged for the car company. The company controls, in its Newfoundland and Nova Scotia timber areas, 107 square miles of timber land, consisting of spruce, fir, hemlock, birch, beech and maple, from which the average yearly output of lumber is from 5,000,000 to 6,000,000 feet board measure. In Nova Scotia most of the lumber is sawn by portable mills, which are taken into the district being lumbered, and the sawn lumber is hauled to the nearest railway siding. In Newfoundland, the logs are driven down the Gander River, and the sawmill is situated on an arm of Gander Bay, where steamers load for the ore mines at Wabana. Practically all



Layout of Blast Furnace and Open Hearth Steel Plant at Sydney Mines.

of this lumber is used for the company's requirements, at Wabana, Sydney Mines, and New Glasgow.

Finances of the Company.

Finances of the Nova Scotia Steel and Coal Company have been admirably handled. The company, with its long list of valuable assets is capitalized at a comparatively moderate figure. This is shown in the following table:—

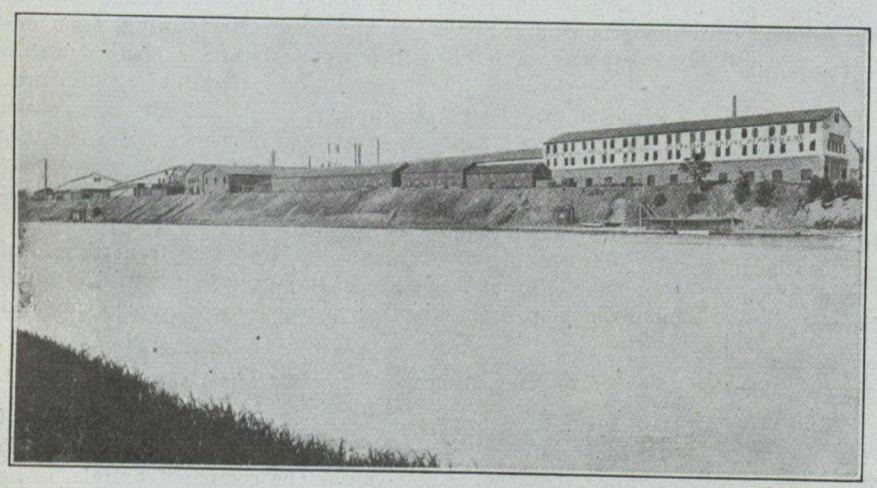
	Authorized.	Issued.
Common stock	$15,000,000	$7,500,000
Preferred stock (8 per cent. cumulative)	1,000,000	1,000,000
First mortgage 5 per cent. bonds	6,000,000	5,873,000
Debenture stock 6 per cent.		4,000,000

Of which $126,191 have been redeemed.

The company is authorized to issue as required, up to $20,000,000 capital stock. The issue of debenture stock may be increased until it equals the paid-up capital stock.

Some of the Assets.

In considering the large assets of the company, if we place a value of 5 cents for unworked iron ore and 2½ cents for coal in the ground per ton, taking Mr. Kilburn Scott's conservative figures as to quantities (noted on another page), and assuming the above values, it will be seen that the value of the iron ore contained in the portions of the submarine areas now proven, would be approximately $20,000,000, and the value of the coal in the land and inner submarine areas alone would reach a further total of approximately $4,400,000, while there is still the ore which underlies the outer submarine Wabana areas and the enormous quantities of coal in the outer submarine coal areas of the company, upon which no attempt is made to place a value.



South-West End, New Glasgow Works.

In addition to this, there is the value of the company's extensive mining equipment, furnaces, mills, forges and other varied properties.

Securities in New York.

The securities of the Nova Scotia Steel and Coal Company were listed on the New York Stock Exchange in November, 1916. This listing makes the stock an acceptable collateral in New York loans. This transaction is a result of years of effort on the part of the management in constructive building to increase the scope of the company's activities and at the same time to strengthen its financial position.

United States investors have for many years been interested in "Scotia" securities, and during the past year this has been particularly noticeable. With such an immense and valuable industry in our own country, one cannot but hope that Canadian investors, big and little, will place their funds in "Scotia" securities, so that the control of this vast enterprise may remain within the Dominion.

The interest of United States investors in "Scotia" securities is reflected by the following paragraphs which appeared recently in the Boston News Bureau:—

"The roving eye of the stock market has searched out about every American steel company of merit, but so far little attention has been paid to the Nova Scotia Steel Company, Limited, listed on the Boston Exchange. Nevertheless, Nova Scotia has assets and current earnings which are matched by few of the domestic companies whose shares have been making new records for altitude.

"Nova Scotia owns the entire $800,000 common stock of the Eastern Car Company, Limited, which has a capacity of 30 cars a day.

"The present rate of earnings of Nova Scotia Steel, after charges and a generous allowance for depreciation, is at least $60 per share on the $7,500,000 common stock issued. This is declared to be a very conservative figure. Considering the fact that the iron ore business, through insufficient capital in the past, has never been developed to anything like the extent which is possible, the common stock is seen to possess interesting possibilities.

"Nova Scotia Steel was one of the earliest Canadian beneficiaries of munitions contracts. It is understood that munitions work sufficient to absorb the increased output of all the company's furnaces, mills and forges is already booked for practically all of 1917. This embraces shell forgings—18-pounder shrapnel to 12-inch high explosive shells. Nova Scotia Steel, by the way, is the only Canadian plant which had the courage and enterprise to lay down a plant powerful enough to forge 12-inch high explosive shells."

Shipbuilding.

It is generally felt that "Scotia" will be an important factor in a Canadian shipbuilding industry in future years. Since the war commenced, 1,820 vessels have been sunk, representing a total gross tonnage of approximately 3,328,584. A shipping expert estimates that it will be 10 years, with shipyards working at capacity, before this large loss of tonnage will be replaced. The Nova Scotia Steel and Coal Company, with its usual foresight, has already commenced the construction of steel vessels. Its first product will be a boat 220 feet in length. When completed, the vessel will enter the company's general freight service. This is one of the most important industrial developments in Canada during the war period.

The extent to which "Scotia" will engage in the shipbuilding industry depends largely as to whether or not the government will do for the shipbuilding what it has in the past done for the primary industries—give some practical assistance. Representatives of the company are now working in conjunction with those of all the other Canadian shipbuilding concerns and the past presidents of the Canadian Manufacturers' Association towards this end. Individual

members of the government have expressed themselves favorably on the question, and it is hoped that some form of subsidy will be agreed upon.

The "Scotia" plant stands on the Atlantic seaboard equipped for the construction of steel steamers up to 10,000 tons dead weight capacity. This pioneer steel corporation of Canada, in addition to rolling angles and moderate-sized channels, has for many years operated a plant, especially installed for the manufacture of marine forgings. It is equipped with modern steam, and during the past year has shipped over 3,000 tons of heavy marine forgings to the Clyde district, practically replacing to that extent forgings that were formerly supplied by Germany.

Matter of Government Assistance.

The Dominion Government is considering the question of assistance to the Canadian shipbuilding industry. Colonel Cantley favors the system adopted by Japan as best calculated to meet our needs at present. A large increase in tonnage of Japan has been brought about by a shipbuilding bounty of $10 per ton for steel steamers over 1,000 tons gross, and where these were engined with Japanese-built machinery, $2.50 per indicated horse-power was added to the bounty. The splitting up of the bounty as to hull constructian and machinery enables the Japanese government to, in effect, give a larger bounty to the faster and higher-powered boats necessary for passenger and mail services.

Whatever system of encouragement is adopted by bounty or otherwise should, thinks Colonel Cantley, be for a stated period of years, not less than 10 and not exceeding 15.

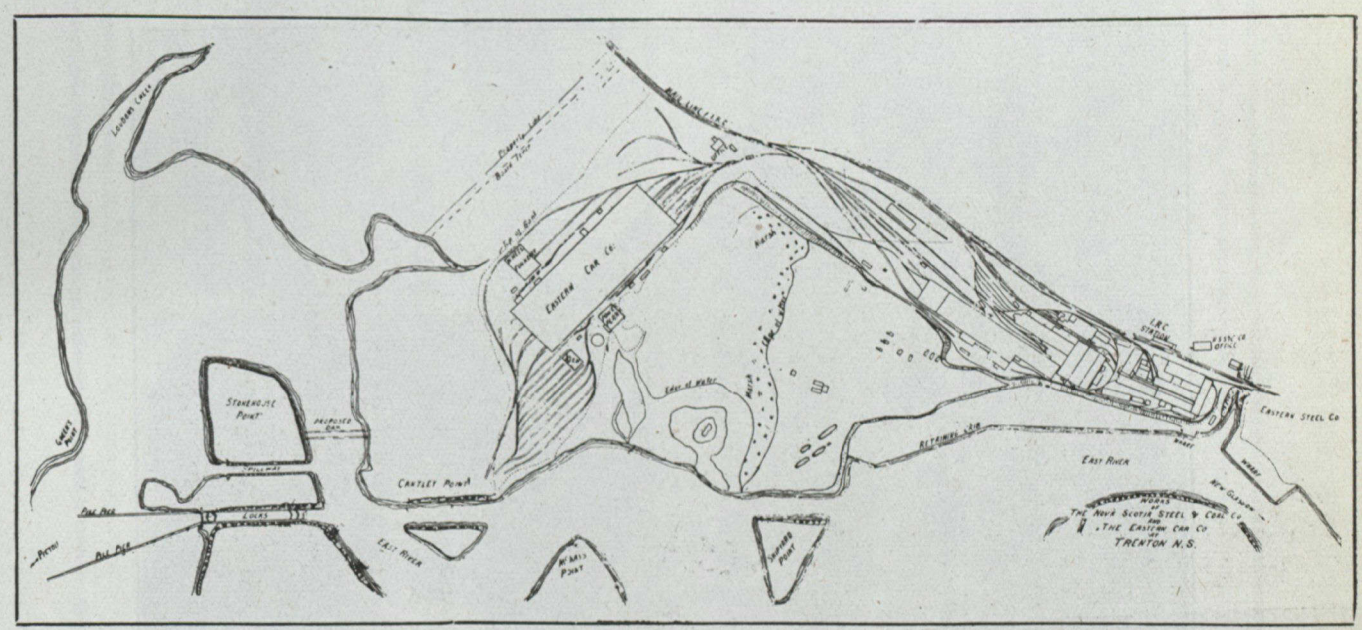
There is in the maritime provinces a large body of men who by inheritance, tradition and daily experience are especially fitted for manning such a merchant marine as Canada should possess. In years past, under totally different conditions prior to the advent of the iron and steel steamer, Nova Scotia men sailed the Seven Seas, and Canada occupied a foremost place among the marine nations of the world. That position the Dominion can regain in a generation, provided Canadians now take up and deal with the matter in the broad, generous, energetic way in which they have dealt with the other large problems which have confronted this country since Confederation. The need for a merchant fleet exists. The necessary materials are here. And the mariners to man the fleet.

In this matter Canadian manufacturers, farmers and business men are vitally interested, as manufacturers and as freighters. Surely it is not too much to expect that they should now discuss the subject and consider its national importance.

Colonel Cantley's View.

Colonel Cantley, speaking of this question to *The Monetary Times*, said: "Steel shipbuilding on a comprehensive scale can be developed if the government of Canada is prepared to grapple with the matter in a broad and statesmanlike way."

In view of Colonel Cantley's position as president and general manager of "Scotia" and of his lengthy experience in the steel industry, the greatest importance may be attached to his opinions as to the outlook of the steel industry and its markets. We therefore quote his own words:—



Properties and Plants of the Nova Scotia Steel & Coal Company and of the Eastern Car Company, at New Glasgow, N.S.

"The outlook, as I see it, is for a big demand for years to come, and we are making plans accordingly. Even though peace comes in 18 months, and that is an optimistic estimate, the steel required for the rebuilding of the devastated districts alone will be a tremendous amount. In France, Belgium and Poland, bridges, buildings, station terminals, and sections of railroads have been utterly destroyed and must be replaced.

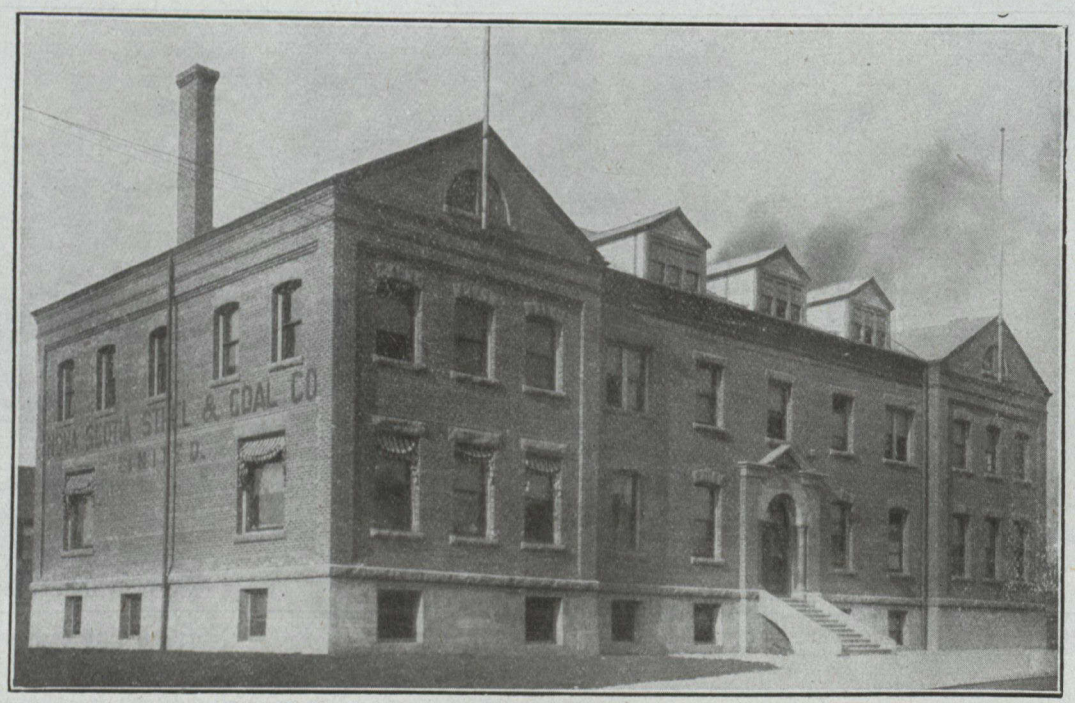
"Another factor of great importance is this: For nearly three years now the Canadian roads have spent practically no money in replacements, either as to permanent way or rolling stock. They will have to enter the market some time."

The announcement that 2,000 cars have already been delivered to the French government, and that 2,000 more will be delivered in 1917, indicates the present scope of the company's activites. Although a new steel furnace has been added and the production increased about 50 per cent. since the outbreak of war, the company is in the position of re-

peatedly refusing large orders both on domestic and export account.

Looking for Export Business.

Those who guide the destinies of "Scotia" are well aware that with the company's efficient plants, large natural resources and capacity, much of the company's product must be marketed abroad. "Scotia" is particularly fortunate in this respect. For many years prior to the war, it was shipping its products to foreign markets as well as retaining a good share of the domestic business. Since the outbreak of war it has filled many millions of dollars of war orders for Great Britain and foreign countries, and has laid the foundation for an excellent volume of business abroad after the war. "Scotia's " manufacturers are known throughout Europe as the excellent products of a well-managed Canadian corporation.



Administrative Offices of the Nova Scotia Steel & Coal Company, New Glasgow, N.S.

Here is a prediction made in *The Monetary Times* annual number a year ago: "It is therefore clearly evident that Canada and the United States will, during the coming year, face a steel famine unprecedented in the history of this continent. The requirements of the Empire for munition work will be met, but the steel remaining when that demand is satisfied will not meet, indeed it will probably not half meet, the commercial requirements of America and the foreign demand which is daily growing. The outcome will be as interesting as it will be far-reaching, and it will probably interfere more or less effectively with some of the profits so easily shown on paper as capable of being earned by munitions plants yet unbuilt, and dependent upon actual iron and steel producers for their raw material. It should also provide a moral to the country at large to build up what is one of the most fundamental national assets—a strong well-rounded and self-dependent iron and steel industry."

This forecast has been fulfilled and it may stand to-day as a forecast for the coming year.

As to the Steel Famine.

So far as steel is concerned the demand and increase in price is even greater than in the case of pig iron. Indeed the situation is unique as regards price of finished steel, and at present it is difficult to find a seller who can make deliveries. Eastern and Western mills are alike congested with business, and in but a few cases it is possible to find mills having any open capacity. Plate mills are filled up with car, locomotive and shipbuilding tonnage. The railways, which were almost entirely absent from the market for many months past, have recently given out orders for a large quantity of rails.

As regards steel plates, the increase in price and difficulty is even greater, and the suggestive fact is that notwithstanding these great advances in price, it has failed to shut off demand in the least, and in most lines it is not now a question of price, but where to find a mill that will undertake to guarantee deliveries. While the situation in regard to structural steel is grave, it is in forging billets that the situation is most acute. The steel famine appears to be a real thing.

Many Capable Executives.

The hall mark of an able executive is stamped upon Colonel Cantley in the choice of capable directors and assistants. Mr. W. D. Ross, vice-president of the company, was general manager of the Metropolitan Bank, and continued in active management of the bank, until its amalgamation with the Bank of Nova Scotia, of which he then became a director. On the resignation of Mr. Harris, Mr. Ross, who had been a director of the "Scotia" Company for several years, be-

came vice-president, Colonel Cantley being elected president. Mr. Ross has been active in connection with the financial management of the company and much of its success in recent years is due to his work in that regard.

Mr. Archibald McColl, commercial manager and assistant to the president, is a native of New Glasgow. In 1883 he entered the services of the company as chemist, being the first chemist employed by the company. This position he held for one year, going later to the Massachusetts Institute of Technology, where he took a course in mechanical engineering. He rejoined the company in 1886 and stayed with them for three years in the capacity of designer, etc. He then entered into business for himself in electrical engineering, spending a year in New York, and two years in Amherst. In 1893 he rejoined the company, going into the accounting department, and in 1899 became chief accountant. In 1905 he was appointed secretary and chief accountant, and in 1915 to his present position.

COLONEL THOMAS CANTLEY,
President and General Manager of the Nova Scotia Steel & Coal Company.

Some Practical Helpers.

Mr. William M. Sedgwick is the company's traffic manager, and has been with "Scotia" since 1900. He has had charge of the shipping departments of the company since 1907, and now has charge of all transportation.

Mr. John Irving, the western steel sales agent of the company, has been over fifteen years in the service, joining the company in 1900, when he came on the staff as sales agent, succeeding Mr. Frank P. Jones, now general manager of the Canada Cement Company. Mr. Irving who has general charge of the sales of the Eastern Car Company and the Nova Scotia Steel and Coal Company, has his offices in the Windsor Hotel at Montreal.

The directors of the company are all men of ability and enterprise, and are well known in Canadian business and financial spheres. The future success of the company will in no small degree be due to the calibre of the men who manage its affairs. The personal factor is another of the many valuable assets in the life and work of "Scotia."

Much of the success that has attended "Scotia" has been due to the varied nature of its products. It has three separate and independent businesses: mining iron ore; mining coal; and producing iron, steel and finished steel products. This trinity of resources has resulted in the company being able to weather periods of financial depression with less inconvenience than other concerns. Experience has shown that the depressions which visit the world in regular cycles seldom or never affect all these three industries to the same extent. "Scotia's" future is assured.

CANADA'S DOMESTIC WAR LOANS

(Continued from page 119.)

Last year's was the second Dominion loan floated in Canada in recent years, the first being that of November, 1915. Our borrowings have previously been in London chiefly and more lately in the United States. The first loan made by the newly created Dominion of Canada after Confederation was a domestic loan, which drew interest at 6 per cent., and attained at one time a maximum currency of over $4,500,000. In 1872 a 5 per cent. stock loan was issued, of which the public took over $9,500,000. In 1884 a 4 per cent. stock was sold to the extent of $5,000,000, and in 1891 a 3½ per cent. stock was sold to the extent of about $3,000,000.

During the current year, another domestic loan will probably be made. The bonds of the 1915 loan (but not of last year's loan) will be accepted by the government at the issue price, 97½, plus accrued interest, as the equivalent of cash for the purpose of subscriptions to future war loan issues, except those made abroad.

The following table gives an interesting comparison of our two war loans:—

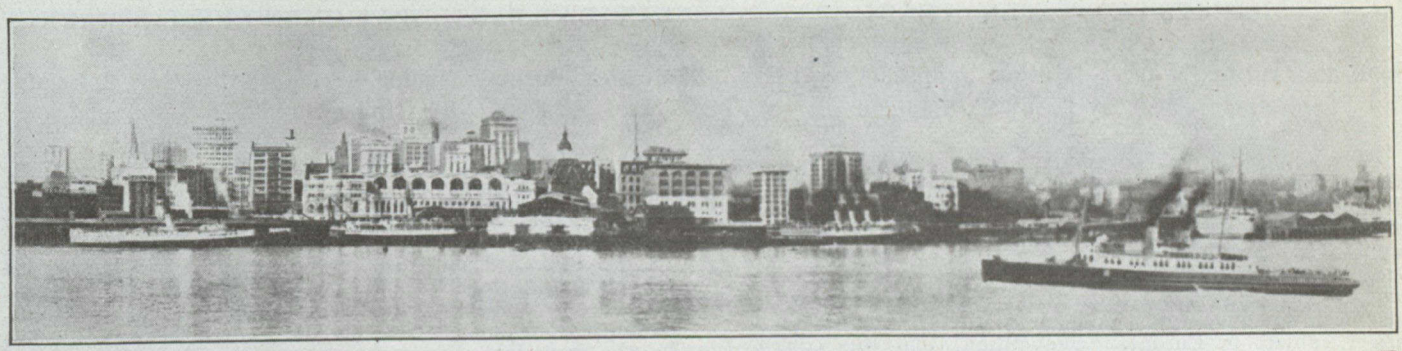
	War loan, 1916.	War loan, 1915.
Amount of loan	$100,000,000	$50,000,000 (later increased to $100,000,000)
Five per cent. bonds maturing in	15 years	10 years
Issue price	97½	97½
Yield to investor	5.30	5.42
Cost of $1,000 bond to investor, if paid for by instalments	$975	$975
Cost of $1,000 bond to investor who discounts instalments and makes all outstanding payments on given date	$972.22	$968.56
Discount-of-instalment privilege given	Within 34 days of issue	Within 42 days of issue
Instalments payable between	September 12th and December 15th, 1916	November 22nd, 1915, and May 1st, 1916
Instalment payments spread over	94 days	159 days
Interest payable, half-yearly, on	April 1st and October 1st	June 1st and December 1st
Principal and interest payable	In gold	In currency
Proceeds of the loan to be used only for	War purposes	War purposes
Denominations of coupon bonds	$100, $500, $1,000	$100, $500, $1,000
Denominations of fully registered bonds	$1,000, $5,000 and $100,000	$1,000 $5,000 and $100,000
Privilege of converting war bonds into bonds of future war issues	Privilege not allowed	Privilege allowed. (Bonds of this issue accepted at 97½ plus accrued interest as equivalent of cash for purpose of subscription to new war loan issues.)
Final allotment of bonds	$100,000,000 (exclusive of amount paid for by surrender of old war loan bonds)	$100,000,000
Fee for conversion of fully registered bonds without coupons to bonds with coupons and vice versa	25 cents	.....
Number of subscribers	30,000	24,803

MORE GOLD FROM CANADA

A shipment of $33,000,000 of gold was received last week at the New York sub-treasury and the Philadelphia Mint from the Bank of England depository at Ottawa, for the account of J. P. Morgan & Company, fiscal agents to the British Government. This is the largest shipment on record. Approximately $25,000,000 of the precious metal which was deposited in New York was in the form of American eagles. At the Sub-Treasury it was said that the shipment presumably was part of the gold which had been shipped to Paris in April, 1904, during the Roosevelt administration, as payment of the $40,000,000 made to the old French Panama Canal Company for its equities in the canal. Some of the gold came back in the same boxes in which it was shipped nearly thirteen years ago.

Since the first of 1916 $672,300,000 of gold has been imported by the United States from all sources. About half has gone via Canada.

"If every individual and every company were to save to the utmost of his power in these days of high world prices for our produce and enormous munition expenditures at home, I believe that the people of Canada, notwithstanding the huge increase in the national debt which the war will bring, would be stronger financially at the end of the war than they were at the beginning." Sir Thomas White, speaking at Toronto last week.



The great exporting opportunities of to-morrow are in the markets of the Countries across the Pacific,

RUSSIA - - JAPAN - - CHINA

Therefore, it is of importance to manufacturers to investigate the industrial possibilities in

VANCOUVER

"CANADA'S FOURTH CITY"

Vancouver has one of the three best natural harbors in the world. It is open all the year round. The Dominion Government is now expending millions of dollars for harbor improvement and development.

Vancouver is ideally situated for the manufacturing and exporting of most of the products which Russia, Japan and China are importing in unlimited quantities.

American manufacturers are locating on the Pacific Coast, realizing the wonderful opportunities. Vancouver offers you this chance.

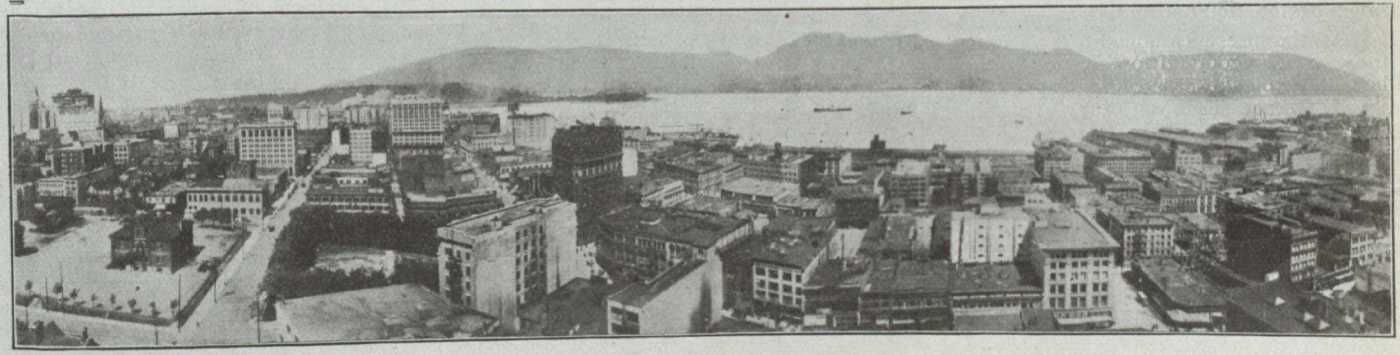
The City and Provincial Governments will assist and co-operate with manufacturers to establish legitimate industries in Vancouver.

The Home market imports millions of dollars' worth of various products annually.

Find out just what opportunities exist in Vancouver for the products manufactured by you or your institution. It will cost you nothing to secure an accurate, unbiassed report from the Statistical and Industrial Department of the City of Vancouver.

Write to-day.

J. REGINALD DAVISON, Industrial Commissioner,
Suite 201, City Hall, VANCOUVER, B.C.



CHANGES IN PAPER TRADE

Book and Writing Papers—Quebec Supplies Clay Filler Formerly Sent By Cornwall, England

The prices of book paper and printing paper have been affected by labor conditions and lack of the necessary supplies, just as in the case of other papers. So far as book and writing papers are concerned, Canada had two sources of supply outside its own boundaries—viz., Europe (principally Great Britain) and the United States. Since the war, Europe has not been able to send us any paper, and the United States has been so busy with its home markets (which were no longer subject to European competition) that this country had to depend largely on its own mills, and the demand has exceeded the supply.

"Our mills are making additions to their plants," said Mr. R. S. Waldie, president of the Toronto Paper Manufacturing Company, to *The Monetary Times*, "but deliveries are so slow that it will be some time before any relief will be experienced. Prices have greatly advanced. Until about a year ago, business was dull and prices were below normal. It would be fair to consider a 10 per cent. advance as just about enough to give the mills here a fair margin and to constitute a normal base price, even under the old conditions.

Increased Cost of Production.

"The increased cost of production has been enormous, and comes under two heads: (1) labor; (2) supplies. The labor element constitutes about 40 per cent. of the cost, and the supplies constitute the other 60 per cent. Formerly, the mills worked on a two-shift basis, but this year voluntarily changed the system to a three-shift basis, and they pay more for the shorter time than they used to pay for the longer time. They also require more hands, and this means inexperience. In regard to supplies, they consist mainly of wood pulp, rags and paper shavings. The price of wood pulp has increased over 100 per cent., and rags and paper shavings likewise have increased materially, but not as much as the wood pulp. So far as we can see, there will be no relief in the matter of prices even for some time after the conclusion of the war, and I do not think that paper will ever be as low as it was 20 months ago.

As to Export Trade.

"There is no export from Canada of book and writing papers. The home demand requires all that we can produce, and as to the prospect for export trade in the future, it is impossible to speak at this time.

"The chemical situation has affected the paper industry to a considerable extent. Chemicals, principally aniline dyes, were a German monopoly. They are not now available. The United States and Great Britain are now making vegetable dyes to replace same, but up to the present, they have not succeeded in making a satisfactory article. The consequence is that coloured papers are not made to the same extent as formerly, and what coloring materials the mills can buy are required in making white paper. The present appearance of the morning papers," said Mr. Waldie, "will show what wood paper looks like in the natural shade as compared with the old white sheet which had coloring material added to it. Both the United States and Great Britain are now supplying Canada with chemicals, and we, in this country, are developing some branches of this trade—e.g., bleaching powder or chlorine can now be obtained here. We also get in Quebec province clay for filler which formerly came from Cornwall, England.

United States Competition.

"At the present moment," continued Mr. Waldie, "the United States competition is not bothering the mills here. They have to take care of the market which used to be supplied by Great Britain, and they are under the same handicaps as we are in regard to raw materials. It is only in times of depression that the big United States mill, making one line of paper for a big market, can undersell the small Canadian mill, making several lines for a small market. The paper trade will require all the protection that it now receives from the government because its machinery, chemicals, etc., are all subject to a higher duty than the finished product."

The book and writing mills do not own pulp wood limits, but depend largely on the pulp mills for their supply of raw material.

CANADA'S PARTICIPATION IN RUSSIAN MARKET

Russian Business Should be Pooled by Our Co-related Industries

BY C. F. JUST.

The economic situation in Russia during the past year has been one of growing stringency especially in regard to foreign trade. The restrictions imposed by the rate of exchange and by transportation have borne heavily on the needs of the civil population which relies, under normal conditions, so much from imports from abroad. The measure also taken by the imperial government to mobilize the whole of the industrial interests and the resources of the empire for the successful prosecution of the war, added by their very success to the difficulties under which general trade was conducted. Some relief, however, is probable in the immediate future in respect of transportation as the prospects for easier conditions in regard to transit through Sweden are realized, and by the opening of the all-winter route via the Gulf of Kola which is now assured.

Want Proof of Interest.

The liquidation of enemy firms in Russia has been conducted with commendable activity, and those of these concerns which have been engaged in production and distribution essential to the welfare of the country have been taken over by strong Russian and allied countries' organizations. The expectation of the resumption by Germany of her old activities in Russia at the close of the war is becoming a remoter possibility, and the way is being cleared for the entry of new firms and for the formation of new connections abroad, which will furnish alternative sources of supply. The commercial circles in Russia, however, are looking with some impatience for fuller proofs of interest on the part of the allied countries in this regard, and the matter is one for which we shall do well to provide.

The only message I have for Canadians is to urge this practical consideration upon their attention. My belief is that the position is to be best met, so far as Canada is concerned, by the grouping of like or co-related industries interested in the Russian market, and of frankly pooling Russian business. Under the conditions that are likely to exist after the war such collective co-operative effort will be more adapted to success, than by individual effort. It is not unreasonable to ask that Canadian firms, which are believed to have made unusual profits during the war, should set apart a portion of those profits as a fund for investigating possibilities of new markets including that of Russia, and for forming necessary connections in order to maintain their present enlarged output.

Many Openings in Russia.

Prior to the war Canada was a terra incognita in Russian commercial and financial circles. But time is working a change and the evidence of Canada's industrial strength and varied production during this war is receiving generous recognition by the press of this country, which, for the first time, has learned to look beyond Great Britain to the British empire as a great organized whole, which has mobilized its manpower and infinite resources for the common cause of civilization.

I am satisfied that Canadian manufacturing interests will find many an opening in Russia, and that the experience gained in developing our own country, will be able to find special outlets for its employment under the conditions prevailing in a country like Russia where the problems of development awaiting solution are in so many respects similar to our own.

The New Brunswick government has been applying itself to the consideration of post-war problems, and a scheme of land settlement for returned soldiers and immigrants is being evolved, from which satisfactory returns are expected.

There are 29 cotton mills in Canada operating approximately 800,000 spindles. The raw cotton imported annually is worth $9,000,000. The mills are chiefly in Quebec, Ontario and the maritime provinces. The sheep owned in Canada are valued at $15,000,000.

Forty years ago, a Hudson Bay Trading Post, with a population of 215.
To-day, a Metropolitan City, with a population of 210,000.

The Gateway City to the World's Last West

With its annual purchasing power of over Five Hundred Million Dollars. 470 Industrial plants employing over 23,000 hands, their output for 1915 totaling $94,400,000. The largest grain market in the world, where actual trading in grain is transacted.

Ten Years' Progress in Winnipeg

BANK CLEARINGS

Year	Amount	Year	Amount
1906	$ 504,585,914	1912	$1,537,817,524
1907	599,667,576	1913	1,634,977,237
1908	614,111,801	1914	1,370,960,806
1909	770,649,322	(War declared in Aug.)	
1910	953,415,281	1915	1,530,683,124
1911	1,172,762,142	(Jan. 1st, 1916)	

CUSTOMS

Year	Amount	Year	Amount
1902	$ 1,492,469	1910	$ 6,219,469
1903	1,936,811	1911	7,642,558
1904	2,601,252	1912	10,484,092
1905	2,705,051	1913	9,916,076
1906	3,620,072	1914	6,517,962
1907	3,144,554	1915	6,066,023
1908	4,132,021	1916	6,570,105
1909	3,343,520		

INDUSTRIAL GROWTH
Increase in Winnipeg Factory Output

Year	Amount
1905	$18,983,248
1910	39,400,608
1915	94,403,000

Over 470 industries in 1916.
23,000 hands employed.
$80,000,000 invested.

POSTAL REVENUE

Year	Amount
1906	$ 319,378
1907	418,912
1908	374,020
1909	555,466
1910	580,385
1911	836,531
1912	1,017,829
1913	1,167,266
1914	1,225,000
1915	1,376,433
(To Jan. 1st, 1916)	

INLAND REVENUE

Year	Amount
1906	$1,150,198.00
1909	837,742.30
1911	1,146,559.00
1912	1,354,210.00
1913	1,354,313.00
1914	1,238,018.00
1916	1,098,051.00

ASSESSMENT GROWTH

Year			
1906	$ 69,624,550	$ 15,128,030	$ 84,752,580
1907	93,825,960	18,587,940	112,413,900
1908	102,785,170	21,737,990	124,523,160
1909	107,997,320	23,405,520	131,402,840
1910	157,608,220	28,261,920	185,870,140
1911	172,677,250	27,511,350	200,188,600
1912	214,360,440	33,241,140	247,601,580
1913	259,419,520	40,279,460	299,698,980
1914	280,791,340	44,153,270	324,944,610
1915	288,451,340	47,360,610	335,811,950
1916	278,732,370	44,757,910	323,490,280
1916 tax rate			15.7 mills

REMARKABLE PROGRESS OF SCHOOLS

Year	No. of Teachers	No. of Buildings	Value of Sites and Buildings	Attendance
1906	220	26	$1,213,931	13,445
1907	248	30	1 552.753	14,802
1908	266	34	1,971,479	15,449
1909	297	33	2,300,000	16.070
1910	340	33	2,800 000	17,738
1911	381	37	3,462,159	20,167
1912	450	39	4,185,000	22,500
1913	531	41	5,032,589	24.000
1915	589	44	5,610,619	27,514
1916	600	45	5,856,356	28,192

There are few, if any, cities in the world which present greater attractions to manufacturers than Winnipeg the economic railroad and commercial centre.

Reports furnished free of charge on the manufacturing possibilities of any line of industry, by addressing

CHARLES H. WEBSTER, Industrial Commissioner, WINNIPEG, CANADA.

Winnipeg's Civic Hydro-Electric Light and Power Plant, situated on the Winnipeg River at Point du Bois, at a cost of $4,000,000, has reduced the cost of domestic lighting by 70 per cent., supplies power to manufacturers at from ½ to 1 cent per K.W.H., and has "Made Good."

MUST COMPETE WITH BUFFALO ROUTE

Increase of Business Through Canadian Ports—Important Commercial Question

BY F. W. COWIE, MEM. CAN. SOC. C.E.

The coast line of the Canadian lake ports, extending from Kingston, on Lake Ontario, through Lake Erie, Lake Huron, Georgian Bay and Lake Superior to the United States border at Pigeon River, comprises a total length of about 1,500 miles. In this coast line there are thirty-five harbors, many of them being excellent examples of local ports. The harbors at Kingston, Toronto, Hamilton, Goderich and Owen Sound hold important places in the history of Canadian development.

The evolution of lake harbor construction, from the sheltered landing-place for schooners to the modern wharves for St. Lawrence type of lake steamer of 2,500 tons and a draught of 14 feet, has necessitated a high degree of skill and enterprise.

From the Atlantic to the Pacific, across country, the distance is approximately 2,600 miles. The distance from the head of the Lakes to the Atlantic coast is approximately 1,000 miles, or within 300 miles of the central point of Canada.

The Canadian western railways all converge to the Head of the Lakes so that the transportation systems may take advantage of the water route during the eight months of open navigation.

Probably the most important economic link in the chain of Canadian transportation system is the twin-terminal harbor at Fort William and Port Arthur, commonly known as the "Head of the Lakes." From this point grain and products of the North-West are carried:—By the water route to Montreal; by the lake and railway route via Canadian lake ports; by full-sized lake vessels to Port Colborne; by full-sized lake vessels to United States ports.

The total shipments from Fort William and Port Arthur, for all grains, are recorded as follows: 1900-01, 6,500,000 bushels; 1904-5, 31,000,000 bushels; 1913-14, 201,500,000 bushels; 1915-16 (for year ending July 31st, 1916), 335,000,000 bushels.

Transportation through the country and ports, economical terminals, well-equipped ports, industrial enterprises, all thoroughly investigated by the best brains available and carefully carried out, may be given as the Canadian programme.

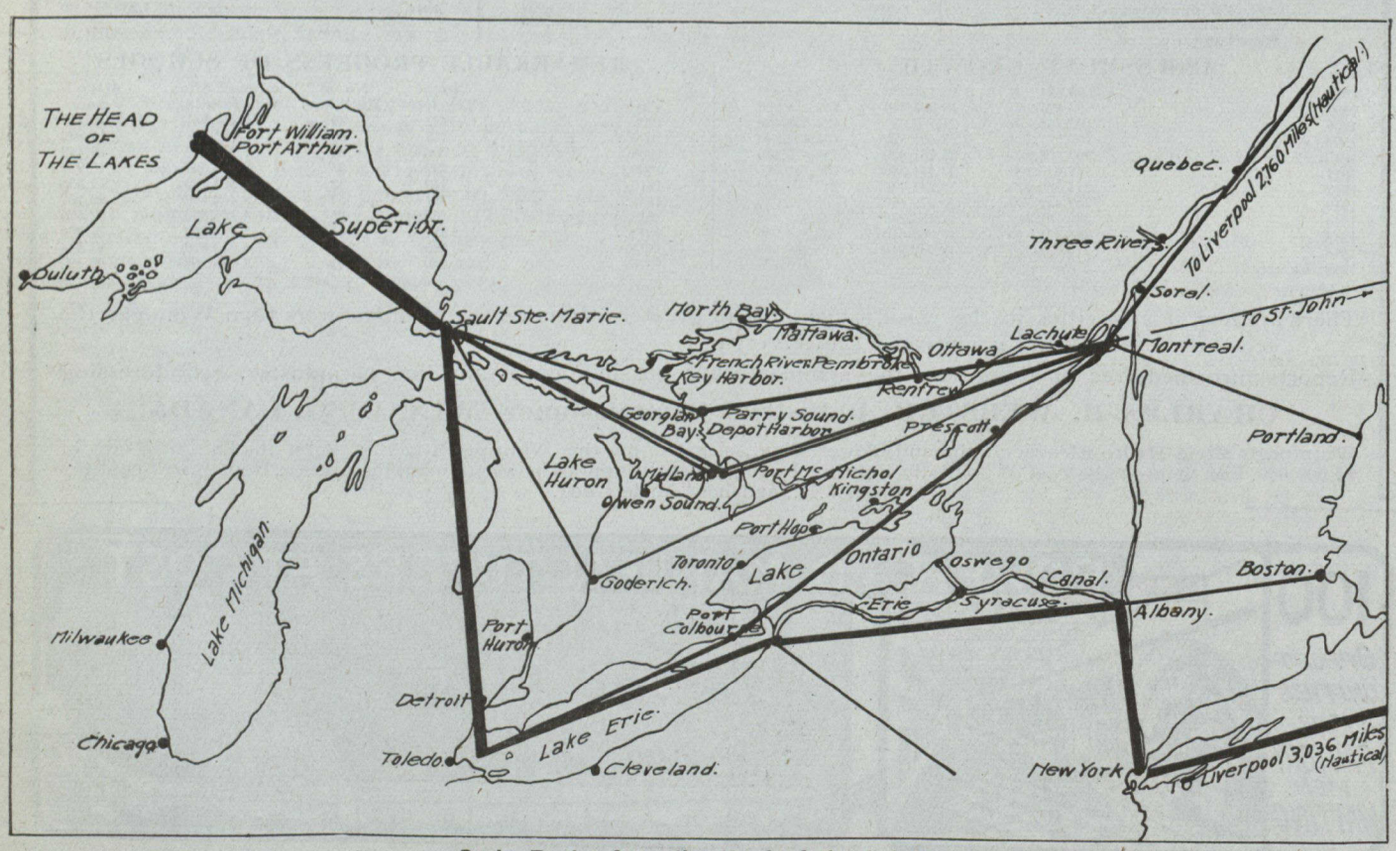
The harbor terminal at the Head of the Lakes has been carefully and wisely located. Government, corporate, municipal and private interests have evolved, in thirty years, splendid harbors, magnificent railway terminals, flourishing cities, and successful enterprises. The "Head of the Lakes" has no competitor. If it had a rival, would port authorities, whose knowledge results from ascertained facts relative to economic transportation, ask the questions: Why two adjoining city organizations? Why two ports? Why three independent railway harbor terminals? Why twenty-three independent terminal elevators? Why nineteen terminal elevators served by only one railway? Why flour mills served by only one railway? Why the Harvesting Company's assembling plant served by only one railway? Who stands the economic loss due to lack of co-operation? Who stands the loss due to duplication?

From the Head of the Lakes, further transportation eastward brings in the all-important question of whether the route will continue through Canadian ports or whether the business will be diverted to the United States. The owner of the grain is not expected to be controlled by sentiment. The route by which he receives best and surest profits is chosen.

National or State policy is another matter. Actual economy of transport so as to increase the price to the producer, or cheapen it to the consumer, is a point well taken with statesmen. Much more is the tolls on commerce of interest to a people and her legislators. All along the line every station, every town, as well as every port or terminal reaps the reward.

Therefore, the chief point to Canada to increase the business through the ports is the effort to make such a route as will compete with the main Buffalo-New York route. It were well worth while, even at a sacrifice. The great State of New York is setting the example.

Can engineers design and construct a route, and operators achieve costs to meet the competition? This is the most important commercial question in Canada to-day.



Grain Routes from the Head of the Lakes.

GRAND TRUNK RAILWAY SYSTEM

SERVICE TALKS

A Modern Railway is judged by its Service to the Public.

THE GRAND TRUNK SYSTEM

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OFFERS

Finest Modern Service — Unexcelled Dining Car Service

Choice of Routes — Variety of Scenery

Through fast limited trains are operated daily between Atlantic ports and Chicago, where connection is made for all points in Western Canada, the Southern and Western States.

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Booklets on Application.

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Canada's Train of Superior Service
Runs Daily Between

MONTREAL and CHICAGO

Lv. Montreal, 10.15 a.m. — Lv. Chicago, 6.10 p.m.
Ar. Chicago, 8.05 a.m. — Ar. Montreal, 5.45 p.m.

Finest modern equipment, including Observation, Compartment, Dining and Parlor-Library Cars, Electric lighted throughout.

The Grand Trunk is the new route to Western Canada; through the North American Alps to Pacific Coast points, and through the Norway of America to Alaska. No transcontinental route offers more beautiful or wonderful scenery.

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G. T. BELL
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General Passenger Agent
MONTREAL

GOLD AND SILVER IN ONTARIO

Value Produced Last Year was $23,500,000—Cobalt Has Produced to Date, $136,250,000

BY THOS. W. GIBSON.

In production of the precious metals, gold and silver, Ontario now far surpasses any of the other Canadian provinces. The united value of her gold and silver yield in 1916 was greater than in any previous year, and amounted to about $23,500,000. The gold output was worth about $10,000,000, and the silver $13,500,000. In 1915 the yield was, gold $8,501,391 and silver $11,742,463, or a total of $20,243,854, the increase in 1916 being thus about 16 per cent.

Both metals contributed to this increase; in the case of gold there was a larger production, say 485,000 ounces, as against 411,588 ounces. Gold never varies in nominal value, which is always given as $20.67 per ounce. As a matter of fact, in a period of high prices such as the present, the purchasing power of gold is considerably reduced, since an ounce of it will buy a smaller number of pounds or yards of other goods.

On the other hand, the output of silver measured in terms of quantity, was less in 1916 than in 1915 by about 2,000,000 ounces, the larger value being due to the much higher prices for silver that prevailed during the past year. In 1915 the average monthly price at New York was 49.75 cents per ounce, while in 1916 it never fell below 56.76 cents, with which it began in January, and went up as high as 74.27 cents in May and in December to over 75 cents. Thus for a considerably reduced output the mine owners received a much larger return.

Over $8 per Ton.

The principal gold-producing district is Porcupine, where discoveries made in 1909 have developed into important and profitable mines. The best known and largest of these are the Hollinger and Dome. The former has had an exceptionally prosperous career. Recently amalgamated with the original Hollinger holdings were the Acme and Millerton. The ore bodies of all three form part of the same system, and can be worked economically as one mine. During 1916 about 590,000 tons of ore were crushed, yielding say $4,700,000, or over $8 per ton. When the consolidation took place in June, 1916, the total ore reserves were estimated at over 4,000,000 tons valued at about $37,000,000, from which it was expected a profit of over $22,000,000 might be obtained. The issued capital stock of the Hollinger Consolidated is $24,000,000, and up to November 3, 1916, $1,920,000 had been paid to the shareholders of the old and new companies as the dividends during the year.

The rocks of the region belong to the Keewatin formation, and the Hollinger system of veins has a north-east and south-west trend. The vein filling is quartz, and an alternation of quartz and schist bands very irregularly distributed. The Dome mine is of a somewhat different character, the ore bodies occurring partly in Keewatin and partly in Temiskaming rocks. They consist of lenses rather than veins, and large masses of mixed quartz and schist contain sufficient gold to repay working. This has led to the adoption of the open-pit method of operating, which will be supplemented at greater depth by a system of rectangular drifts north-east and south-west, and cross cuts north-west and south-east.

Other Gold Mines.

The ore of the Dome mine is of lower grade than that of the Hollinger. Nevertheless, the output for 1916 amounted to about $2,125,000 in value. At April 1st, 1916, the ore reserves were estimated at 2,600,000 tons, worth $16,120,000, or $6.20 per ton.

The McIntyre-Porcupine is the third largest producer in the camp, its output for 1916 being about $1,000,000, to recover which about 105,000 tons of ore were treated of an average value of about $8.50 per ton. It is now proposed to unite with the McIntyre mine the adjoining properties, McIntyre-Extension and McIntyre-Jupiter, and to work them as one, the veins, as at the Hollinger, having been found to pass from one property to the others.

The Porcupine-Crown Mine is also an important producer and has, during the course of its workings, encountered ore bodies of unusually high grade. It yielded in 1916 about $600,000. Other properties turning out bullion are the Jupiter, Vipond, Schumacher and Dome Lake.

The standard practice at the Porcupine mines is crushing by stamps or ball mills, tube grinding, and cyanidation. The percentage of recovery is good. From the beginning of the camp down to December 31st, 1916, the aggregate production was about $27,250,000.

Kirkland Lake Gold Camp.

The gold camp next in present importance, and one which gives promise of speedy growth is Kirkland Lake, lying some miles to the east of the main line of the Temiskaming and Northern Ontario Railway, about 50 miles north of Cobalt. Here, also, the rocks are those of the Keewatin system, mostly of the greenstone type, both massive and schistose. Associated with the gold bearing veins are basic and acid intrusives such as porphyry, granite and syenite.

Gold was found at Otto Lake in 1911, and in 1912 high grade ore was discovered at what is now the Tough-Oakes mine. In 1914 several carloads of ore were bagged and shipped from this property, carrying from 23 to 64 ounces of gold per ton, 101.04 tons of ore realizing $46,221.20. This is now the leading property in the camp, the output for 1916 having a value of about $700,000. As yet it is the only producer, but the Teck-Hughes mine has been opened up and equipped with a plant ready to turn out bullion as soon as connection can be made with the power transmission line from Cobalt now being built. A number of other mines are in the development stage, such as Lake Shore, Wright-Hargrave, Kirkland Lake, La Belle Kirkland and Sylvanite. The prospect is good for another Porcupine, perhaps at the outset on a smaller scale.

The Croesus mine, from which a considerable quantity of phenomenally rich ore was taken in 1915, suffered in the forest fires of last summer, all of the mine buildings being destroyed. The equipment is being renewed.

Gold is proving to be of wide-spread occurrence in northern Ontario, and other localities are going through the same process of development as Porcupine and Kirkland Lake. At Boston Creek, in the townships of Gauthier and Benoit, and at Tashota on the Transcontinental Railway, promising prospects are being opened. West of Lake Superior the St. Anthony mine on Sturgeon Lake has been taken over by a strong New York firm, and the rich find south of Van Horne is also undergoing development.

Cobalt's Great Records.

The discovery of silver at Cobalt in 1903 led to the development of one of the great silver fields of the world. The number of silver mines anywhere now being worked as such is few, most of the silver being obtained as a by-product in the treatment of the ores of copper, gold, lead and zinc. Cobalt, however, presents an exception, silver being the chief metal of quest. The cobalt which is found along with the silver brings no return to the mine owner, but it occurs in such proportion that the silver refiners, who recover it, have been enabled to control the world's trade in cobalt oxide, the chief market for which is in the fine porcelain manufacture of Europe. Nickel and arsenic are also constituents of the ore, and are recovered in the refining works.

Up to December 31st, 1916, the silver output of the Cobalt mines was about 256,000,000 ounces, worth, say, $136,250,000. This aggregate of value is now comparable with that of gold from the Yukon region, one of the most important gold fields discovered during the last 20 years. At December 31st, 1915, the total of the gold yield of the Yukon had amounted to $162,231,607, and, assuming the production for 1916 to equal that for 1915, the total to date will be, say, $167,000,000. The output of the Cobalt mines is decreasing, but not rapidly, and there can be no doubt that in three or four years the gross returns from the silver mines of Cobalt will have surpassed the gross returns of gold from the Yukon.

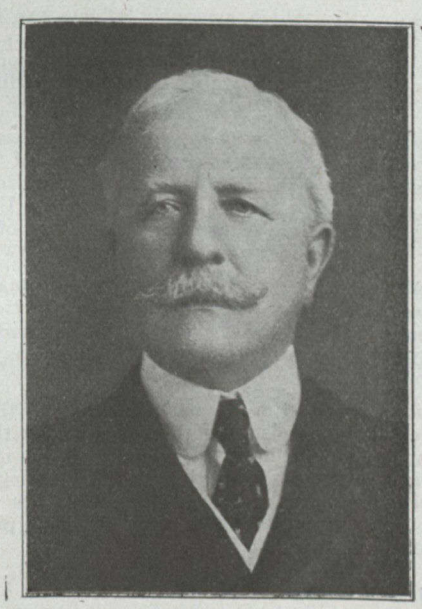
Not all Extracted Yet.

The rock formation at Cobalt most favorable for the occurrence of silver bearing veins is the conglomerate, but good veins have also been found in the Keewatin and diabase. The ores, especially at the beginning, were exceptionally rich, and even yet the high grade material has been by no means all extracted. This is proven by the recent shipment from the Temiskaming mine, of what is doubtless the most valuable carload of ore yet sent out from Cobalt. It

CANADIAN PACIFIC RAILWAY'S STRENGTH

It is Busily Engaged in War Work and in Maintaining Its High Reputation as a Public Carrier

Its reputation as one of the best managed, most influential and public-spirited corporations of this continent has been fully maintained by the Canadian Pacific Railway Company during the past year. Imperial in character, international in influence, transcontinental in size, the Canadian Pacific Railway occupies a premier position in the activities of this growing country. Therefore in the first business of Canada to-day, the successful prosecution of the war, the

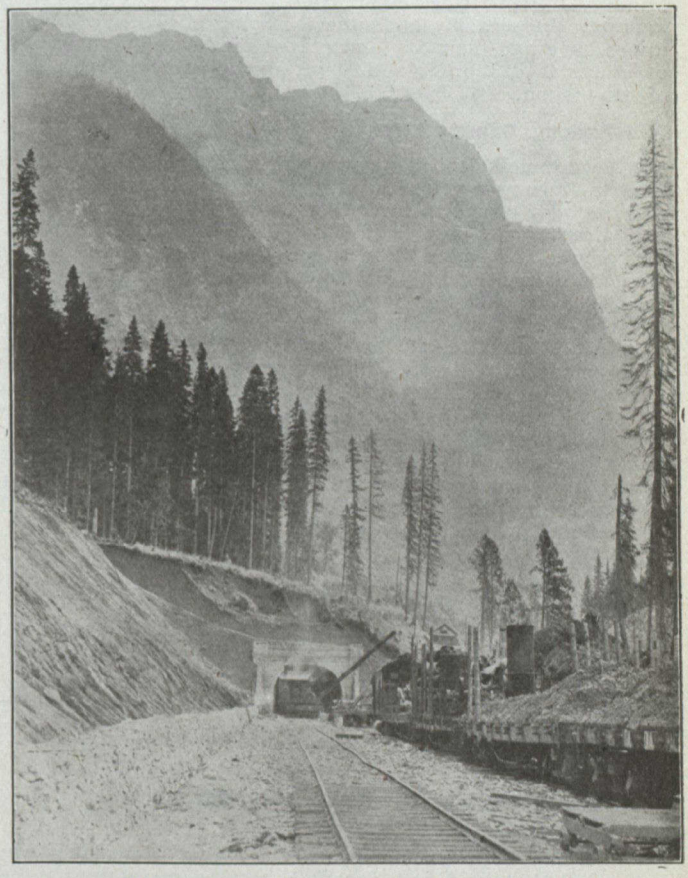


SIR H. VINCENT MEREDITH, BART.,
Elected a Director of the Canadian Pacific Railway last year.

Canadian Pacific Railway is taking an outstanding part in every way. Canadian Pacific ships are transporting men, munitions and food supplies across the Atlantic. In its primary business of railroading, the company has handled with dispatch its generous share of the crop of wheat and grain from the western prairies. The executive officials and employees are lending their assistance to the empire and to Canada, both on active service and in the acquisition, manufacture or transportation of the various things which are necessary to bring to a successful issue the operations carried on by British forces.

The Canadian Pacific Railway Company at the end of its latest fiscal year, June 30th, 1916, had cash in hand, including the temporary investment in war loans, readily convertible, of nearly $47,000,000, or about $30,000,000 more than at the end of the previous fiscal year. In addition, there is available for sale upwards of $40,000,000 of 4 per cent. consolidated debenture stock for additional railway mileage built with funds advanced by the shareholders. An analysis of the company's balance sheet for the past fiscal year shows this great enterprise to be in excellent financial condition.

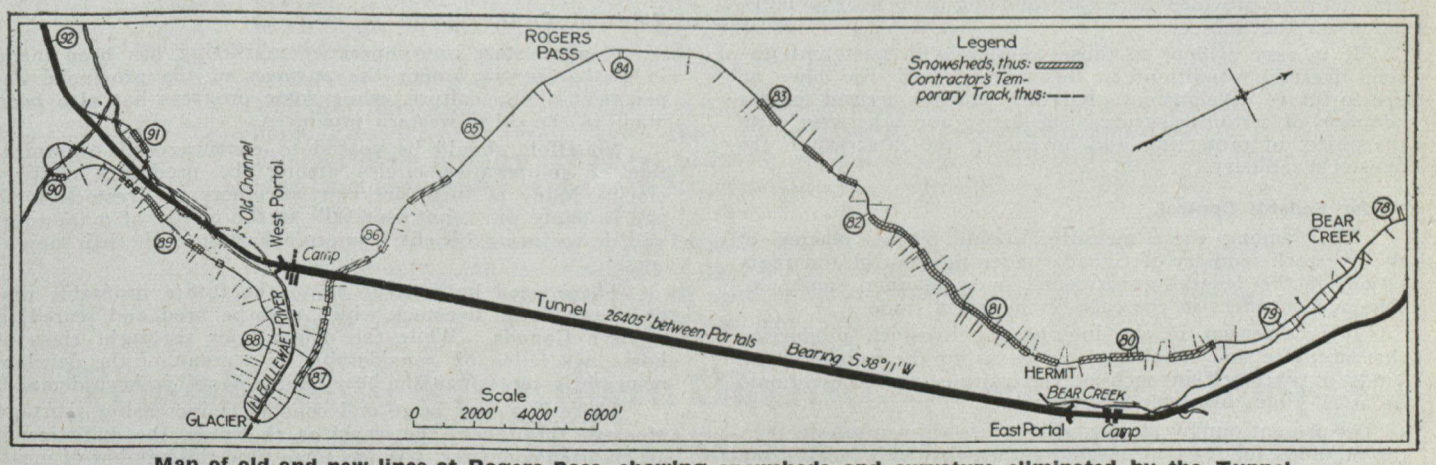
To the company's directorate last year was added one of the most prominent citizens and bankers of the Dominion, namely, Sir Vincent Meredith, Bart. This still further



Eastern Portal, The Connaught Tunnel.

strengthens a directorate which is considered as one of the strongest in North America.

One of the greatest of the company's achievements last year was the completion of the Connaught tunnel, through the lofty Mount MacDonald, amongst the Selkirk Mountains. It is nearly five miles long and double tracked. The excavation has been made at a cost of many millions. The opening of the tunnel will greatly facilitate traffic, will create a new route, and will do away with many miles of snow sheds and curvature, also greatly reducing grades. Trains are now running through the tunnel, but the official opening will not be until spring of this year.



Map of old and new lines at Rogers Pass, showing snowsheds and curvature eliminated by the Tunnel.

contained 78,524 pounds of ore, assaying 5,856.9 ounces of silver per ton. The value at 75 cents per ounce would be over $172,000.

The most important property since the beginning of the camp has been the Nipissing, because of its large acreage and the number and richness of its veins. The value of the output of this mine to December 31st, 1916, was about $25,750,000, or about one-sixth of the entire production of the camp. In the second rank come the Coniagas, Kerr Lake, Mining Corporation, La Rose, Crown Reserve, Buffalo, Temiskaming, Hudson Bay and others. Some of the once-famous mines have had their day and ceased production. The yield of others is declining, and some are approaching the point of exhaustion.

Will Prolong Camp's Life.

Nevertheless, the camp continues in operation. From time to time new veins are discovered, as, for instance, the rich ore body struck in the Miller Lake-O'Brien Mine at Gowganda during the past year. Low grade ores also are becoming more and more important. Ordinary concentration methods have been fully developed, and the flotation process has been applied at some of the mines, particularly the Buffalo. Here ores containing, say, 6 ounces of silver per ton are successfully treated by flotation at low cost, recovery being made of 4.7 to 5.5 ounces per ton. There are large quantities of such material both on the dumps and in the mines. Now that they can be made to yield a profit, these low grade ores will assist in prolonging the life of the camp, unless the unfortunate litigation in which the flotation processes have become enmeshed should retard their adoption. It may confidently be predicted that silver will continue to be produced at Cobalt for many years to come.

LIVE STOCK PRODUCTION

Should Be Under Federal Control—Statistics Are Poor—Banks and Live Stock

BY DR. J. C. RUTHERFORD, C.M.G.

The man to be encouraged is the actual homemaker who stays with his land and does his best to maintain its fertility. It may therefore be taken for granted that the permanent prosperity of western Canada must of necessity be largely dependent upon livestock production. This being admitted, it is plain that the slip-shod, haphazard methods hitherto followed in the breeding, feeding and marketing of livestock will have to give place to a systematic policy having for its object the sane and intelligent development of the industry and the conservation of the best interests of the producer.

Until very recently the production and marketing of livestock has been a side issue in western Canada, being entirely overshadowed by the grain trade, which after many years of neglect finally demanded and received due attention from the parliament of Canada which has since from time to time provided necessary and highly beneficial legislation on the subject.

It is very evident to those familiar with past and present livestock conditions in this country and who have an eye to future development, that the time has arrived for the adoption of certain measures, legislative and otherwise, with the object of protecting and advancing the interests of the livestock industry.

Under Federal Control.

First among these measures should be the placing of the livestock industry of Canada under the control and regulation of the federal government, in a manner similar to that now in effect in the case of the grain trade.

It is essential in the interests of livestock production that accurate and reliable statistics as to the numbers and kinds of livestock in each of the various provinces should be at all times available to the farmer.

At present our livestock statistics are very unsatisfactory, the methods followed in obtaining them by both federal and provincial authorities not being such as to make for either accuracy or reliability.

It is important that the farmer should be able to obtain at least approximately accurate information as to the numbers of the different kinds of stock likely to be available for sale on each of the various markets.

As an illustration, it may be pointed out that in 1913, the number of hogs passing through the Alberta stockyards at Calgary was approximately 26,000, while in 1914 192,000 hogs passed through the yards in question. In view of such a rapid change in the hog situation, the value, from a marketing standpoint, of dependable statistics will be at once apparent.

Question of Financial Accommodation.

Another matter which seriously affects the livestock situation is the difficulty experienced by farmers in securing the reasonable and adequate financial accommodation necessary to enable them to profitably carry on breeding and feeding operations, especially the latter.

To illustrate this it may be pointed out that in the year 1915, 70,000 head of stockers and feeders, of which about 25 per cent. were breeding heifers of good quality, were shipped from the three prairie provinces to the United States, while at the same time enormous quantities of fodder and grain were available in our own country.

The prices paid for these exported animals averaged slightly over $50, and as they would have practically doubled in value before the following spring, it is evident that approximately $3,000,000 was lost to Canada as a result of this movement.

When it is borne in mind that the export of these animals, was, in the last analysis, due to the fact that the man who had the cattle did not have the feed, and the man who had the feed did not have the cattle, nor the money with which to purchase and handle them, it is evident that a better and more reasonable system of finance would have prevented this considerable economic loss.

Banks and Livestock.

The recent amendment to the Canadian Bank Act by which bankers are authorized to lend money directly on livestock security is likely to be largely inoperative owing to the fact that the Canadian chartered banks are in no way equipped for the making of livestock loans on a safe and practical basis.

The Canadian banks also claim that they cannot furnish money at such rates of interest as would enable Canadian livestock loan companies to operate in this country. The whole subject demands full and exhaustive investigation especially in view of the fact that the movement of stockers, feeders and breeding stock to the United States is still active and in apparently undiminishing volume.

Having dealt with various phases of the livestock situation in regard to which the producer is not himself directly responsible, it is now in order to discuss briefly a matter in which he is personally and intimately concerned. By the adoption of co-operative methods in the breeding, feeding, handling, shipping and marketing of livestock, producers can very largely reduce expense and increase profits.

Value of Co-Operation.

A good start in co-operative marketing has been made in Saskatchewan, under the auspices of the provincial department of agriculture, while some progress has also been made in the other western provinces.

No effort should be spared to encourage the organization of co-operative circles among the producers of livestock. Many of them are new beginners in livestock work and in many ways, but especially in the matter of marketing, will derive great benefit from co-operation with their neighbors.

There need be no fear as to the future profitable disposal of all the livestock which may be bred and reared in western Canada. While the demand for the light class of horse has fallen off considerably as a result of the development of the motor car, the heavy horse is still in keen demand.

There is a very large and constantly increasing shortage of cattle throughout the world as shown by the statistics of all civilized countries. At the same time the number of meat-

ST. BONIFACE

(MANITOBA)

Divided from Winnipeg by the Red River

Splendid Trackage Facilities.

Cheap Electric Light and Power.

Inducements offered to Manufacturers and Distributors to locate in the city.

Largest Stockyard in Canada located here (removed recently from Winnipeg to this city on account of railway facilities).

Two large abattoirs being built.

Great opportunity now for businesses connected in any way with Live Stock Industry.

For information write

Secretary,

Board of Trade.

THE

Guarantee Company of North America

The Pioneer Company in America

(Founded by Edward Rawlings in 1872 under Dominion Charter)

MONTREAL, CANADA

Total Assets and Resources, $2,421,320.00

Of which over a Million and a Half is in Canada.
Over $1,183,700 being in Canadian Investments and Banks.

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This Company's business is the issuing of **Fidelity Bonds** for Officers and Employees in positions of trust with high grade Corporations or firms, and a few classes of **Surety Bonds** in moderate amounts and risks required by responsible Principals in the transaction of their business.

It operates and is represented throughout the Dominion of Canada and the United States.

HOMESTEADS IN THE BANNER HOME PROVINCE OF ONTARIO

20,000,000 acres of the Finest Agricultural Land in Canada waiting for you in the Northern part of Ontario.

Think of it! Homesteads available at 50 cents per acre, close to railroads, close to markets, close to civilization and attending advantages.

Land of opportunity. You can make yourself a home within a short day's journey of Toronto.

Land lies in one of the best belts of Canada, along the TEMISKAMING AND NORTHERN ONTARIO RAILWAY, which has connections with the G.T.R., C.P.R., C.N.R. and C.G. Railways, thus bringing the Settlers within easy reach of the profitable markets of the Continent and Europe.

Prosperous towns, growing into cities; in this way local markets available to the settler for buying and selling.

You may have a happy home and a fertile farm at 50 cents per acre in your own home Province of Ontario. Why, then, go far afield for these ideal conditions? Exhibits of the products and of the possibilities of production of New Ontario's land have been shown at Canada's National and other Expositions, so that it is now known as Canada's land of production.

Not only land of agriculture, but embraces large and rich mineral belts, from which, annually, millions of dollars of gold and silver are mined.

Learn more of This Land of Plenty by sending for free Booklets to Geo. W. Lee, Commissioner and General Agent, North Bay, Ont.

Temiskaming & Northern Ontario Railway Commission

Executive Offices - 56 CHURCH STREET, TORONTO, ONT.

eating people is constantly increasing in inverse ratio to the available supply. In this connection it may be noted that while there have from time to time been trifling fluctuations, the price of beef has steadily increased, and judging from the present outlook and the prices now obtainable, there need be no fear of a surplus of cattle for a long time to come, if indeed such a thing should ever again occur.

The same is true of swine, although this class of stock can be increased rapidly to meet insistent demands. At present the supply is far from adequate and prices are likely to rule high for some time to come, especially as the value of grain is not likely to be appreciably reduced in the near future.

In this connection, however, it should be borne in mind that the prices derived from coarse grains when fed to stock compare very favorably even with the high figures now obtainable on the grain market.

Outlook for Sheep.

The outlook for sheep was never more promising, and apart from all other considerations, it may be pointed out that the number of sheep in Canada is so small as to be out of all proportion to the requirements of the country either in mutton or wool.

The western provinces of Canada can without difficulty carry a vastly greater number of sheep than are now kept in the whole Dominion. As a matter of fact Canada has only about 2,000,000 sheep as compared with 50,000,000 in the United States, 34,000,000 in Great Britain, 43,000,000 in the Argentine, and over 100,000,000 in Australia.

Canada is a large importer of both mutton and wool, although well able to not only supply her own needs many times over but to produce for export a large surplus of both of these products.

It is gratifying to note that there is at present a marked revival of interest in the sheep industry, especially in these western provinces. This is due to a variety of reasons among which are the greater demand for home-grown mutton both on account of quality and condition, and, as a result of high ocean freights, better prices for wool, especially when properly graded and marketed as is now the custom in Canada, as an outcome of the campaign for improvement in this regard inaugurated in 1910 by the Dominion livestock commissioner and which has been energetically carried on ever since.

VALUE OF FISHERIES OUTPUT

In value, salmon was the leader among Canadian fish last year, with lobster and cod taking second and third places. Cod easily leads with respect to the size of the catch, herring being second. The quantities and their values of the chief kinds of fish landed last year were as below:—

	Cwt.	
Salmon	1,410,769	$11,262,381
Lobsters	445,277	4,506,155
Cod	2,152,756	4,489,496
Haddock	582,522	1,232,022
Hake and cusk	379,959	520,051
Pollock	138,801	193,788
Halibut	226,151	2,261,776
Herring	1,894,774	2,906,887
Mackerel	180,990	990,329
Sardines (barrels)	336,794	1,229,096
Alewives	97,032	120,126
Smelts	67,607	632,733
Whitefish	153,529	1,048,641
Trout	115,999	870,209
Pickerel	55,722	901,183
Pike	69,229	347,355
Oysters (barrels)	21,386	147,628

This industry gave employment to 102,182 persons.

The progress of St. John as a national port has been gathering strength year by year since 1896, when St. John first entered the lists as a winter port of Canada, and it is largely due to the strategic position which the port occupies in relation to rail and ocean transportation.

CANADIAN-FRENCH TRADE TO INCREASE

France is Manufacturing Many New Lines and Its Shipyards Are Busy

BY C. E. BONIN.

In spite of the present difficulties, there is a decided increase over last year in the total amount of Canadian exports to France. The French imports into Canada, although they have remained practically stationary for the fiscal year ended March 31st, 1916, show a decided tendency to rise for the four ensuing months, up to July 31st, 1916.

The total exports from Canada to France from April 1st, 1915, to March 31st, 1916, amounted to $36,085,813, showing an extraordinary increase of $21,490,108 over the preceding fiscal year 1914-1915. The imports from France into Canada for the fiscal year 1915-1916 amounted to $8,002,489, against $8,449,186 for the preceding year.

Congestion of Freight.

The fact that imports from France into Canada have remained practically stationary, showing even a slight decrease is due primarily to congestion of freight and lack of bottom space, also to certain agreements between Great Britain and France to forbid the export or import of certain articles.

However, this slight decrease is only apparent in regard to French exports to Canada, because the total exports from France for the first seven months of the current year show an increase of 330,318,000 francs (about $63,767,950) over the same period last year, deducting a decrease in the export of food products. The resultant increase is as follows:

Exports from France. January 1st to July 31st, 1916:

Nature of exports.	Increase over same period 1915. Frs.	Decrease over same period 1915. Frs.
Food products		76,203,000
Raw materials	50,658,000	
Manufactured articles	311,029,000	
Parcel post	44,834,000	
	406,521,000	76,203,000
Total increase	330,318,000	

Change in French Plants.

New plants have been erected throughout France and old plants entirely remodelled to cope with new conditions. All of these have been built, organized or improved, primarily with a view to manufacture munitions and war material. One-tenth of her most industrial territory is in the hands of the enemy. France is able, nevertheless, to manufacture, not only all the munitions necessary for herself, but also all of the munitions supplied to two or three of the allied armies. Aside from this, French manufacturers are able to manufacture helmets, side arms, tin cans and various other parts of military accoutrement for some of France's allies.

Shipyards are busy building boats of all tonnage and the wharves in the ports show the greatest activity.

All these new plants will surely be turned to other purposes than shell making after the war and France, as well as Canada, may then see a new era of prosperity in their manufacturing capacities.

New French Industries.

New industries have already started in France which, heretofore, seemed to have been almost exclusively in the hands of German manufacturers. Among them I may mention the aniline dyes, the manufacture of electrodes, of calcium carbide, of sodium electrolytic, magnesium, and all ferro-alloys, celluloid and imitation, such as gayalith, oyogalith, etc.

In spite of the submarine warfare, it is gratifying to note that during the first seven months of 1916, there was, over the same period in 1915, an increase in the movement of ingoing and outgoing vessels in the French harbors amounting to 4,867 vessels with a total tonnage of 869,012 tons.

The Consumers' Gas Co.

OF TORONTO

The Consumers' Gas Company has a perpetual charter for the manufacture and sale of gas in the City of Toronto and Township of York.

The dividend is limited by statute to 10% on the paid-up Capital. After this dividend has been earned, and provision made for repairs and renewals, the Company must reduce the price of gas. The prices have gradually been reduced, during the sixty-eight years of the Company's history, from five dollars per thousand cubic feet to seventy cents. Moreover, the Company has acquired one of the finest and most up-to-date plants obtainable.

The output of gas for the year ended Sept. 30, 1916, was over 3,760,000 thousand cubic feet, being approximately equal to the combined output of all the other gas companies in Canada. In addition, over $260,000.00 worth of merchandise was sold, and over $850,000 worth of residual products.

The present capital of the Company is $4,882,000. There is a reserve fund of $3,286,483.49, and a plant renewal fund of $1,486,180.28. Assets total $11,001,790.09. Profits for the past fiscal year were $919,576.68, after providing for all expenses of management and operation.

The reserve and plant renewal funds together equal 98% of the Company's capital, which funds are invested principally in the Company's business, with no interest charges against them. This means that the Company need earn only about 5% on the money invested in order to meet its dividend requirement of 10% on the capital stock. The Company has steadily maintained its 10% dividend for forty-three years.

The directors are Messrs. A. W. Austin, President; Wellington Francis, K.C., Vice-President; A. H. Campbell; Sir Wm. Mortimer Clark, K.C., LL.D.; F. Le M. Grasett, M.D.; John Hoskin, K.C., LL.D., D.C.L.; Herbert Langlois; Thomas Long; Sir Edmund Osler, M.P. The general manager is Mr. Arthur Hewitt; the Secretary, Mr. John J. Armstrong.

Table Showing Increase of Company's Business

Year	Population	Increase per cent.	Output of Gas M. Ft.	Increase Per cent.	No. of Meters	Consumption per meter	Com. per Capital of Pop.	[Miles of Main	Price of Gas per M.
1855	42,500	.....	22,000	.....	1,119	11,500	302	23	$3.00
1865	47,500	11.7	30,014	36.4	1,188	16,000	402	41¼	3.00
1875	68,678	44.6	100,122	233.9	2,508	26,500	969	66	2.50
1885	105,211	53.2	273,484	173.1	6,778	28,300	1,873	126	1.50
1895	190,000	80.0	614,553	124.7	20,626	25,000	2,883	227⅓	1.05
1905	250,000	31.5	1,374,114	123.6	39,711	31,334	5,496	302.06	.80
1916	500,000	100.0	3,768,067	174.2	104,541	33,801	7,067	582	.70

Canada's Wheat, Grain, Root, and Fodder Crops

Conservative Estimates Show That They Will Realize Over $845,000,000

The Crop Record of The Monetary Times

Wheat and grain crops.	Yield, bushels, estimated by Dominion government.	Value, estimated by *The Monetary Times.*	Total value.
Fall wheat	23,491,000	$ 41,109,250	
Spring wheat	135,632,000	246,750,240	
Oats	338,469,000	216,620,160	
Barley	32,299,000	35,528,900	
Rye	2,058,500	2,676,050	
Peas	2,166,000	4,873,500	
Beans	541,400	2,507,000	
Buckwheat	6,720,000	8,064,000	
Flax	7,759,500	19,398,750	
Mixed grains	10,333,000	12,916,250	
Corn for husking	6,271,000	4,703,250	
			$595,147,350
Root and fodder crops.			
Potatoes	61,128,000	$ 49,654,000	
Turnips	41,256,000	16,761,000	
Hay and clover	*14,799,000	170,504,000	
Fodder corn	*1,976,700	9,725,300	
Alfalfa	*261,450	2,797,300	
Sugar beets	*71,000	440,400	
			$249,882,000
		Total	$845,029,350

*Tons.

As the above estimates show, the wheat, grain, root and fodder crops of the nine provinces of Canada will bring to the country a sum of approximately $845,029,350 compared with $797,669,500 in 1915; $628,580,300 in 1914, and $552,000,000 in 1913. In the estimates of yield for 1916, the figures of the census and statistics office of the Dominion government have been taken for all field crops. The estimates of value of the wheat and grains are based on prices ruling in December. The Dominion government's estimate of value has been used for the root and fodder crops.

WORLD'S WHEAT PRODUCTION

The following table, compiled for *The Monetary Times* by Mr. T. K. Doherty, LL.B., commissioner for Canada of the International Institute of Agriculture, gives, so far as available, the estimates of wheat production in the different countries for 1916 compared with 1915 and the five years' average 1909 to 1913.

Countries.	1916, bushels.	1915, bushels.	Five years' average, 1909-1913, bushels.
Hungary	135,770,000	151,406,000	181,027,000
Denmark	5,344,000	7,983,000	5,344,000
Spain	152,923,000	139,299,000	130,447,000
France	226,000,000	237,806,000	317,639,000
England and Wales.	54,655,000	67,925,000	55,770,000
Ireland	2,711,000	3,237,000	1,597,000
Italy	183,719,000	170,542,000	183,336,000
Norway	306,000	284,000	306,000
Netherlands	4,896,000	5,680,000	4,896,000
Roumania	78,521,000	89,787,000	87,793,000
Russia-in-Europe (48 governments)	595,429,000	744,286,000	626,767,000
Sweden	7,775,000	8,763,000	7,775,000
Switzerland	4,053,000	3,957,000	3,314,000
Canada	159,123,000	376,304,000	197,118,000
United States	607,557,000	1,011,505,000	686,694,000
India	318,005,000	383,376,000	359,035,000
Japan	24,446,000	25,799,000	24,166,000
Russia-in-Asia	86,812,000	143,849,000	86,812,000
Algeria	38,817,000	34,655,000	38,817,000
Egypt	34,814,000	39,148,000	34,814,000
Tunis	7,164,000	11,023,000	6,230,000
Argentina	148,908,000	172,651,000	148,908,000
Australia	90,500,000	143,002,000	90,500,000
Totals	2,968,248,000	3,972,267,000	3,279,105,000

The estimates in all these columns for Spain, England and Wales, Ireland, Italy, Roumania, Russia-in-Europe, Switzerland, Canada, United States, India, Japan and Tunis, are official figures furnished by the Institute. The figures for the remaining countries are also official for 1915 and the five years' average.

The data for France do not include the production of the territory occupied by the enemy. The estimate of the production of France in 1916 is from Broomhall.

On account of the present conditions a number of countries have furnished no official estimates for this year. In order to arrive at a world's total, the figures for the five years' average production of the following countries have been placed in the 1916 column: Denmark, Norway, Netherlands, Sweden, Russia-in-Asia, Algeria, Egypt, Argentina and Australia. The figures for Argentina and Australia since they refer to the crops to be harvested in December and January, cannot be accepted as indicating the probable harvest. A very short crop is expected in Argentina and an exceptionally large one in Australia.

The 1916 estimate for Hungary has been made by deducting 25 per cent. from the five years' average figures.

PRESENT SEASON'S WHEAT FOR EXPORT

Taking the official preliminary estimate of the Canadian wheat crop of 1916 at 159,123,000 bushels, Canada should be able to export approximately 99,000,000 bushels in the season of 1916-17. The distribution of the crop would be approximately as follows:—

		Bushels.
Crop of 1916		159,123,000
Carryover (official estimate)		27,033,000
Total supply		186,156,000
Deduct unmerchantable wheat	15,900,000	
Seed in 1917	21,000,000	
Food	50,000,000	86,900,000
Exportable surplus		99,256,000

Private estimates of northwestern authorities are in favor of a crop considerably above the official figures. The exports for the year ending with August, 1916, were 291,734,000, and 86,402,000 in the 1914-15 season.

CANADIAN CAR AND FOUNDRY COMPANY

LIMITED

MONTREAL - - CANADA

The Canadian Car and Foundry Company, Limited, has grown to be one of the largest and most important industries in Canada. It was organized in December, 1909, by a merger of the Rhodes Curry Company, Amherst, N.S., the Canada Car Company and the Dominion Car and Foundry Company, Montreal.

The Canadian Car and Foundry Company also owns and operates the Canadian Steel Foundries, Limited, Montreal and the Pratt & Letchworth Company, Brantford, Ont.

The annual capacity of the different works is as follows:

30,000 Freight Cars
250 Passenger Cars
260,000 Car Wheels
60,000 Car Axles
200,000 Steel Bolsters
200,000 Steel Brake Beams
100,000 Steel Couplers
60,000 tons Steel Castings
30,000 tons Malleable Iron Castings
18,000 tons Grey Iron Castings
18,000 tons Car and Locomotive Springs
10,000 tons Frogs, Switches, Crossings, etc.
75,000 tons Rolled Steel Bars, Angles, etc.

Plants at

AMHERST, N.S. MONTREAL WELLAND, ONT.
BRANTFORD FORT WILLIAM

ESTIMATES OF ROOT AND FODDER CROPS

Canada's root and fodder crops occupied about the same acreage in 1916 as in 1915, this being 8,980,000 acres; but the total is made up of an increase of 100,000 acres under hay and clover, the total area of which is nearly 8,000,000 acres, and a decrease for each of the other relatively smaller crops. In total value, at local prices, these crops amount, for 1916, to $249,882,000, as compared with $229,508,000 for 1915.

The following are the detailed estimates of the census and statistics offices, regarding the root and fodder crops of 1916:—

Field crops		Area	Yield per acre	Total Yield	Quality	Average price	Total Value
		acres	bush.	bush.	p.c.	per bush.	$
Canada—						$	
Potatoes	1915	478,600	130·81	62,604,000	84	0·57	35,934,000
	1916	448,800	136·20	61,128,000	84	0·81	49,654,000
Turnips and other roots	1915	172,700	372·21	64,281,000	90	0·27	16,560,000
	1916	156,200	264·12	41,256,000	86	0·41	16,761,000
			tons	tons		per ton	
Hay and clover	1915	7,875,000	1·39	10,953,000	58	14·23	155,807,000
	1916	7,974,000	1·86	14,799,000	93	11·52	170,504,000
Fodder corn	1915	343,400	10·00	3,429,870	86	4·92	16,9991,00
	1916	297,100	6·65	1,976,700	78	4·92	9,725,300
Sugar beets	1915	18,000	7·83	141,000	–	5·50	775,500
	1916	15,000	4·75	71,000	78	6·20	440,000
Alfalfa	1915	92,665	2·83	261,955	87	12·93	3,422,000
	1916	89,780	2·91	261,450	92	10·70	2,797,300
P. E. Island—			bush.	bush.		per bush.	
Potatoes	1915	31,000	114·78	3,558,000	81	0·46	1,637,000
	1916	31,000	206·00	6,386,000	95	0·52	3,321,000
Turnips and other roots	1915	7,990	449·46	3,551,000	92	0·26	923,000
	1916	8,000	477·00	3,816,000	96	0·28	1,068,000
			tons	tons		per ton	
Hay and clover	1915	198,000	1·77	351,000	96	12·19	4,275,000
	1916	199,000	1·70	338,000	93	11·56	3,937,000
Fodder corn	1915	200	13·00	3,400	91	3·00	10,200
	1916	250	13·00	3,300	100	2·50	8,300
Alfalfa	1915	55	3·60	195		14·00	2,300
Nova Scotia—							
Potatoes	1915	33,700	141·23	4,759,000	76	0·58	2,760,000
	1916	34,500	201·00	6,935,000	91	0·69	4,785,000
Turnips and other roots	1915	9,200	390·02	3,598,000	80	0·34	1,223,000
	1916	9,000	404·00	3,636,000	89	0·42	1,527,000
			tons	tons		per ton	
Hay and clover	1915	538,000	1·78	958,000	94	13·33	12,770,000
	1916	553,000	1·80	995,000	96	12·23	12,189,000
Fodder corn	1915	500	4·61	2,300	93	7·00	16,000
	1916	500	8·75	4,400	90	2·50	11,000
Alfalfa	1915	30	2·30	70	80	13·00	900
	1916	30	5·00	150		15·00	2,300
			bush.	bush.		per bush.	
New Brunswick—							
Potatoes	1915	40,000	144·31	5,772,000	88	0·67	3,694,000
	1916	39,000	192·00	7,488,000	89	0·84	6,290,000
Turnips and other roots	1915	8,000	329·10	2,633,000	92	0·33	869,000
	1916	7,700	411·00	3,165,000	94	0·45	1,424,000
			tons	tons		per ton	
Hay and clover	1915	569,000	1·39	791,000	92	14·00	11,074,000
	1916	574,000	1·48	850,000	94	11·27	9,563,000
Fodder corn	1915	110	7·00	770	89	2·50	1,900
	1916	100	10·00	1,000	97	4·00	4,000
Alfalfa	1915	140	2·25	320	–	12·00	3,800
			bush.	bush.		per bush.	
Quebec—							
Potatoes	1915	117,000	149·63	17,510,000	86	0·55	9,631,000
	1916	112,000	131·00	14,672,000	76	0·97	14,232,000
Turnips and other roots	1915	10,200	303·25	3,144,000	90	0·36	1,132,000
	1916	10,000	265·00	2,650,000	88	0·48	1,272,000
			tons	tons		per ton	
Hay and clover	1915	2,922,000	1·26	3,682,000	87	15·89	58,507,000
	1916	2,985,000	1·75	5,224,000	93	11·00	57,464,000
Fodder corn	1915	34,000	8·61	293,000	88	6·39	1,872,000
	1916	31,000	8·00	248,000	86	5·75	1,426,000
Alfalfa	1915	2,860	2·84	8,100	73	11·78	95,000
	1916	2,600	2·65	7,000	87	9·50	67,000
			bush.	bush.		per bush.	
Ontario—							
Potatoes	1915	155,000	92·66	14,362,000	66	0·76	10,915,000
	1916	133,000	61·00	8,113,000	77	1·28	10,385,000
Turnips and other roots	1915	112,000	394·42	44,175,000	91	0·21	9,277,000
	1916	97,000	211·00	20,467,000	74	0·36	7,368,000
Ontario—con.							
Hay and clover	1915	3,082,000	1·32	4,068,000	84	14·06	57,198,000
	1916	3,059,000	2·00	6,118,000	95	11·96	72,801,000
Fodder corn	1915	287,000	10·63	3,051,000	91	4·76	14,523,000
	1916	248,000	6·50	1,612,000	64	4·80	7,738,000
Sugar beets	1915	18,000	7·83	141,000		5·50	775,500
	1916	15,000	4·75	71,000	78	6·20	440,000
Alfalfa	1915	60,000	2·72	163,000	90	13·41	2,186,000
	1916	56,000	3·00	168,000	94	9·75	1,638,000
			bush.	bush.		per bush.	
Manitoba—							
Potatoes	1915	28,300	109·67	3,104,000	72	0·54	1,676,000
	1916	28,000	170·00	4,760,000	92	0·61	2,904,000
Turnips and other roots	1915	4,300	269·01	1,157,000	84	0·35	405,000
	1916	4,100	312·00	1,279,000	91	0·49	627,000
			tons	tons		per ton	
Hay and clover	1915	159,000	1·93	307,000	84	9,63	2,956,000
	1916	158,000	2·00	316,000	93	7·80	2,465,000
Fodder corn	1915	18,000	3·36	60,000	49	8·33	500,000
	1916	14,000	6.75	95,000	99	4·67	444,000
Alfalfa	1915	4,700	2·19	10,300	88	11·17	115,000
	1916	4,700	2·75	13,000	85	11·83	154,000
			bush.	bush.		per bush.	
Saskatchewan—							
Potatoes	1915	30,300	146·15	4,428,000	85	0·49	2,170,000
	1916	30,000	176·00	5,280,000	93	0·62	3,274,000
Turnips and other roots	1915	12,400	236·75	2,936,000	90	0·52	1,527,000
	1916	12,200	266·00	3,245,000	88	0·57	1,850,000
Hay and clover	1915	67,000	1·41	94,000	91	6,96	654,000
	1916	75,000	1·97	148,000	92	5,85	866,000
Fodder corn	1915	2,000	4·16	8,300	69	3·00	25,000
	1916	1,800	2·75	5,000	86	6·00	30,000
Alfalfa	1915	1,800	1·71	3,000	73	14·50	44,000
	1916	1,850	2·85	5,300	86	10·25	54,000
			bush.	bush.		per bush.	
Alberta—							
Potatoes	1915	27,300	188·84	5,155,000	91	0·33	1,701,000
	1916	26,000	177·00	4,602,000	84	0·53	2,439,000
Turnips and other roots	1915	4,900	276·73	1,356,000	90	0·39	529,000
	1916	4,500	255·00	1,148,000	92	0·61	700,000
Hay and clover	1915	173,000	1·80	311,000	94	8·61	2,678,000
	1916	196,000	1·75	343,000	84	8·62	2,957,000
Fodder corn	1915	1,100	5·14	5,700	90	5·00	29,000
	1916	1,000	3·50	3,500	100	9·00	32,000
Alfalfa	1915	11,000	3·00	34,000	87	9·31	317,000
	1916	12,000	2·65	32,000	91	10·70	342,000
		acres	bush.	bush.	p.c.	per bush.	
British Columbia—							
Potatoes	1915	16,000	247·28	3,956,000	84	0·45	1,780,000
	1916	15,300	189·00	2,892,000	84	0·70	2,024,000
Turnips and other roots	1915	3,800	455·61	1,731,000	87	0·39	675,000
	1916	3,700	500·00	1,850,000	89	0·50	925,000
			tons	tons		per ton	
Hay and clover	1915	167,000	2·34	391,000	88	14·57	5,697,000
	1916	175,000	2·67	467,000	87	17·75	8,289,000
Fodder corn	1915	430	12·62	5,400	98	4·00	22,000
	1916	450	10·00	4,500	86	7·00	32,000
Alfalfa	1915	12,100	3·52	43,000	92	14·84	638,000
	1916	12,600	2·88	36,000	94	15·00	540,000

CROPS OF ALL CANADA

Taking the Dominion government estimates as at the end of September of the principal crops of the whole of Canada, the following results are obtained:—

Crop.	All Canada, bushels.	Three prairie provinces, bushels.
Fall wheat	23,491,000	6,914,000
Spring wheat	135,632,000	131,628,000
All wheat	159,123,000	138,542,000
Oats	338,469,000	232,409,000
Barley	32,299,000	28,862,000
Rye	2,058,500	659,000
Flax	7,759,500	7,707,000

PROVINCE OF QUEBEC

DEPARTMENT OF COLONIZATION, MINES AND FISHERIES

The Chief minerals of the Province of Quebec are Asbestos, Chromite, Copper, Iron, Gold, Molybdenite, Phosphate, Mica, Graphite, Ornamental and Building Stone, Clays, etc.

The Mining Law gives absolute security of Title and is very favourable to the Prospector.

MINERS' CERTIFICATES. First of all, obtain a miner's certificate, from the Department in Quebec or from the nearest agent. The price of this certificate is $10.00, and it is valid until the first of January following. This certificate gives the right to prospect on public lands and on private lands, on which the mineral rights belong to the Crown.

The holder of the certificate may stake mining claims to the extent of 200 acres.

WORKING CONDITIONS. During the first six months following the staking of the claim, work on it must be performed to the extent of at least twenty-five days of eight hours.

SIX MONTHS AFTER STAKING. At the expiration of six months from the date of the staking, the prospector, to retain his rights, must take out a mining license.

MINING LICENSE. The mining license may cover 40 to 200 acres in unsurveyed territory. The price of this license is Fifty Cents an acre per year, and a fee of $10.00 on issue. It is valid for one year and is renewable on the same terms, on producing an affidavit that during the year work has been performed to the extent of at least twenty-five days labour on each forty acres.

MINING CONCESSION. Notwithstanding the above, a mining concession may be acquired at any time at the rate of $5 an acre for SUPERIOR MINERALS, and $3 an acre for INFERIOR MINERALS.

The attention of prospectors is specially called to the territory in the North-Western part of the Province of Quebec, north of the height of land, where important mineralized belts are known to exist.

PROVINCIAL LABORATORY. Special arrangements have been made with POLYTECHNIC SCHOOL of LAVAL UNIVERSITY, 228 ST. DENIS STREET, MONTREAL, for the determination, assays and analysis of minerals at very reduced rates for the benefit of miners and prospectors in the Province of Quebec. The well equipped laboratories of this institution and its trained chemists ensure results of undoubted integrity and reliability.

The Bureau of Mines at Quebec will give all the information desired in connection with the mines and mineral resources of the Province, on application addressed to

THE HONOURABLE THE MINISTER OF COLONIZATION, MINES AND FISHERIES, QUEBEC.

How to Acquire Authorization for the Development of Water-Powers in the Province of Quebec.

To obtain authorization for the utilization of a Water-Power in the Province of Quebec, application should be made to the Honourable Minister of Lands and Forests.

Water-Falls capable of developing less than 200 H.P. may, under certain circumstances, be bought outright. But those of over 200 H.P. are granted under emphyteutic leases, the conditions of which are upon the following lines:

1.—The duration of the lease is from 25 to 99 years according to the importance of the water-power and to the amount of capital required for its development.

2.—Payment of a yearly rental—which does not vary during the term of the lease—for the land granted, counting from the date of the signature of the contract.

3.—Payment of an additional yearly charge, or royalty of from 10 to 35 cents per H.P. developed, according to the geographical situation of the water-power, and such charge being payable from the time the power is produced.

4.—The above royalty (art. 3) is subject to revision every 21 years counting from the date of the signature of the contract.

5.—A delay of two years is granted for beginning works and 2 further years for producing power.

6.—The lessee is under obligation to make a deposit in money, or in securities, as a guarantee of good faith in the carrying out of the contract. Such deposit may be forfeited if the conditions are not fulfilled; but if they were, it may be refunded after a certain time.

7.—Lastly, the grantee must submit plans of his works, mills, etc., to the Department previous to their installation, and when such installation is completed, he must keep the Department informed as to the quantity of power produced.

ESTIMATES OF WHEAT AND GRAIN CROPS

The following are the detailed estimates of the census and statistics offices, regarding the wheat and grain crops of 1916:—

Field crops	1915	1916	1915	1916	1915	1916
	acres	acres	bush. per acre	bush. per acre	bush.	bush.
Canada—						
Fall wheat	1,208,700	1,042,200	29·41	22·54	35,551,600	23,491,000
Spring wheat	11,777,700	9,043,100	28·93	15·00	340,752,000	135,632,000
All wheat	12,986,400	10,085,300	28·98	15·78	376,303,600	159,123,000
Oats	11,365,000	9,795,000	45,76	34·55	520,103,000	338,469,000
Barley	1,509,350	1,328,800	35·33	24·31	53,331,300	32,299,000
Rye	112,300	101,420	21·32	20·30	2,394,100	2,058,500
Peas	196,210	150,280	17·73	14·41	3,478,850	2,166,000
Beans	43,310	32,500	16·70	16·66	723,400	541,400
Buckwheat	343,800	341,500	22·88	19·68	7,865,900	6,720,000
Flax	806,600	710,000	13·18	10·93	10,628,000	7,759,500
Mixed grains	466,800	397,770	37·54	25·98	17,524,100	10,333,000
Corn for husking	253,300	173,000	56·72	36·25	14,368,000	6,271,000
P. E. Island—						
Spring wheat	34,400	34,500	19·00	17·25	653,600	595,000
Oats	196,000	199,000	34·86	36·75	6,832,500	7,313,000
Barley	3,700	3,600	28·88	29·75	106,800	107,000
Peas	70	60	15·75	19·00	1,100	1,100
Buckwheat	2,600	2,500	29·00	30·00	75,400	75,000
Mixed grains	8,000	8,000	38·65	40·13	309,200	321,000
Nova Scotia—						
Spring wheat	13,300	13,400	18·57	20·80	247,000	279,000
Oats	112,000	116,000	31·14	37·80	3,487,700	4,385,000
Barley	4,900	4,700	26·20	27·50	128,400	129,000
Rye	300	320	15·00	23·33	4,500	7,500
Peas	190	180	18·66	19·90	3,550	3,600
Beans	840	850	17·50	16·90	14,700	14,400
Buckwheat	10,200	10,000	21·72	24·00	221,500	240,000
Mixed grains	4,100	4,100	34·16	37·00	140,000	152,000
New Brunswick—						
Spring wheat	14,000	14,000	19·09	18·68	267,000	262,000
Oats	201,000	198,000	27·66	32·41	5,559,600	6,417,000
Barley	2,100	1,900	22·96	27·31	48,000	52,000
Peas	420	400	17·08	24·85	6,700	1,000
Beans	270	250	21·37	23·80	5,700	6,000
Buckwheat	58,000	53,000	22·68	24·50	1,315,000	1,299,000
Mixed grains	900	870	31·50	30·50	28,400	27,000
Quebec—						
Spring wheat	71,000	67,600	19·88	14·54	1,411,000	983,000
Oats	1,400,000	1,138,000	30·13	21·60	42,182,000	24,580,000
Barley	85,000	77,400	26·53	19·57	2,255,000	1,515,000
Rye	8,700	8,300	16·71	16·58	145,000	138,000
Peas	24,400	21,600	16·56	14·33	404,000	310,000
Beans	4,700	4,400	21·89	17·41	103,000	77,000
Buckwheat	104,000	101,000	24·69	21·45	2,568,000	2,166,000
Flax	600	500	11·89	9·00	7,000	4,500
Mixed grains	101,000	91,000	29·67	22·90	2,997,000	2,084,000
Corn for husking	16,300	13,000	31·17	22·69	508,000	295,000
Ontario—						
Fall wheat	972,000	774,800	28·34	21·14	27,546,000	16,379,000
Spring wheat	121,000	97,000	22·36	16·39	2,706,000	1,590,000
All wheat	1,093,000	871,800	27·67	20·61	30,252,000	17,969,000
Oats	3,095,000	2,410,000	39·68	24·93	122,810,000	60,081,000
Barley	449,000	340,000	34·23	22·15	15,369,000	7,531,000
Rye	78,000	69,000	18·98	18·17	1,551,000	1,254,000
Peas	169,000	126,000	17·79	14·22	3,007,000	1,792,000
Beans	37,500	27,000	16·00	16·44	600,000	444,000
Buckwheat	169,000	175,000	21·81	16·80	3,686,000	2,940,000
Flax	5,000	4,500	12·38	10·75	62,000	48,000
Mixed grains	345,000	286,000	39·91	25·95	13,769,000	7,422,000
Corn for husking	237,000	160 000	58·48	37·35	13,860,000	5,976,000
Manitoba—						
Fall wheat	10,900	9,400	33·30	26·80	363,000	252,000
Spring wheat	3,332,000	2,333,000	28·83	10·50	96,062,000	24,497,000
All wheat	3,342,900	2,342,400	28·84	10·57	96,425,000	24,749,000
Oats	1,441,000	1,363,000	48·21	35·50	69,471,000	48,387,000
Barley	490,000	475,000	36·25	22·00	17,763,000	10,450,000
Rye	5,800	6,200	26·74	24·75	155,000	153,000
Flax	34,000	27,000	11·00	10·64	374,000	287,000
Mixed grains	1,550	1,400	32·50	37·33	50,000	52,000
Saskatchewan—						
Fall wheat	4,100	4,100	30·76	27·55	126,000	113,000
Spring wheat	6,834,000	5,248,000	28·54	14·87	195,042,000	78,038,000
All wheat	6,838,100	5,252,100	28·54	14·88	195,168,000	78,151,000
Oats	2,937,000	2,657,000	53·67	41·17	157,628,600	109,389,000
Barley	287,000	262,500	36·83	27·96	10,570,200	7,340,000
Rye	2,700	3,200	28·00	30·89	75,600	99,000
Peas	400	360	23·00	32·66	9,200	12,000
Flax	697,000	607,000	13·00	10·78	9,061,000	6,543,000
Mixed grains	1,950	2,000	30·00	46·66	58,500	93,000
Alberta—						
Fall wheat	215,700	247,700	33·92	26·44	7,316,000	6,549,000
Spring wheat	1,348,000	1,226,000	32·67	23·73	44,039,000	29,093,000
All wheat	1,563,700	1,473,700	32·84	24·18	51,355,000	35,642,000
Oats	1,912,000	1,653,000	56·35	45·15	107,741,000	74,633,000
Barley	185,000	161,000	37·75	31·50	6,984,000	5,072,000
Rye	16,800	14,400	28·61	28·29	463,000	407,000
Peas	430	380	20·00	16·67	8,600	6,300
Flax	70,000	71,000	16·05	12·35	1,124,000	877,000
Mixed grains	1,700	1,800	39·17	36·00	67,000	65,000
British Columbia—						
Fall wheat	6,000	6,200	33·44	32·00	200,600	198,000
Spring wheat	10,000	9,600	32·43	30·78	324,400	295,000
All wheat	16,000	15,800	32·80	31·20	525,000	493,000
Oats	71,000	61,000	61·84	53·83	4,390,600	3,284,000
Barley	2,650	2,700	40·36	38·12	106,900	103,000
Peas	1,300	1,300	29·75	30·50	38,700	40,000
Mixed grains	2,600	2,600	40·00	45·00	104,000	117,000

UNITED STATES CROPS

The December estimates of the crop reporting board of the United States bureau of crop estimates, of the acreage, production and value (based on prices paid to farmers on December 1st) of important farm crops of the United States in 1916 and 1915, with the average for the five years 1910-1914, based on the reports of the correspondents and agents of the bureau, are as follow. The last three figures are omitted in the acreage, total production and total value:—

Crop—	Acreage.	—Production.— Per acre.	Total.	—Farm value Dec. 1.— Per unit. Cts.	Total. Dollars.
Corn—					
1916	105,954	24.4	2,583,241	88.9	2,295,783
1915	106,197	28.2	2,994,793	57.5	1,722,680
Average 1910-1914.	105,240	26.0	2,732,457	57.7	1,576,938
Winter wheat—					
1916	34,829	13.8	481,744	162.7	783,911
1915	41,308	16.3	673,947	94.7	638,932
Average 1910-1914.	30,154	16.4	494,654	88.7	438,932
Spring wheat—					
1916	17,956	8.8	158,142	152.9	241,854
1915	19,161	18.4	351,854	86.4	304,154
Average 1910-1914.	18,799	12.4	233,571	81.6	190,707
All wheat—					
1916	52,785	12.1	639,886	160.3	1,025,765
1915	60,469	17.0	1,025,801	91.9	942,303
Average 1910-1914.	48,953	14.9	728,225	86.5	629,639
Oats—					
1916	41,539	30.1	1,251,992	52.4	656,179
1915	40,996	37.8	1,549,030	36.1	559,506
Average 1910-1914.	38,014	30.5	1,157,961	38.2	442,909
Barley—					
1916	7,674	23.6	180,927	88.2	159,534
1915	7,148	32.0	228,851	51.6	118,172
Average 1910-1914.	7,593	24.5	186,208	59.5	110,840
Rye—					
1916	3,096	15.3	47,383	122.1	57,857
1915	3,129	17.3	54,050	83.4	45,413
Average 1910-1914.	2,305	16.3	37,568	74.2	27,877
Flaxseed—					
1916	1,605	9.6	15,459	$2.48	38,350
1915	1,387	10.1	14,030	$1.74	24,410
Average 1910-1914.	2,402	7.6	18,353	$1.48	27,133

WHEAT AND FLOUR SUPPLY

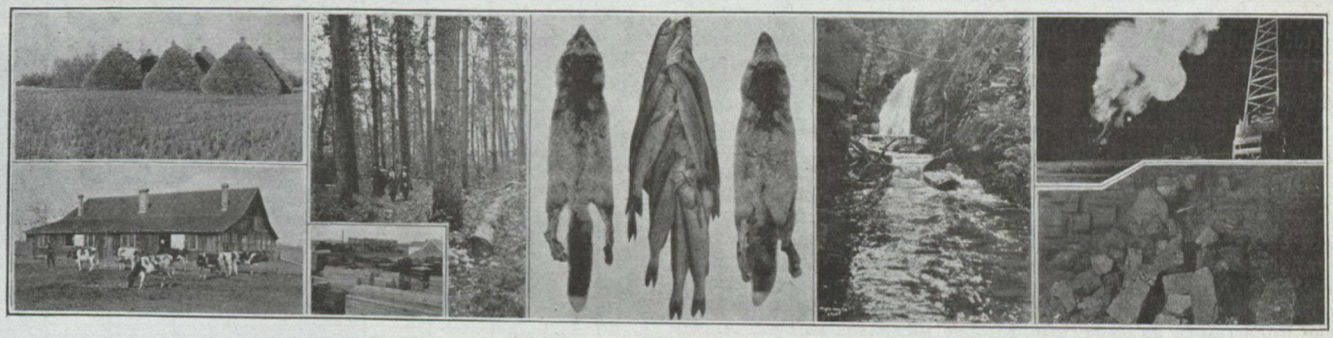
Britain Appointed Commission Last Year to Ensure Supply—Canada's Position

In October, the British government decided to appoint a royal commission, with Lord Crawford as chairman, to take steps necessary to insure adequate and regular supplies of wheat and flour. The supplying of wheat for Great Britain could not be left to private enterprise, it was said. In anticipation of this action the British government made a large purchase of wheat in Australia, and arranged for tonnage for transport of Argentine wheat.

These facts naturally were of great interest to Canada and led to the discussion as to whether the Dominion government would take any action regarding the Canadian wheat crop and flour output. In November, 1915, the Dominion government commandeered from 12,000,000 to 15,000,000 bushels of wheat. There was an abundant supply the world over in that year and the government had been in touch with the British authorities with a view to procuring orders from the United Kingdom and allied governments. The British government ultimately required the Canadian government to provide within a short time a large supply of Nos. 1, 2 and 3 Northern wheat.

The Canadian government decided to pay for the wheat commandeered at the eastern terminal elevators the quotations for cash wheat at the closing sales on a current date on the Winnipeg Grain Exchange. These prices were $1.04¾ for No. 1 Northern, $1.03⅛ for No. 2 Northern, and 98¾ cents for No. 3 Northern. No compensation was allowed the companies from whom the wheat was expropriated for loss of prospective profits, or for any losses which might be incurred through inability to fulfil contracts. The government took the ground that the owners were adequately protected in regard to the latter phase by the usual contract terms, and that to attempt any compensation would lead to complications and possible injustices.

PROVINCE OF ALBERTA



FREE LAND FOR SETTLERS!

ALBERTA'S NATURAL RESOURCES are tremendous in variety and scope. Lands, Timber, Minerals and water Powers are only in the infancy of development, providing large increments in value and affording unrestricted opportunity for the economical advance of the country.

Travellers through Alberta's wheat belt have had revealed to them scenes of agricultural productiveness unapproached in any other part of the world.

Alberta farms selected with even moderate discretion have raised men to independence and affluence with records of wonderful development unsurpassed amongst the phenomenal industrial success of which Canada well may boast.

ROOM FOR MILLIONS

Alberta has the largest area of unbroken fertile land in the world under one government suitable for growing wheat and all kinds of cereals, free for homeseekers.

DEMONSTRATION FARMS and AGRICULTURAL EDUCATION

And free Provincial Schools of Agriculture are now available for settlers. These provide special opportunities for observing the best methods of farming operations and obtaining both technical and practical agricultural information.

RAILROADS and TELEPHONES

Three Transcontinental Railroads now traverse the Province of Alberta. In addition, branch lines of these are distributed in every direction throughout the settled portions, while at the present moment new lines are vigorously pressing forward into undeveloped districts, which are being rapidly opened up.

Alberta was the first province in Canada to own and operate its own telephone system, which now serves about 28,000 subscribers.

MIXED FARMING

The rapidly increasing transportation facilities of the Province are promoting the development of mixed farming.

The farmers, particularly of the Central and Northern portions of our province, have their horses, cattle, hogs, sheep, poultry and dairy products as well as a surplus of grain. No country in the world surpasses Alberta's opportunities for mixed farming.

HORSES—Alberta is the Kentucky of Canada, with regard to horse breeding. Owing to its high altitude, dry and invigorating atmosphere, short and mild winters, its nutritious grasses and inexhaustible supply of clear, cool water, it is pre-eminently adapted for horse breeding, and the Alberta animal has become noted for its endurance, lung power and freedom from hereditary and other diseases.

Nearly all the breeds of horses known are represented on the farms and ranches of Alberta.

High standards are being set by horse fanciers. The Province has already won high honors in competition with the greatest breeders of the world.

SHEEP—The fine herbage of the Prairie proves to be excellent sheep feed. Several large flocks are run in various portions of the province, and have been giving most handsome returns.

As yet few farmers have added sheep to their programme of mixed farming, but a profitable opening awaits them. Supplementary foods are easily provided by growing rape, turnips and winter rye.

SWINE—How to raise hogs without corn! Thousands of ex-corn belt farmers in Alberta stand ready to answer the question; they have found that, although there is no plant that will produce more pounds of pork per bushel of grain, they have in Alberta cereals which are more easily grown and have a feeding value pound for pound, almost equal to Indian Corn, and far surpassing it in the quality and flavor which they impart to meat.

They have learned that oats for growing pigs and barley for finishing purposes is a combination hard to beat, even in the corn belt.

FOR FULL INFORMATION APPLY TO

CHARLES S. HOTCHKISS,
Chief Publicity Commissioner
EDMONTON, ALTA.

HON. DUNCAN MARSHALL,
Minister of Agriculture
EDMONTON, ALTA.

PULP WOOD EMBARGO UNDESIRABLE

Says Manufacturer—Tariff is Reasonably Satisfactory—Situation in Newsprint Industry

Last year, prices of newsprint were again increased and Canadian newspaper publishers hinted quite freely that it appeared to them that the newsprint manufacturers had conferred with a view to refusing to accept orders for delivery after January 1st, 1917, thus creating a big demand at rising prices at that time when all buyers would be in the market.

Could Not Agree.

At a conference of newspaper publishers and newsprint paper manufacturers, held at Ottawa, in October, the manufacturers adhered to the price of three cents a pound quoted as a minimum. The paper manufacturers quoted figures showing increased cost of labor and raw materials. It was not claimed that the increased cost of production to-day was sufficient to account for the proposed increase of 60 per cent. in the price of newsprint paper, but the manufacturers endeavored to justify so large an increase on the ground of the uncertainty as to certain further increases in cost of production, coupled with a desire to take advantage of the present strength of the paper market of the world.

The publishers conceded that some increase might be necessary, but took the position that the proposed minimum price of three cents a pound was prohibitive. For some time past efforts had been made to meet the present conditions and other increases in cost of production by advancing subscription and advertising rates, and by the elimination of paper waste and other reductions in paper consumption.

Further increases in advertising and subscription rates would be necessary, but it would be impossible to make so large and immediate increases as would be necessary to meet an increase of 60 per cent. in the cost of paper.

As the publishers and the paper manufacturers were unable to reach an agreement, the request of the former for an investigation by the government stands.

Increase in Business.

Discussing the situation with *The Monetary Times*, Mr. F. J. Campbell, general manager of the Canada Paper Company, Windsor Mills, Quebec, said: "The growth of the demand for paper in the home market is due partly to a great increase in business after a period of stagnation, and partly and substantially to the fact that importation which was formerly heavy has almost entirely ceased.

"No man can judge the future in such a time as the present, but it would appear that the manufacturers are assured of a good home market for some time to come.

"The export trade has not been developing, quite the contrary; it was decided that the home market must first be taken care of, and therefore, orders for export have been cancelled and their solicitation discontinued so far as other papers than newsprint are concerned.

"The shortage of chemicals is certainly affecting the manufacturing cost. Canada is progressing in this line notably in the production of bleach.

"Competition from the United States no longer exists. A number of United States buyers have offered tempting offers to Canadian mills without any acceptances so far as I know.

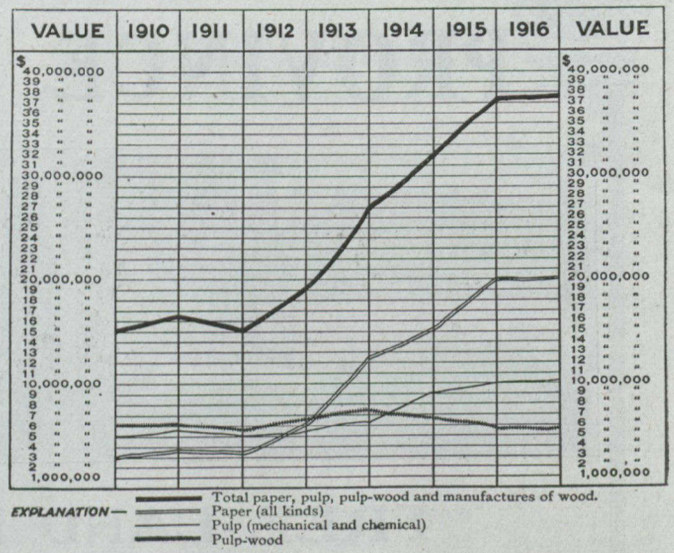
"The tariff as it stands is reasonably satisfactory, although the policy of the government in charging duty on the present value of commodities contracted for when prices were low, is irksome.

"There has been some discussion in the press as to a further embargo on pulpwood; in view of the open market we have for paper in the United States this would not appear to be a desirable step. Crown lands pulpwood is already embargoed and matters might well be left where they are.

"The advancing cost of paper is world wide and the shortage is world wide, so that increasing prices are entirely logical."

During the 12 months ended March last, the amount of printing paper exported was 463,204 tons, or at the rate of 1,544 tons per day, as compared with a tonnage of 292,579, or 975 tons per day in the corresponding period ended March, 1914. In the export of and demand for wrapping paper there are also similar developments, and these, even before the outbreak of war, attained considerable proportions as shown in the accompanying diagram compiled by the Canadian Bank of Commerce:—

Canada's Paper Exports.



The new mills proposed and in course of construction, and extensions to existing ones, if carried out as intended, will add a capacity of 840 tons of newsprint per day before the end of 1918.

Production of Newsprint.

The following is a summary of the August report of the Newsprint Manufacturers' Association, showing the average monthly production and the stocks on hand at the end of each month:—

	United States.		Canada		Canada and U.S.A.*
	Production.	Stocks on hand.	Production.	Stocks on hand.	
	Tons.	Tons.	Tons.	Tons.	Tons.
January	88,522	54,255	41,817	29,831	84,086
February ...	82,566	55,616	41,833	30,485	86,101
March	91,110	51,523	45,396	28,979	80,502
April	87,860	44,232	41,572	23,766	67,998
May	96,224	46,188	47,048	22,824	69,012
June	94,361	44,310	45,790	20,767	65,077
July	86,321	40,961	43,856	21,136	63,097
August, 1916	92,978	40,461	43,559	21,235	61,696
Total, 8 mos.	719,942	.....	350,871	.....	72,196
August, 1915	83,966	67,014	34,815	32,778	80,490
Total, 1915	1,001,662	54,592*	428,856	25,898	99,792

*Average monthly stocks on hand.

United States Interests Here.

An interesting sidelight on the newsprint situation was thrown by a letter recently written by the editor and publisher of The National Republican, a paper printed in Muncie, Ind., and addressed to the American Newspapers Publishers' Association. In discussing the paper situation this publisher said:—

"When the movement for free trade in paper was fostered by your organization under the Taft administration I wrote your president, Mr. Ridder, that I considered it unwise and unpatriotic for United States newspapers to ask for privileges in the matter of tariff discrimination and that the ultimate effect of it would be to destroy the United States print paper industry, submit United States newspapers to the exactions of foreign combinations, and ultimately would increase the price of paper.

"This has happened. The growth of the United States print paper industry was arrested, the price of paper was never lowered, except, perhaps, to some important newspapers by the Canadian manufacturers, anxious for this legislation, the building of United States paper mills was stopped, millions of dollars of United States money have gone to build up Canadian industry at the expense of United States industry. Canada reciprocated by forbidding the exportation of pulpwood from crown lands."

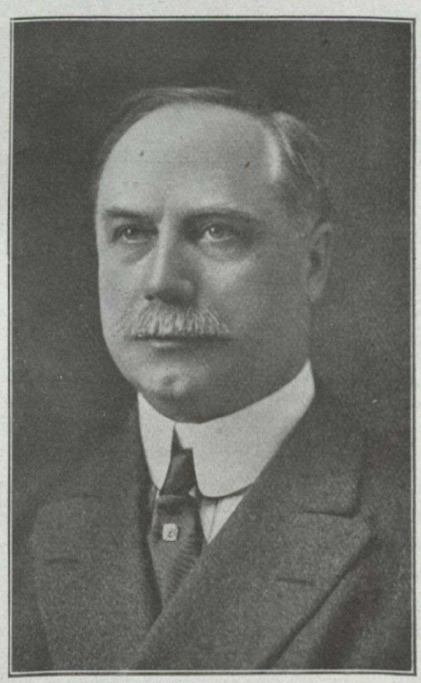
THE WINNIPEG ELECTRIC RAILWAY COMPANY

A SHORT SKETCH

(From "The Railway News of Western Canada.")

IT must be admitted that one of the principal factors in the development of the city of Winnipeg has been the Winnipeg Electric Railway Company.

In the year 1881, A. W. Austin incorporated the Winnipeg Street Railway Company, and the first horse-drawn car was operated on Main Street on October 24th of the next year. The first electric street car to be run in the city was run from Main Street to River Park, in July, 1891. It was operated by Mr. Austin's company, which owned River Park. Work had been commenced on this line in 1890. Two years later the Winnipeg Electric Street Railway Company obtained its charter and made an agreement with the city of Winnipeg.



MR. F. MORTON MORSE,
Secretary and Treasurer of the Winnipeg Electric Railway.

The first work done by this latter was the construction of a line on Selkirk Avenue to the Exhibition grounds, and that line was formally opened on September 5th, 1892. In this same year, the Company which operated the horse-car line, brought suit aginst the Winnipeg Electric and also the city of Winnipeg, claiming that it had exclusive rights, but the Privy Council finally decided the matter in March, 1894, holding that the horse car franchise was not an exclusive franchise.

In the meantime, before the decision was handed down the electric company had built electric street car lines on Main Street, paralleling the horse car lines. These latter were in the centre of the street, and the electric lines on either side. Thus is explained why the present car tracks on Main Street are so far apart.

In 1894 both the systems were being operated and the horse cars and the electric cars were, of course, in active competition. A rate war was inevitable, and on February 4th, 1894, the electric company were selling 50 tickets for a dollar and 12 tickets for a quarter. After the Privy Council had given its decision, however, the Winnipeg Street Railway Company was bought out by the Winnipeg Electric Street Railway Company, and the horse cars ceased their operation.

The rates for fares were then restored to the present basis. To show the growth of the Company, in 1900 there were 16 miles of track, and 36 single-truck cars operating on this trackage. At present there are 110 miles of track in the cities of Winnipeg and St. Boniface, and 60 miles of suburban, making a total of 170 miles, operated by the Winnipeg Electric and subsidiary companies.

At the present time, approximately 350 street cars are in service in the city, in addition to the suburban passenger and freight cars, operated on the Winnipeg, Selkirk and Lake Winnipeg Railway Company, which is a subsidiary of the Winnipeg Electric.

With the exception of last year, when an active, but not lasting, competition was started by numerous "jitneys," the number of passengers carried by the electric road has grown by veritable leaps and bounds, with the increase in the city's population. In 1900 the number of passengers carried was 3,002,053; in 1905, it was 13,081,249; in 1910, it was 31,369,421; four years later, it was 58,489,987, and last year the number carried was 48,566,959.

The station at the gas works, also owned by the Winnipeg Electric Company, supplied the first power to run the electric cars in the city. When the present Company bought out the Austin system, the latter had a small steam generating plant on the Assiniboia River from which the Company took its power. This plant was enlarged from time to time. The generator that was used when the Company took this over is now utilized to run the machinery in the repair shop. The present capacity of the Assiniboine plant is 8,000 horsepower.

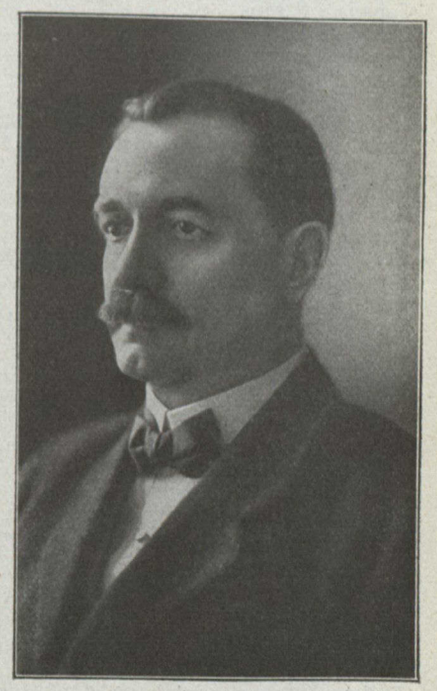
In 1902, the Winnipeg General Power Company was formed with the object of developing waterpower on the Winnipeg River, and the present plant at Lac du Bonnet was started. This plant was completed about 1906, with a capacity of 30,000 horsepower. At that time it was thought that the plant would be sufficient to supply power to the city for many years. However, within three years after its completion, the demand for electric power was so great that the Company had to build an auxiliary plant at Mill Street, with a capacity of 12,000 horsepower, which has been further increased by the installation of a storage battery. There is yet new power to be developed at Great Bonnet Falls, of 150,000 horsepower.

The Company has not hesitated to spend money in order to keep its equipment up-to-date.

No sketch of the Winnipeg Electric Railway Company would be complete without referring to the men who have done so much to make it a success.

F. Morton Morse has been with the Company, since its inception, during the lean years and the fat, in the capacity of secretary and treasurer. He has, therefore, had the pleasure of seeing the Company grow from a small, struggling concern to a large influential one with assets which now exceed $25,000,000.

In August, 1900, Wilford Phillips, a native of Prince Edward County, Ontario, who is the present general manager of the Winnipeg Electric Railway Company, entered the service, and under his able management the Company has made rapid headway.



MR. WILFORD PHILLIPS,
General Manager of the Winnipeg Electric Railway.

For many years the late Sir William Whyte was vice-president of the Company, and took great interest in it. He was succeeded by A. M. Nanton, who is now vice-president. Sir William Mackenzie is the president, and the other directors are as follows: Sir D. D. Mann, D. B. Hanna, G. V. Hastings, Hugh Sutherland, R. J. Mackenzie and J. D. McArthur.

At the annual meeting of the shareholders, held on December 31, 1915, the net earnings from the operations of the combined properties amounted to $1,331,737.28, in comparison with $1,769,114.51 for the year of 1914. Quarterly dividends were declared at an average rate of 9½ per cent. per annum, amounting to $855,999. The decrease in earnings was attributed by President Mackenzie, to the general depression following the first winter of war, coupled with the advent of the "jitneys" in the spring.

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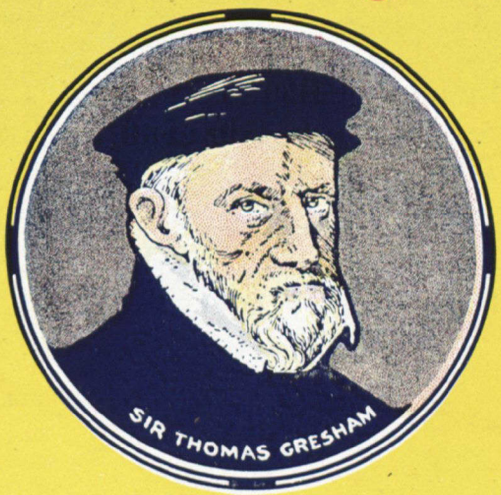

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"Let another man praise thee." So we will let you read what another has said:

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Never in the course of its long life has the finger of suspicion been pointed toward it, and never has it failed to meet with promptitude and equity every claim presented against it."

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