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Must Prepare For Period to Follow War

CANADA Has Much to do in Task Second Only in Importance to Winning the War—Necessity for the Appointment of a Non-Political Board to Consider Post-bellum Problems and Their Relation to One Another.

By PROFESSOR R. M. MacIVER, M.A., University of Toronto.

THE urgent necessity for national preparation to meet post-bellum conditions has recently been impressed upon the people by more than one member of the federal government. It seems, however, of little use to expect that individuals, or even associations standing for particular interests, can envisage the problem as a whole, or offer anything more than particular and perhaps conflicting suggestions. It is felt that this work demands the most thorough-going and comprehensive investigation, and that this investigation cannot be properly carried through except under the authority of the central government. It is also felt that existing organizations are not constituted to undertake this work, and that unless immediate action is taken to this end, the measures which the reconstruction period will certainly require cannot be adequately prepared.

It is obvious that the present industrial activity of the country rests upon an artificial foundation which the ending of the war will automatically remove. At least half a million workers are engaged on work for which the war is directly or indirectly responsible, and most of these will at its end be suddenly bereft of their present employment, while much of the machinery upon which they have been employed will be rendered wholly or partly useless. Three or four hundred thousand soldiers will be returning to their normal occupations during the period of dislocation thus brought about. If industry and agriculture are unable to receive them, these must be supported by the State until their reabsorption is possible, and when not only the actual money cost of this unproductive maintenance but also the loss of skill, the growing unfitness for ordinary economic life, and the general danger of social degeneration through a life of semi-idle and semi-charitable dependance are reckoned, the urgency of the problem is surely manifest.

Again, the large export trade to which Canada owes her favorable trade balance depends mainly upon war products, and to maintain her position new trade outlets, with a consequent redirection of labor, must be sought. Here the problem is not so much one of capacity for production as of a far-reaching effective scheme for marketing the production of which Canadian manufacturing plants are already capable, a scheme which will include not only the large manufacturers but also the great number of small manufacturers who cannot afford to develop out-

side markets for themselves, a scheme also which will facilitate domestic no less than foreign trade. It is obvious that the maintenance, not to speak of the extension, of the present productive capacity of the country depends upon the feasibility of an improved organized system of marketing.

Again, the existing scales of wages and prices, being due to entirely abnormal conditions, will be subject to sudden revisions as the return to normal conditions of competition and production takes place. This will certainly involve sharp conflicts of interests, resulting in further industrial dislocation and ex parte appeals for government intervention—unless some special organization (say, in the form of a wage and arbitration board of a non-political character can be devised. It should also be remembered that the war broke in upon a period of acute industrial depression, and that while it has acted as an artificial stimulant and dispelled it for the time being it did not remove its causes and will not prevent the natural reaction. Further, along with the need for immediate economic readjustment there will arise a great necessity for wider social readjustment as the war habits and outlook of the whole people change to peace habits and outlook, and social demands and oppositions which have been dormant during the war become more clamant. In view of the certain confusion and possible disaster which will ensue unless adequate preparation be made, the plea that all the energies of the country must be devoted to the war cannot hold as an excuse for unpreparedness, and in fact the United Kingdom and other countries which are even more essentially engrossed in the war than Canada have recognized the necessity to prepare and formulate schemes of reconstruction in advance of any signs of peace. There exists to-day a greater need for constructive thought, for systematic and comprehensive preparation, than ever before in the history of the country.

It is therefore suggested as an urgent necessity that a small board of qualified persons, able and willing to devote their whole time and energy for six months or a year or longer to the investigation of the reconstruction problem, be appointed at once. Its central task would be the problem of the readjustment of employment and the reabsorption of those whom the end of the war will throw out of employment. The solution of this problem demands, however, the unified consideration of a great many

other problems. On specific questions of immigration, land-settlement, conservation of resources, transportation, technical training, trade outlets, and so on, much valuable evidence already exists, and expert advice is available. Some special steps have also been taken, as by the creation of the Economic Commission and the Canadian Trade Commission. But it does not appear that the work of co-ordination, the study of the bearing of the various factors upon the whole problem of the readjustment of employment, is being undertaken. This would involve not a special public report but a continuous examination of the changing conditions of the readjustment process. The proposed board would require to consider the relation of the various problems to one another, in view of its central task already defined, and from that standpoint would investigate the feasibility of the proposals which from time to time are brought forward by those in touch with specific problems. It would, for example, study the working of the Lemieux Act, in view of possible amendments and developments suggested by experience since its enactment. It would find out what steps are being taken by individual employers to adapt their works to after-war conditions, and consider how far these could be adopted on a wider scale. It would also enquire into the measures taken by other countries in preparation for reconstruction

and their applicability to Canadian conditions. Another of the many aspects of co-ordination would be a study of the methods by which provincial schemes could be made more effective through federal co-operation—as, for example, is clearly advisable in the case of employment bureaus, land-settlement and immigration plans.

To perform this work the suggested board would require an adequate initial appropriation, such as would enable it to carry on its enquiry in the most expeditious and thorough-going way.

Such a board would necessarily have a non-political character. Its object would not be to issue a public report, but to provide the government with the best available information and thought upon the problem as a whole. It is fortunate that in respect of most of the probable measures of reconstruction there has developed so far no party cleavage, though this may well arise if no such preliminary investigation as that here proposed be undertaken. One service such a board might render would be to prevent this difficulty from occurring, and enable the government to go forward with a programme which might command general assent. The work of the board would be essentially confidential, to provide the government with disinterested, up-to-date, co-ordinated information on the problem of reconstruction.

Canadian Manufactured Products \$1,392,000,000

That Was the Value of Output in 1915, a Gain of Nearly 94 Per Cent. Over Value in 1905—Relation of War to Peace Trade.

	Salaries.	Wages.	Cost of materials.	Value of products.
Food products	\$7,289,593	\$21,962,588	\$291,997,953	\$377,811,758
Textiles	6,462,926	27,042,060	81,427,279	144,691,235
Iron and steel products	6,799,117	27,022,793	58,924,280	119,636,755
Timber, lumber and their manufactures	5,718,775	28,923,925	59,170,149	123,250,986
Leather and its finished products	2,526,747	10,301,922	45,175,517	70,975,644
Paper and printing	6,879,560	18,780,459	29,324,906	74,038,498
Liquors and beverages	1,712,503	2,961,093	10,129,252	34,859,927

The above table gives figures regarding certain groups of Canadian manufacturing in 1915. They were issued this week by the census and statistics office, Ottawa, in a bulletin containing the results of last year's postal census of the manufactories in Canada. The returns give the gross results of manufacturing operations during the calendar year 1915, or the nearest business year in individual cases where compilations could not be made for the calendar year. Every concern known to be in operation, irrespective of the number of employees or value of output, was required to report. Direct comparison with the census figures of 1911 is, accordingly, not quite feasible, in view of the fact that the 1911 census dealt only with establishments employing five persons or more. But comparison is made with the postal census of ten years previous, which included all establishments.

Substantial Growth Shown.

The figures now given out show that all groups of industries have made substantial growth, the only notable exceptions being establishments for the manufacture of building materials, such as sawmills, planing mills, brick yards, etc., and fruit and vegetable canneries.

Compared with 1905, the number of establishments in 1915 shows an increase of 34 per cent., the figures being respectively 15,796 and 21,291.

The total capital (including value of land, buildings, machinery, materials and stocks on hand, and operating capital, owned or borrowed) has advanced from \$846,585,023 to \$1,084,991,427, or 134.47 per cent.

The total wages bill increased from \$134,375,925 to \$227,508,800, or 69.31 per cent., and the salaries bill from \$30,724,086 to \$60,143,704, an increase of 95.75 per cent.

The value of products in 1915 was \$1,392,516,953, an increase of \$674,164,350 over 1905, or 93.85 per cent.

With regard to the number of employees, which are shown as 511,859 by the 1916 census, it is pointed out that this figure is for the date December 15, 1915, when the number in certain classes of establishments is low, whereas the figure for 1906—namely, 392,530, is an average for the whole year.

Separate Account of War Trade.

In order to measure the extent to which manufacturing Canada was affected by the war during 1915, each manufacturer was asked in making his return to separate such products of his establishment as he had reason to believe were destined for war purposes, whether supplied directly or indirectly, from those entering into the general trade. The total value of goods manufactured for war purposes, actually completed and delivered during 1915, amounted to \$130,466,307, a total which is expected to be increased by several millions in the final return.

The war trade in manufactures is classified by groups in part as follows:—

Food products, \$5,789,354; textiles, \$23,319,659; iron and steel products, \$34,094,867; timber and lumber and their manufactures, \$3,471,792; leather and its finished products, \$13,159,261; liquors and beverages, \$19,358; chemicals and allied products, \$8,519,735; metal and metal products other than iron and steel, \$9,837,013; vehicles for land transportation, \$16,955,562; vessels for water transportation, \$2,471,489.

INVESTMENTS AND THE MARKET

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

Timiskaming Mining Company.—The directors have declared a dividend of 3 per cent., payable on February 22nd. The books close on January 31st.

British Columbia Copper Company.—Extensions and betterments proposed will cost approximately \$2,000,000, and include a new mill and a 13-mile railway.

Shawinigan Water and Power Company.—The annual statement of the company for 1916 will probably show gross earnings of approximately \$2,300,000, against \$1,920,143 in 1915, while net revenue, which was \$1,169,032 in 1915, is anticipated at \$1,400,000.

The annual meeting is to be held next month, and the report is supposed to be the best presented.

Cranby, Limited.—The company's December output of copper amounted to 3,219,022 pounds, compared with 4,151,001 pounds in November, 4,346,099 pounds in October, 3,440,035 pounds in September, 3,218,847 pounds in August, and a high record of 4,727,929 pounds in May.

Of the December total, 2,395,810 pounds were produced at Anyox, while at Grand Forks the output was 823,212 pounds.

Michipicoten Power and Paper Company.—This company contemplates the construction of a 150-ton news mill at Michipicoten Harbor, about 120 miles west of Sault Ste. Marie, and also a 125-ton ground wood pulp mill.

The cost of the mills and the water power development is estimated at about \$6,000,000. Mr. L. M. Wood, president of the Standard Chemical Iron and Lumber Company, is at the head of this new company, the headquarters of which are at Toronto.

William Neilson, Limited.—The directors of William Neilson, Limited, have declared a bonus of 4 per cent. on the \$500,000 common stock of the company to shareholders of record January 10th, payable on or before February 1st.

An issue of \$300,000 of the 6 per cent. first mortgage twenty-year sinking fund gold bonds of William Neilson, Limited, was underwritten in 1913 by Messrs. Ferguson, Sanson and Graham, and sold, carrying a bonus of 30 per cent. in common stock.

Nova Scotia Steel and Coal Company.—The output of the company's New Glasgow plant for the calendar year ended December 31st last was more than 60 per cent. greater than that of 1915, while the orders on hand are sufficient to keep the plant fully occupied for a large portion of the current year, even at the increased rate of production prevailing in 1916.

The Eastern Car Company had received a further order for three thousand cars for Europe. These cars are to be delivered at a Canadian port, and, with other orders now on hand, will be sufficient to keep the car plant fully occupied for the whole of 1917.

Hudson Bay Company.—The company's return of sales and receipts for nine months to December 31st compare favorably with the results for the corresponding periods of the previous year.

Farm lands—	1916.	1915.
Acres	184,800	48,700
Sold for	£621,900	£163,600
Town lots—		
Sold for	£9,400	£4,300
Total receipts	£273,200	£161,000

Southern Canada Power Company.—Earnings 100 per cent. greater than in the first year of the company's existence, and equal to one and one-third times the bond interest are shown in the company's annual return as presented to the shareholders. Arrangements have been made for the purchase of the Sherbrooke Railway and Power Company,

particulars of which have been already given in *The Monetary Times*.

The directors elected are as follows: Mr. C. J. McCuaig, president; Mr. F. W. Peel, vice-president; Messrs. C. W. Hawkins, H. P. Chalifoux, J. B. Woodyatt, J. M. Robertson, C. W. Cooke, W. K. Baldwin and G. Johnston. Mr. Peel, in addition to being elected vice-president, was appointed consulting director, and Mr. Woodyatt was appointed general manager. Mr. L. C. Haskell was appointed secretary-treasurer.

Nova Scotia Tramways and Power Company.—The Halifax Electric Tramways Company's properties and the water powers of the Gaspereaux have been transferred to the new Nova Scotia Tramways and Power Company.

The new board of directors consists of the following named: E. A. Robert, president, Montreal; O. E. Smith, vice-president, Halifax; W. G. Ross, F. H. Wilson, J. W. McConnell, Montreal; P. J. McIntosh, New York; H. H. Smith, W. H. Covert, K.C., and H. R. Mallison, Halifax.

The financing arrangements of the company have been completed, a group of United States bankers, including Messrs. Lee, Higginson and Company, Potter, Choate and Prentice, and Stone and Webster, having underwritten substantial blocks of the company's new bonds and 6 per cent. cumulative preferred stock. Messrs. McDougall and Cowans, Montreal, are offering the securities in Canada. The 5 per cent. bonds are being offered at 95½ and the preferred stock at par, with a bonus of three shares of common for every ten shares of preferred. The authorized capital of the company, with the amount issued, is as follows:—

	Authorized.	Issued.
Bonds	\$10,000,000	\$2,250,000
Preferred stock	2,500,000	1,500,000
Common stock	2,500,000	2,500,000

Dominion Bridge Company.—The bonus of 3 per cent. that has been declared with recent dividends of the company has been reduced to 2 per cent. with the current quarterly dividend of 2 per cent.

While the position of the company as disclosed in the annual statement is an exceedingly strong one, and would justify the continuation of the bonus paid during the past year for some considerable time, the board felt that it was judicious to maintain an unusually strong cash position, in view of the developments that might occur in the next year or so, remarked President Phelps Johnston.

"It was hoped that we might see within a reasonable time the termination of this disastrous war, and that we will then be in a position to take advantage of the development that will probably occur. After a limited period of adjustment the company should have ample available resources in order to branch out in the activities that would undoubtedly increase the capacity of the country to produce its requirements and develop its resources.

"It was also felt wise to conserve the company's assets until the Quebec bridge was actually completed, as, although there is no reasonable possibility of any further difficulty, it would be inadvisable to reckon on any profits from that enterprise until its completion is an accomplished fact."

As to munitions business and the outlook in that respect, Mr. Johnson added: "The profits from munition contracts were also considered by the board to be a doubtful quantity in the future, as some prices at present received are not remunerative, and in certain cases the work is actually being carried on at a loss, but it was felt that this class of work, even if not commercially desirable, must be carried on as long as the capacity of the company's shops was required in the national interest.

"Under these circumstances the board decided to reduce the bonus from that paid during the past year, and make the announcement that the payment of further bonuses will depend on the condition and prospects at the time future dividends are considered."

The International Railway has been acquired by the Dominion Railway Department. The purchase price is \$3,000,000. The payment of the amount is to extend over a period of two years, or until a fixed date in 1919. The International Railway runs from St. Leonards to Campbellton and has been operated by the Intercolonial Railway under lease for the past five years.

LIFE INSURANCE COMPANIES' RESULTS

Companies Had a Good Year—Benefits of Life Insurance Are Better Understood

"There never was a time when the benefits of life insurance were better understood and more appreciated than they are to-day," said Mr. Alex. Bissett, manager for Canada of the London and Lancashire Life and General Assurance Association, Limited, and president of the Life Officers' Association of Canada, in a statement to *The Monetary Times*. This is the keynote to the excellent results obtained by life insurance companies in Canada last year.

Mr. G. T. Somers, president of the Crown Life and Mr. E. Reid, assistant manager of the London Life Company, expressed a similar opinion. The public have a better appreciation of the value and necessity of life insurance, and especially of the stability of the regular reserve companies. As a consequence, business is more easily written, and notwithstanding the number of eligible risks that have gone overseas, the volume of business is increasing more rapidly than heretofore.

The following companies have briefly reported to *The Monetary Times* regarding their operations:—

The Monarch Life's business will in all probability be 30 per cent. in new business in excess of 1915. The business in force total will show an increase of considerably over a million dollars. Cash premium income will show an increase of over 25 per cent. First-year premiums show a much greater increase. Death claims are well within the ordinary expectation, in spite of the war claims.

War Claims are Shared.

The business of the Mutual Life of Canada for the past year shows satisfactory progress in all its departments. New business is considerably in advance of 1915, while the mortality, notwithstanding war claims, is favorable.

The Great-West Life is ahead of 1915 and all previous years, and lapses in 1916 were low, so that the business in force will show an increase for 1916 considerably larger than for 1915, which was itself a fairly good year for the company from this aspect.

Better Quality Business.

Applications for new insurances received by the Crown Life Insurance Company up to November 4th, exceeded \$4,000,000 and surpassed the total for the whole 12 months of 1915. Not only is the volume of new business greater, but the quality is better. Applications for large amounts are scarce. Collections were better than in 1915, and the cancellation rate was lighter. The result is a substantial gain in business in force and a lower expense ratio. The war imposes on all life companies the burden of abnormally high death claims. The patriotic value of these large sums distributed by the life companies to the dependents of those who fall at the front cannot be over-estimated. This fact is not sufficiently realized either by the public or the governing bodies.

The Canadian business of the Prudential of America last year was greater in volume than in 1915. The persistency of old business has shown a marked improvement as compared with 1915.

The operations of the Dominion Life in 1916, which, to the end of November, were easily the best of any year in the company's history. It expects to show 15 per cent. increase in business written over that of the preceding year. The gain in paid-for business will be even more satisfactory as collections are coming in splendidly. Another feature in the year's record is the diminution of wastage, the number of lapses and not taken policies being kept at a low figure.

The London and Lancashire Life's business, as a whole, shows an improvement. The new insurances written were larger in volume than in 1915. The cash collections also showed an improvement. There appears to be a healthier tone in the business than was the case 12 months ago.

The Atlantic Sugar Refineries, Limited, have issued an interesting comparative chart of sugar prices at Montreal, 1915-16. In 1915 the highest basis price per 100 lbs. in bags was \$6.75 and the lowest \$6. In 1916 highest price was \$8.15 and lowest \$6.60.

CUSTOMS REVENUE RECORD

Collections for Past Fiscal Year Were \$103,000,000—Sources of Revenue

On goods imported into Canada during the past fiscal year there was duty paid aggregating \$103,940,100, of which amount the war tax was \$25,256,787. The growth in the total customs revenue collected from 1868-1916 is shown in the following table, which covers the period since confederation:—

Fiscal year.	Total.
1868	\$ 8,819,413
1875	15,361,382
1885	19,133,558
1895	17,887,269
1905	42,024,339
1906	46,671,101
*1907	40,290,171
1908	58,331,074
1909	48,059,791
1910	61,024,239
1911	73,312,307
1912	87,576,036
1913	115,063,687
1914	107,180,578
1915	79,205,910
1916	103,940,100

*Nine months.

In the four latest years, Canada's total trade was in excess of one billion dollars.

Revenue Producers.

The largest revenue producing articles were as follow:—

	Duty collected.
Iron and steel	\$13,426,093
Spirits and wines	7,351,584
Sugar, syrups and molasses	7,313,431
Wool and manufactures of	5,536,722
Cottons	5,309,975
Coal	4,059,190
Carriages, vehicles, autos, etc.	3,566,762

Above \$500,000.

Other imports on which duty was in excess of \$500,000 were: Books, etc., \$705,562; brass, and manufactures of, \$544,658; coffee, \$512,758; drugs, \$1,040,711; electric apparatus, \$1,203,712; fancy goods, \$820,974; flax, hemp and jute, \$827,531; fruits, \$1,510,415; glassware, \$545,268; gutta-percha and India rubber, \$903,054; leather, \$1,336,561; metals and manufactures thereof, \$871,824; oils, \$723,991; paper and manufactures of, \$1,308,632; provisions, meats, \$2,472,643; silk, \$2,015,897; tobacco, \$881,446; vegetables, \$676,323; wood and manufactures of, \$542,354.

Provincial Revenue Collections.

The annual customs revenue income, according to provinces, for the latest fiscal year, 1915, is as below:—

	Customs duties.	Other revenues.	Total revenues.
Nova Scotia	\$ 3,929,986	\$ 2,864	\$ 3,932,851
Prince Edward Island	153,324	61	153,386
New Brunswick	3,330,306	5,238	3,335,545
Quebec	29,016,812	24,185	29,040,997
Ontario	50,020,360	20,095	50,040,456
Manitoba	6,065,764	3,526	6,069,291
Saskatchewan	1,635,638	6,208	1,641,847
Alberta	1,943,665	8,911	1,952,577
British Columbia	6,751,129	14,743	6,765,873
Yukon	183,525	....	183,525
Prepaid postal parcels	11,199	....	11,199
	\$103,941,714	\$85,836	\$104,027,551

BANK OF HOCHELAGA INCREASES STOCK

At the annual meeting of the Bank of Hochelaga this week, the proposal to increase the capital from \$4,000,000 to \$10,000,000 was approved.

Monetary Times

Trade Review and Insurance Chronicle
of Canada

Address: Corner Church and Court Streets, Toronto, Ontario, Canada.
Telephone: Main 7404, Branch Exchange connecting all departments.
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G. W. Goodall, Western Manager.

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\$3.00	\$1.75	\$1.00	10 Cents

ADVERTISING RATES UPON REQUEST.

The Monetary Times was established in 1867, the year of Confederation. It absorbed in 1869 The Intercolonial Journal of Commerce, of Montreal; in 1870, The Trade Review, of Montreal; and the Toronto Journal of Commerce.

The Monetary Times does not necessarily endorse the statements and opinions of its correspondents, nor does it hold itself responsible therefor. The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

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When changing your mailing instructions, be sure to state fully both your old and your new address.

All mailed papers are sent direct to Friday evening trains. Any subscriber who receives his paper late will confer a favor by complaining to the circulation department.

AFTER THE WAR

In his address last week, Sir Herbert Holt presented a vivid sketch of post-war conditions. He pointed out that there is no permanence in war prosperity; that it is war business which has so accelerated the wheels of industry, and the termination of this must react on industrial activities with far-reaching results. "Factories employed exclusively in this connection will close," he said. "Kindred industries stimulated by high prices will suffer by the establishment of more ordinary conditions. Exports will decline as Europe imports less, and commodity prices will recede. Labor will become a glut on the market, aggravated by the return of soldiers in large numbers. All this appears certain to follow the establishment of peace, and the longer the war endures the more drastic will be the depression, because of the greater economic exhaustion of Europe and the effect upon her buying power. We have already seen the stock markets convulsed by a most improbable suggestion of peace."

Sir Herbert, and others, have previously pleaded for intelligent action to meet post-bellum problems. That there will be such problems nearly all admit. Many, too, have a fairly good idea of their size and type. Yet, with the exception of a few special commissions, some of which are doing good work, little is being done in Canada to prepare for the difficult period to come.

In our leading article this week, Professor R. M. MacIver, of the University of Toronto, makes a convincing statement of the case for the appointment by the federal government of a non-political board to investigate and report upon the problems of post-bellum reconstruction.

All important belligerent countries, all important neutral countries, have already accomplished much in this direction. Great Britain, the nation which has by far the biggest war job, will, by its foresight now, probably prove to be the best prepared for post-bellum conditions, readjustment and reconstruction. Lloyd George said last week: "The resources of the nation in every direction

have been developed and directed; the nation itself disciplined, braced up, quickened, has become a more alert people. We have thrown off the useless tissues. We are a nation that has been taking exercise. We are a different people."

Canada has for years boasted of just such qualities, yet in this matter we have shown little initiative, and as Sir George Foster has truly said, we are "sound asleep." Helping to win the war, but practically blind and inactive to the vital need for preparations beyond—that is our position. The country was due to suffer in 1913 for its economic sins. Then came the war and war prosperity. Now we are blundering along, trusting to luck, refusing to listen to anything but the voice of the present, and trying to believe that after the war, something good will turn up. Individuals cannot succeed or keep out of heavy debt in that way; neither can nations.

MANITOBA RURAL CREDITS

Throughout the discussion in regard to the Manitoba rural credits bill, its supporters apparently assume that they can reduce the rate of interest payable by the farmer. That cannot be done except by unloading some of the cost of doing business on the province at large. Already it is understood the provincial legislature will be asked to vote \$10,000 to establish the Rural Credits Association.

The claim of the lending companies in Manitoba that all lending agencies should be placed on an equality with the Rural Credits Association apparently has been accepted now, at least with respect to prior charges and Land Titles Office costs. The companies will, however, continue to pay taxes, of which the association is relieved. In Manitoba the government is going to all this trouble to reduce the current lending rate from 7 per cent. to 6½ per cent. That extra one-third per cent. is of interest. As the borrower must take 5 per cent. of stock in the association, he receives only an advance of \$950 for the \$1,000 upon which he is paying interest.

BUYING WAR BONDS

With the periodical war loans, issues of Dominion government debenture stock, and war saving certificates in comparatively small denominations, there are available first-class securities for all Canadians. As soon as the sum of \$21.50 is saved, a safe and remunerative government security can be purchased. The money received from the sale of these securities is being devoted to financing Canada's share of the war. Every man or woman who invests savings in this way is helping out of the trenches brother, son or father. No wavering will there be in the determination of the Allies to achieve victory. That determination is strengthened by thrift which will put at the disposal of our government the funds necessary to conduct our share of the war, and necessary for Great Britain to purchase war supplies here.

Those who invest their surplus funds in the attractive war securities of the Canadian government, are doing much to shorten the war. Those who double their savings by the practice of economy, placing the funds in war securities, are doing still more to shorten the struggle. In announcing Great Britain's large war loan last week, Mr. Lloyd George described every well-directed cheque, well loaded, properly primed, as a more formidable weapon of destruction than a twelve-inch shell. "It

clears a path to the barbed wire entanglements for our gallant fellows to march through," he said. "A loan helps you, insures victory; a loan will help shorten the war; it will help save lives; it will help save the British Empire; it will help save Europe; it will help save civilization."

Sir Edmund Walker has said that in this Great War we shall not fail for men, difficult as enlistment may be. We shall not fail because of inability to make or to procure war supplies. "If we fail it will be because we have wasted on unnecessary things the money that would have won the war. The man or woman who works hard at making shells may take much comfort in helping to win the war, but the man or woman who, in addition, saves a part of the present high wages due to war and buys a war security, or helps a bank to do so, has helped twice, and the second kind of help is the most vital."

STOCK RAISING

The western farmer is continually reproached for devoting his energies to grain growing to the neglect of stock raising. Like all generalizations, there is truth and error in the charge. The immigrant without capital who is seeking to establish a home for himself on these prairies must of necessity grow grain. He has not the capital or the help to warrant his undertaking the breeding of stock. In many cases grain growing becomes a habit, and the early purpose of ultimately acquiring stock is lost sight of or its accomplishment indefinitely postponed.

Thousands of farmers, however, are every year extending their interests in diversified agriculture. This is very evident in every direction. The reports of some of the agricultural departments have just come to hand. They show, for example, that 213 farmers in 1907 marketed \$16,000 worth of butter. In 1915, 5,979 farmers marketed \$558,000 worth of butter. Between 1908 and 1915 the number of horses in Saskatchewan nearly doubled and the number of cattle increased 28 per cent. Between 1908 and 1916, the number of cattle in Manitoba increased from 409,000 to 669,000; the number of swine was more than doubled; the number of horses nearly trebled; and the number of sheep increased over 450 per cent. To these figures might be added statistics dealing with the production of poultry, eggs, honey, etc., in the production of all of which gratifying progress has been made. The importation of good breeding stock, the annual bull sales,

INSURANCE COMPANIES' HOLDINGS

Mr. G. D. Finlayson, superintendent of insurance, in submitting to the various insurance companies a list of securities and the valuations placed thereon by the department of insurance for the past year's returns, says:—

"It will be noticed that while the government securities of countries engaged in the war have shown in most cases a depreciation during the past year, there has been a substantial increase in the value of practically all Canadian securities, particularly in the case of municipal securities.

"The department takes this opportunity of suggesting that as a measure of precaution against possible adverse conditions arising after the war the increase in the value of securities resulting from this revaluation should be wherever possible set aside to create or increase an investment reserve fund.

"In the case of companies for which a deduction from ledger assets is necessary on account of market values, the excess of such deduction made a year ago over the corre-

the work of the Dominion stock yards, Winnipeg, as a clearing house for feeders and stockers all point to the splendid progress Western Canada is making in the real business of production.

GREAT WEST PERMANENT LOAN GROUP

The disquieting controversy in regard to the affairs of the Great West Permanent Loan Company, the Canada National Fire Insurance Company and the Imperial Canadian Trust Company, of Winnipeg, should be settled. Shareholders, debenture holders and depositors are not concerned with the personal differences of the various factions involved. They are vitally concerned as to the strength and position of the company which they have supported with their funds. Questions as to the financial position of these concerns, as to whether they have been properly managed, as to whether things have been done by their executive officers which should not have been done, and other such matters, are not answered by an interchange of printed statements and circulars. Enough of such literature has been circulated. These matters can be settled, the questions answered, and anxiety satisfied only by a thorough and an independent investigation of the companies' affairs and an independent audit of the companies' finances.

It is common knowledge that the Great West Permanent Loan group of corporations and their management have lost considerable prestige during the past year or so. This has been due partly to the circulation of charges and countercharges, to the exchange of personalities, and to the consequent lack of confidence in the strength and position of the companies. If Mr. W. T. Alexander, president of the Great West Permanent Loan Company, and his supporters, do not desire their concerns to encounter serious trouble, they must consent to a thoroughly independent investigation of the companies' affairs. If Mr. W. T. Alexander and his supporters refuse such an investigation, they cannot hope to retain for themselves or their companies any large degree of confidence. They may also, in that way, hasten the disastrous results which lack of confidence invariably brings.

The controversy has reached a stage at which the public welfare cannot be properly safeguarded with the issue of printed circulars and statements. Mr. Alexander must pull aside the curtains and let in the light so that all those who have invested in the companies may judge the existing conditions.

sponding amount necessary this year may be carried as an investment reserve fund or added to a fund of this nature already being maintained. In the case of companies for which no such deduction is necessary the same object will be attained by the increase in values as a result of the revaluation being disregarded in arriving at the company's surplus.

"In the case of companies which a year ago provided for the excess of book values over market values by the creation of an investment reserve fund equal to, or greater than, the amount of such excess, the same object will be attained by that fund being continued this year without reduction.

"There are indications that security values as at December 31st, 1915, will in a great majority of cases prove to be minimum values for a considerable number of years, and by setting aside as an investment reserve fund the appreciation from year to year above those minimum values, the companies will be protected against a future depletion of surplus as a result of temporary depressions in market values, which are almost certain from time to time to occur."

BANK OF MONTREAL

Established 1817

Capital Paid up - - - - \$16,000,000
 Reserve Fund - - - - \$16,000,000
 Undivided Profits \$1,414,423
 Total Assets - - - - \$365,215,541

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INCORPORATED
 1855

HEAD OFFICE, TORONTO, CANADA

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ESTABLISHED 1875

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CAPITAL PAID UP \$7,000,000
 RESERVE FUND - 7,000,000

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17 Branches in
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119 Branches in
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RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Athens, Ont.—January 16—Mr. W. F. Earl's hardware store. Mr. S. Coon's boot and shoe store. Mr. D. Fisher's household effects. Loss, \$15,000.

Belleville, Ont.—January 15—Mr. J. F. Chisholm's residence, east of city limits. Loss, \$7,000.

Ceyser, Man.—January 15—Mr. A. Finbogasson's residence. One death.

Ingersoll, Ont.—January 12—Mr. C. H. Crawford's residence. Loss, \$1,000. Insured.

La Tuque, Que.—January 15—Hotel Des Marchands. Loss, \$30,000. Insured.

Montreal, Que.—January 8—32-48 Drolet Street. Loss, \$17,000.

January 11—Moving picture theatre, 1691 Notre Dame Street West, etc. Five deaths.

January 14—Capital Lunch, 165 West Craig Street.

January 15—Residences, St. Urbain Street.

Ottawa, Ont.—January 13—Residence at 238 Slater Street. Loss, \$2,000. Cause unknown.

St. Boniface, Man.—January 12—Mr. J. Dumais' residence. Loss, \$25,000. Cause unknown.

St. Catharines, Ont.—January 12—Great North Western Telegraph office, St. Paul Street.

Tillsonburg, Ont.—January 12—Mr. W. C. Brown's residence. Insurance, \$4,000. Cause, supposed spark.

Turtleford, Sask.—January 6—Residence of Mr. E. Beliveau, Paradise Hill. Loss, \$3,000.

Quebec, Que.—January 10—Messrs. J. B. Renaud & Company's crockery warehouse. Loss estimated, \$125,000. Insurance, building—North British & Mercantile, \$20,000; Aetna, \$10,000; Guardian, \$10,000; Liverpool & London & Globe, \$10,000. Stock—Phoenix of London, \$6,000; Sun, \$5,600; Liverpool & London & Globe, \$5,000; Quebec, \$5,000; Union, \$5,000; London Assurance, \$5,000; Fidelity-Phenix, \$5,000; Yorkshire, \$5,000; Scottish Union, \$4,000; Liverpool-Manitoba, \$2,000; Palatine, \$2,000; Alliance, \$2,500.

January 12—Mr. A. Tardif's stables and E. Julien Company. Loss, \$100,000.

Vancouver, B.C.—January 9—McGill College building, Tenth Avenue and Laurel Street. Loss, \$5,000. Cause, hot air flue.

Watford, Ont.—January 14—Mr. J. Kersey's residence. Loss, \$1,500, partially insured.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Calgary, Alta.—Fire Chief Smart's annual report states: "During the months of October, November and December a systematic fire-prevention survey of the city was made; 10,844 premises were inspected by the captains of the district, who thus learned the layout of buildings to which they might be called in case of fire." The total fire loss of the year is 2 per cent. of the risk. The total loss was \$86,291. This makes a per capita loss of \$1.57 on an estimated population of 55,000.

Saskatoon, Sask.—Fire Chief Heath's annual return gives the following figures:—

Loss on real estate, \$21,405; loss on personal property, \$17,910; total loss, \$39,315; insurance on real estate, \$130,377; insurance on personal property, \$329,300; total insurance, \$459,677; insurance over loss, \$420,361; loss not covered by insurance, \$7,513; fire loss, 1914, \$269,473; fire loss, 1915, \$106,146; fire loss, 1916, \$39,315.

The buildings in which fires occurred were as follows: Dwellings, 70; welding shops, 3; warehouses, 4; frame sheds, 3; tailor shop, 1; rooming house, 1; bank and offices, 3; garages, 6; dance hall, 1; ice house, 1; hospitals, 2; water tower, 1; collegiate institute, 1; electric light pole, 1; apartment blocks, 3; military quarters, 1; prairie fires, 6; telephone exchange, 1; grocery store, 1; church, 1; ball park, 1; private hospital, 1; load of hay, 1; cafes, 2; manufacturing

plant, 1; jewelry store, 1; automobile filling station, 1; barns, 3; boiler house, 1; motor cycle, 1.

The causes of fires were as follows: Chimney fires, 26; unknown, 16; acetylene gas explosion, 2; carelessness, 6; defective stoves, 4; rubbish in hot air registers, 1; wood burning in oven, 1; stove bursting, 1; defective furnace, 2; hot ashes, 7; defective fireplace, 4; caught from adjoining premises, 1; grounding of electric wire on car, 1; overheated stoves, 4; children lighting fire with coal oil, 1; gasoline engine backfiring, 1; children playing with matches, 2; rag over electric light, 1; burning charcoal, 1; short circuit on electric wires, 1; gasoline explosion, 1; coal burning in basement, 1; burning rubbish, 3; motor car backfiring, 2; children playing with firecrackers, 1; coal oil stove explosion, 1; supposed fires, 5; electric iron left turned on, 2; lightning, 1; heads flying off matches, 1; dropping matches while alight, 1; tar pot boiling over, 1; pan of lard boiling over, 1; gasoline burner exploding, 2; hot ashes piled against building, 2; overheated furnace, 1; damp oat sheaves piled against electric wires, 1; stove pipe too close to woodwork, 2; coal oil lamp overturning, 1; thawing oil on stove, 1; gasoline tap left open, 1; carelessness in thawing out water pipe with gasoline blow torch, 2; spontaneous combustion, 1; incendiary, 1; rubbish around chimney, 1; prairie fires, 6.

NATIONAL TRUST COMPANY

The assets of the National Trust Company, Toronto, increased in 1916 by nearly \$10,000,000 and now exceed \$60,000,000. Practically all this gain is in estates trust and agency accounts, although there is a large increase in the holdings of securities. The sum of \$50,000 has been written off to real estate reserve account. There is an increase in the loans on collateral security and advances in estates to \$743,188 from \$651,000 in 1915 and \$391,428 in 1914. The profits for the year after the usual deductions were \$236,254, equal to 15.75 per cent. on the capital, a very substantial showing.

NORTHERN CROWN BANK

The position of the Northern Crown Bank, with headquarters at Winnipeg was, according to the latest financial statement for the year ended November 30th, 1916, materially improved during the past 12 months. Profits totalled \$128,761, showing a considerable increase over 1915. The bank's liquid assets totalled \$14,052,033. This is 64.6 per cent. of the liabilities to the public and 76.5 per cent. of the total deposits. A further increase of \$18,385,000 occurred in deposits last year. This is a gain of approximately \$8,000,000 since August, 1915, and is \$2,000,000 more than they have ever been before. The highest point previously reached was \$16,000,000 in October, 1912.

Loans, on the other hand, largely on account of the easy monetary conditions, have decreased considerably, being \$7,853,988 at November 30, 1915. The funds released from loans have been invested temporarily in Dominion of Canada war issues, of which the Northern Crown Bank holds \$3,714,700, and in Imperial government short-date munitions loans, of which the bank holds \$1,500,000. The surplus funds are now gradually finding their way into the ordinary loan channels.

The bank's position compares very favorably with the situation a year ago and gives indications of a good outlook for the institution.

The directors properly decided to pass the dividend for the half-year ended November 30th last. Sir D. H. McMillan, president, at the annual meeting expressed the opinion that if nothing unforeseen occurs, the bank will be in a position to resume payment of dividends from now on. While this is a laudable ambition, it would be unfortunate for the institution to recommence dividends until it is in an exceptionally strong position. The generous dividend policy of certain past years, when profits did not justify dividends, contributed in some measure to the position in which the bank found itself not long ago. This is particularly true in view of the uncertain outlook after the war.

The president, in describing the progress of the bank as highly satisfactory, gave the shareholders the very gratifying information that expenses are being held down to a minimum and that the greatest care is being exercised in the conduct of the business. He expected a steady improvement as years go on.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

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

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THE BANK OF NOVA SCOTIA

Capital paid-up - \$ 6,500,000
Reserve Fund - 12,000,000
Total Assets - 100,000,000

HEAD OFFICE - HALIFAX, N.S.

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THE MOLSONS BANK

Capital Paid-Up, \$4,000,000 Reserve Fund, \$4,800,000
Incorporated by Act of Parliament 1855.

HEAD OFFICE ... MONTREAL

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Edmonton " James & Barton " West Toronto " St. Henri
Lethbridge Hensall Trenton " Maisonneuve
BRITISH COLUMBIA Highgate Wales | Waterloo " Cote des Neiges
Revelstoke Iroquois Williamsburg " St. Lawrence
Vancouver Kingsville Woodstock " Boulevard
" East End Kirkton Zurich " Cote St. Paul
MANITOBA Lambton Mills QUEBEC " Park & Bernard
Winnipeg London Bedford " Montreal, West
" Portage Av. Lucknow Chicoutimi Pierreville
ONTARIO Meaford Drummondville " Tetraaultville
Alvinston Merlin Foster Richmond
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CAR'S SHELL LOSS AND INSURANCE

Russian Government Bears \$8,000,000 Loss and Company Loses \$750,000

Senator N. Curry, president of the Canadian Car & Foundry Company, has issued the statement that the total loss at Kingsland, N.J., on January 11th, has been estimated in the neighborhood of \$12,000,000. Of this amount approximately \$8,000,000 in finished high-explosive shells had been turned over to representatives of the Russian government. Insurance on the plant amounted to about \$3,250,000, leaving the estimated loss to be borne by the company in the neighborhood of \$750,000.

In another week the full order for 5,000,000 shells would have been completed. Half the order, or 2,500,000 shrapnel, had been shipped to Russia, and the high-explosive shells were practically completed. Most of the loss was in shells and explosives. The cost of the Kingsland plant, including the land, was about \$750,000. Several powder magazines, a power house and one or two other buildings were still intact.

Nothing has yet been decided regarding rebuilding. A number of shell parts which had been made by other concerns for assembling at Kingsland were still in the hands of the manufacturers, and the Russian government might desire that the Canadian Car & Foundry Company complete these, or it might make other arrangements.

The Canadian Car & Foundry Company had more than sufficient money on hand to pay up all bills, even if nothing more were collected from the purchasers. In spite of the loss the company will show a profit from the Russian contract.

Among the shells on hand at the Kingsland plant when the explosion occurred were a small number which it is understood were being loaded for the Bethlehem Steel Company. This is one of the matters that will have to be adjusted.

Insurance Companies Involved.

The New York Journal of Commerce, commenting on the loss, states: Company managers were much interested in the Canadian Car & Foundry Company's loss at Kingsland, N.J., and much the more so as efforts were made to suppress the list of insurance. One company interested, however, furnishes the following, which embraces nearly all of the insurance:—

Globe and Rutgers of New York	\$503,500
North River, United States, Richmond, Williamsburg City, etc.	425,000
Liverpool & London & Globe	180,000
Home of New York	150,000
North British and Mercantile	120,000
Scottish Union and National	120,000
Aetna of Hartford	80,000
Continental	20,000
Fidelity-Phenix	20,000
Northern Assurance Company, London	40,000
National of Hartford	50,000
Insurance Company of North America.....	77,500
Rhode Island	20,000
Western Assurance Company, Toronto....	45,000
New York Underwriters Agency	50,000
Merchants Fire of New York	85,000
National Union of Pittsburg	25,000

It is understood that the Russian government had over \$5,000,000 worth of munitions stored at the plant and that these were either uninsured or else covered abroad. It is also thought that Lloyds, London, underwriters have a large amount at risk. The insurance placed in the United States amounts to about \$2,300,000, and the total loss is certainly far above \$10,000,000.

Apparently there will be very little, if any, salvage, so the ninety per cent. co-insurance clause on the policies will be of as little benefit to the fire insurance companies as the automatic sprinklers were. It is clear that the loss above the insurance must be at least five million dollars, and may be much more.

Workmen's Compensation Liability.

The Canadian Car & Foundry Company's workmen's compensation liability under the New Jersey law in connection with the operation of its plant at Kingsland, N.J., was insured with the Maryland Casualty Company of Baltimore. According to reports, none of the employees were injured

in the fire and explosions, and that it is therefore unlikely that any claims will be made. The Maryland's policy only covered the workmen's compensation liability and did not cover the public liability.

Information is in the possession of W. M. Offley, division superintendent of the United States department of justice's bureau of investigation, states a New York despatch, that one man, acting in behalf of German sympathizers, caused the destruction by fire.

The common stock of the Canadian company declined seven points to 26 on the New York Curb on Saturday last, and there was a ten-point decline in the preferred.

UNION BANK OF CANADA

The net profits of the Union Bank of Canada, which has its head office in Winnipeg, amounted last year to \$651,183. These compare with \$659,688 in the previous year. Last year's results were equal to 13.02 per cent. on paid-up capital, a result, as stated by Mr. G. H. Balfour, with which the directors are well satisfied, having in mind the fact that exceptionally ample provision for all bad and doubtful paper had been made before closing the books. The bank also maintained very strong cash reserves throughout the year.

The profits of the past year were distributed as follow:— Dividend of 8 per cent. and bonus of 1 per cent. paid to shareholders, \$450,000; war tax on note circulation, \$50,000; British Sailors' Relief Fund, \$5,000; Contingent Account, \$150,000, and the usual contribution to the Officers Pension Fund of \$10,000, leaving \$93,160.42 to be carried on to the new profit and loss account as against \$106,976.75 brought forward from last year.

With regard to setting aside \$150,000 to a contingent account, this was explained as a purely precautionary measure which the directors deem wise owing to fluctuations taking place from time to time in the valuation of securities held by the bank.

The Union Bank of Canada is one of the oldest financial institutions of the Dominion. At its fifty-second annual meeting last week it reported total assets exceeding \$109,000,000, an increase of more than \$18,000,000 over the previous year. The financial statement generally was very satisfactory. Mr. John Galt is president of the Bank and he has a strong directorate assisting him. Mr. G. H. Balfour has been associated with the institution for 47 years, for many years as general manager. He is now retiring, being succeeded by Mr. H. B. Shaw.

Mr. John Galt gave to the shareholders an exceptionally interesting analysis of the bank's affairs. He stated that the fact that earnings were smaller, was due to the bank's sound policy of maintaining a strong and liquid position. "Your directors," he said, "have resolutely refused to countenance speculation, but they have continued the policy of assisting the bank's clients in the legitimate expansion of their business, and have always had before them the importance of encouraging production. This attitude has been an important factor in the safe growth of the Union Bank of Canada, and in the high esteem in which it is held."

Mr. Galt also pleaded for greater service by the people generally with a view to winning the war. "Production, whether of foodstuffs or of munitions, intelligent economy, efficient management—these need not be empty phrases—they can and should be put into effect at once, not a moment should be lost," said the bank's president. "There are two questions which every man in Canada should ask himself—what can I do? and what have I done for my country to-day?"

Canada, which a few years ago was importing eggs, has not only been producing enough for her own requirements, but exported between seven and eight million dozen eggs to Great Britain in 1915, and the figures for 1916 will be even higher, if one may judge from the fact that 1,000,000 dozen were exported in the month of October. Canada has every requisite for the production of eggs far in excess of her own requirements, and the industry is one which should grow in importance. The bulk of the surplus production at the present time comes from Ontario and Prince Edward Island. The first experimental shipment of eggs from Winnipeg to the British market recently arrived, and it is hoped that the increase in production in the western provinces this year will be such as to warrant the opening up of a large trade in this direction.

The Dominion Bank
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— THE —
Royal Bank of Canada
 INCORPORATED 1869

Capital Authorized \$ 25,000,000
Capital Paid-up 12,000,000
Reserve and Undivided Profits 13,236,000
Total Assets 238,000,000

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The Standard Bank of Canada
 Quarterly Dividend Notice No. 105

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 31st day of January, 1917, and that the same will be payable at the Head Office of this City and at its Branches on and after THURSDAY the 1st day of February, 1917, to Shareholders of record of the 22nd of January, 1917.

The Annual General Meeting of Shareholders will be held at the Head Office of the Bank in Toronto, on WEDNESDAY, THE 28th OF FEBRUARY NEXT, at 12 o'clock noon.

By order of the Board,
 G. P. SCHOLFIELD,
 Toronto, December 19th, 1916. General Manager

AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
 (ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL -	.	.	.	.	\$ 17,500,000.00
RESERVE FUND -	.	.	.	.	13,375,000.00
RESERVE LIABILITY OF PROPRIETORS	.	.	.	.	17,500,000.00
					\$ 48,375,000.00
AGGREGATE ASSETS 31st MARCH, 1916	\$310,327,208.00



BANK OF NEW SOUTH WALES

J. RUSSELL FRENCH, General Manager

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Weyburn, Yellow Grass, McTaggart, Halbrite, Midale, Griffin, Colgate, Pangman, Radville, Assiniboia, Benson, Verwood, Readlyn, Tribune, Expanse, Mossbank, Vantage and Goodwater.

A GENERAL BANKING BUSINESS TRANSACTED
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FIREPROOF CONSTRUCTION IN CANADA

Various Types Discussed Before Insurance Men—What Quaker Oats Conflagration Showed

"Modern Fireproof Construction" is a subject of much interest to all fire insurance men. Mr. W. W. Pearce, city architect of Toronto, addressing the insurance institute of that city, dealt in a thorough manner with this topic. He said in part:—

"There are two distinct types of modern fireproof construction known as 'steel skeleton construction' and 'reinforced concrete.'

"The 'steel skeleton construction' has, without doubt, held first place up till to-day, due to the fact that the steel work can be run up to almost any height in an incredibly short time; the balance of the construction follows immediately, sometimes, in fact generally, the brick and stonework are started at different stories, the upper part frequently being finished before the lower stories are commenced. This is usually caused by the lower stories being built of stone and, therefore, more difficult to get.

"Buildings up to 12-stories in height are generally built in what is known as curtain wall construction, which means that the walls are self-sustaining. This usually applies only to the side walls, the front being almost invariably built of skeleton construction, which means that at each floor the brickwork is supported.

"Buildings of 12-stories in height are usually erected inside of one year.

"Steelwork has been able to overcome all the difficulties of construction caused by wind stresses and tremendous dead loads, and in my opinion, will never be superseded by any mode of construction for buildings more than 12 stories in height. This is particularly true when you consider that practically all the material used in these modern buildings is fabricated at the shop all marked for erection; the foreman of the different trades is furnished with drawings which show where every piece is to go. This is true for practically all trades, such as stonework, terra cotta front work, steel work, plumbing, heating, etc. By this method these huge buildings are rapidly and economically constructed.

Reinforced Concrete Buildings.

"Referring to the reinforced concrete buildings, this type of construction has undoubtedly come to stay, and I might refer you to some of the modern buildings that are being erected in Toronto, one being the 'Trusts and Guarantee Building' on Bay Street, which is 11 stories in height, having girders for one story built of concrete of the full depth of the story and carrying interior columns which have considerable loads coming thereon. This type of construction is what is known as beam and girder reinforced concrete. In other words, reinforced concrete beams and girders take the place of steel beams and girders in the steel skeleton construction.

"Another type is what is known as the four-way flat slab construction. An example of this construction is well illustrated in mail order building of the Simpson Company.

"Another type of concrete construction is the new Eaton factory building which is being erected on Downey's Lane and Alice Street. This building is a 12-story one, and is a combination of flat slab construction and skeleton steel. The columns are built of steel work of such shape that the concrete when poured around them reinforce them, and we have then a steel column reinforced with concrete, whereas in the Simpson building we have a concrete column reinforced with steel. The Eaton building then has floors constructed on lines similar to the four-way type of construction.

"The different floor systems are almost infinite but they usually resolve themselves down to terra cotta, brick, gypsum, cinder or stone concrete.

Mr. Pearce illustrated further remarks with slides showing the various classes of construction.

Mr. T. D. Mylrea, assistant to the city architect, dealt with "flat slab" construction, and in part, said:—

"Since November 25th, 1915, a little over a year, there have been erected or started in Toronto thirteen reinforced concrete buildings of the type known as the 'flat slab type,' with a total permit value of \$1,872,000. Previous to this time, there were but two flat slab buildings constructed, with a permit value of \$205,000.

"Confronted with the type of building that was first recognized in a building code by Chicago only as recently as 1914, and which purported to be as fireproof as any other existing type, our department was anxious to learn all that it possibly could as to its fire resisting qualities. So when attention was called to the fact that a flat slab building was almost completely destroyed by the recent conflagration at the plant, of the Quaker Oats Company, at Peterboro, Ont., a report was obtained.

"The fire was started by an explosion in the dry-house which blew out the east and north walls. In falling, the north wall wrecked the boiler house, putting the fire pump out of commission, and the east wall took with it a 6-inch sprinkler riser, and buried the valve controlling this riser. The large stream of water thus drawn from the city mains so lowered the pressure that for perhaps an hour, until proper street valves could be located and closed, the water pressure from fire plugs in the neighborhood was practically nil. The fire was thus allowed to rage unhindered. There was a slight breeze from the north-east, which helped carry the fire from the point where it started to all the other buildings in the plant, and all the buildings, with the exception of the circular grain bins, are now in ruins.

How Fire Started.

"The fire started about 10.15 a.m. The explosion started the fire on all six floors of the mill building at the same time. The fire doors in all fire walls were open, as the plant was in operation, but the employees managed to close those located between the mill and warehouse No. 1 before the fire got that far. It was not until a portion of the south wall of the mill fell, crashing through the roof and some of the floors of the warehouse, that the fire gained admission to it. Owing to the wind the concrete building was exposed directly to the flames from the burning mill and warehouse No. 1. By twelve o'clock the dry-house, mill and warehouse No. 1 were in ruins, the top of the wooden elevator was gone, and the fire was just starting in the reinforced concrete building."

Various views showing the effect of fire upon reinforced concrete, steel columns, bricks, ceilings, etc., were shown. Mr. Mylrea adding:—

In reality it is easier to explain why the Quaker Oats warehouse fell than why the Edison buildings stood. As soon as steel becomes heated, the working strength diminishes; and this weakening takes place at the rate of approximately 4 per cent. for each 100° Fahrenheit increase in temperature. At 2,500° Fahrenheit, therefore, the strength would be 0, and this is very nearly the melting point of steel. If we take the evidence of the brick, which shows that a temperature of over 2,000° Fahrenheit penetrated two inches into a material of just about the same conductivity as concrete, and, from this assume that the slab rods reached this temperature, it is evident that their working strength was reduced by about 80 per cent. For a steel with an elastic limit of 35,000 pounds per square inch, this would mean that the available working strength was less than 7,000 pounds per square inch. In the columns this would not be of such grave importance as in the floor slabs, but in the slabs the stresses developed were in excess of this reduced allowable stress. It is, therefore, probable that the floors failed first and carried the columns with them. This explanation appears to be confirmed by pictures taken. It is possible that the depth of the beams and girders and the short spans of the floor slabs in the Edison buildings offered a more effective resistance to collapse by reason of their shape, even were the working strengths temporarily reduced.

Wiser Course to Follow.

"There is much more evidence that the floor slabs collapsed first in the Quaker Oats warehouse. Even though protected in some cases with a very thin coat of concrete, the reinforcing rods were not oxidized, while other exposed metal was. This might have been inferred from the fact that a thin coat of cement mortar will prevent rust, which is another form of oxidation. If a fire is of sufficient intensity and duration to heat a nine-inch floor slab through, it is evident that even four and one-half inches of fireproofing would have availed nothing. So it seems to the speaker that it would be incorrect to call for excessive fireproofing simply because one building collapsed when exposed to unusual fire conditions. The wiser course would be to have just such an amount as by reason of its low heat conductivity would prevent the steel from becoming overheated in an ordinary blaze."

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Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
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Union Bank of Canada

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 CAPITAL PAID UP 3,000,000
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Burlington	" Market	Oakville	" Spadina
Chesley	" North End	Orangeville	" College &
Delhi	" West End	Owen Sound	" Ossington
Dundalk	Jarvis	Palmerston	" Yonge &
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		Vancouver	

ISSUE OF STOCK WITHOUT PAR VALUE

Share of Stock Was Never Worth \$100 Merely Because It Had \$100 Stamped on Its Face

The recent issue of stock in Canada by the North American Pulp and Paper Company, without par value, has raised considerable interest in this method. According to financial experts in the United States, the use of the dollar sign on a certificate of stock is going out of fashion. Many of the industrial companies organized or reorganized within the last year or so have omitted the dollar sign. The first company to discard the old system of marking was the Wisconsin Edison Company, Incorporated, formed in 1912, but the new method was not well established till the spring of 1915, when it was used in the important consolidations and reorganizations that took place in the Kennecott Copper Corporation. Since then it has been used in many of the motor companies such as Mitchell Motors Company, Incorporated, Chandler Motors Company, Incorporated, and the accessories companies such as the Fisher Company, Incorporated.

Method has Made Progress.

Answering the question as to why this method has made progress, Professor Charles W. Gerstenberg, of the Alexander Hamilton Institute, in a recent article, pointed out that under the laws of the various states it could not have been used till 1912. In that year the state of New York passed a law providing for the organization or reorganization of companies with stock without par value. A similar law has since been enacted by Maryland. From the accountant's point of view, authorized stock, according to this law, becomes "stated capital." In other words, the company in its charter does not provide itself with an authorized capital stock, but states the amount of capital with which the corporation will carry on business. This amount must be paid into the company in cash or property before the corporation can begin business or incur any debts. The directors who disregard this provision of the law become severally and jointly liable for the debt incurred. This stated capital cannot be impaired by the payment of a dividend, but shares, it would seem, can be issued even if, through some misfortune, the stated capital has become impaired. As far as capital stock is concerned, the law simply provides that the company may issue stock without par value except to such stock as shall be preferred in regard to principal.

Capital Paid In.

"In fine," continued the writer, "the law does not prevent the company from getting new stockholders or from obtaining more money through the issuance of new shares, since the only effect of such issuance is to divide the ownership among a greater number of people or interests. But the number of shares outstanding in no way represents capital paid in. It represents merely the number of parts into which the company's distribution of profits is to be divided.

"The advantages of this system are many. In the first place, it is economically sound. A share of stock never was worth \$100 merely because it had \$100 stamped on its face. Stockholders are in business to get income, and a share is worth just as much as its income production makes it worth. Shares without par value merely represent the right to possess income, and the stockholder is not induced by an arbitrary figure to place a false present value on what, after all, has always been a mere right to share in future income. Anything that will bring stockholders to a complete realization of this conception of capital stock is to be commended, since it will tend to fasten the stockholders' attention on profits from earnings rather than on stock market profits from variations in the quoted prices of stock. When stockholders learn that in purchasing stock they are buying a certain share in income, and not merely a piece of paper marked \$100, they will begin to inquire about that income. We can then expect closer study of balance sheets and income statements instead of feverish thumbing of the ticker tape.

Quotations More Sensitive.

"This change for the better in the attitude of stockholders will have a salutary reaction on corporations. Stock quotations will be more sensitively responsive to variations in corporate earnings, and there will be more reason for directors who have an eye to future financing to rely on their own record of earnings rather than on the ability of the stock market manipulators to rig market prices.

"Perhaps the most beneficial effect of this new method will be that predicted for it by the Railroad Securities Commission in its report to the president in 1911. When stock is issued with a par value of \$100, that sum should be paid for it. That, at any rate, is the law in most states. But if a railroad or a large industry needs new capital, and its previously issued stock is selling on the market at less than par, it will naturally be impossible for the company to find investors willing to pay more than current prices for the new issues. The company, therefore, is driven to sell such securities as it can, namely, bonds. To the laws requiring stock to be paid for at par, more than to the inclination of corporate directors, can be attributed the present topheaviness of the bonded indebtedness of many of our railroads. Under the system of issuing stock without par value, shares could be sold at the market price. There was not the present compulsion to issue bonds and increase the fixed charges.

Will Facilitate Consolidation.

"The issuance of shares without par value will facilitate the consolidation of companies. Heretofore, when the stock of two companies about to consolidate has sold at different prices on the market, it has been the custom to equalize the difference by giving relatively more shares of the consolidated company to the owners of the higher-priced stock. The alternative is to try to scale down the holdings of the owners of the lower-priced stock. But this is practically impossible, since it can hardly be expected that the stockholders thus treated would consent to the consolidation. By omitting the dollar sign altogether from the stock certificates, adjustments of the holdings can readily be made on the basis of income and assets without inflating the nominal capital stock.

"Shares without par value are also a first-rate expedient in reorganizations following insolvency, since stock can be issued at any price to raise the cash necessary to rehabilitate the company.

Little Effect on Creditors.

"The issuance of shares without par value will have little effect on creditors. Instead of relying as heretofore on a contribution from the stockholders to the company, equal in amount to the outstanding capital stock, the creditors will now expect that the amount of the stated capital has been contributed as a fund to guarantee payment of debts. There is, it will be seen, merely a change in the name of the stockholder's contribution, from 'authorized and outstanding capital stock' to 'stated capital.' There is no assurance that stated capital will be paid in to the company in cold cash or in property of undoubted value, any more than there has been in the past that outstanding stock was not procured by the stockholders through the sale to the company of a mine or a patent or goodwill of questionable value.

"An exception must be made in the case of New York. In New York State, since 1902, there has been no law absolutely requiring the sale of stock at par. Prior to that year, directors who sold stock at less than par were individually liable for the company's debts. That penalty made sales of stock at par quite certain. But by an amendment of the law in 1902 this provision was removed, and the law as changed merely requires stockholders to pay at par or to make up the difference to the creditors if the company becomes insolvent. It would seem, therefore, that in New York, creditors are favored by the new law, since it re-enacts the old rule that if the amount represented to have been contributed by the stockholders has not been contributed, the directors become liable individually for the company's debts. But this rule does not exist at the present time in practically all states, so that, except New York, the creditors would gain no advantage from the enactment of a law similar to that which has established the new method in regard to stock without par value. The advantages for the stockholders and for the corporation, however, are sufficiently cogent to induce other states to follow the example of New York and Maryland in enacting laws providing for stock without par value, and to lead corporations in those jurisdictions to avail themselves of the advantages of such a law when it has been enacted."

THEATRE STOCK OFFERING

Messrs. Macdonald, Bullock & Company, Toronto, are offering \$75,000 7 per cent. cumulative preference stock of the Regent Theatre Company, Limited. The offering is at par with a bonus of 25 per cent. of common stock.

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ESTABLISHED IN 1864

Capital Paid-up - - - - - \$7,000,000
Reserve Fund and Undivided Profits 7,250,984
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Acton Almonte	Georgetown	Markdale	Tara
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Bothwell	Guelph	Newbury	Toronto
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Chatham	Hespeler	Orillia Ottawa	" Christie Sts.
Chatsworth	Ingersoll	Owen Sound	" New Toronto
Chesley	Kincardine	Parkdale	Walkerton
Clarkson	Kingston	Pembroke Perth	Walkerville
Creemore	Kitchener	Preston	Wallaceburg
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Eganville	Lansdowne	Stratford	West Lorne
Elgin Elora	Leamington	St. Eugene	Westport
Finch Ford	Little Current	St. George	Wheatley
Fort William	London	St. Thomas	Williamstown
Galt	London East		Windsor
Gananoque	Lucan Lyn		Yarker

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Brandon	Macgregor	Oak Lake	Starbuck
Carberry	Morris	Portage la Prairie	Winnipeg
Gladstone	Napinka	Russell	" Banner-
Hartney	Neepawa	Souris	man Av.

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Antler Arcola	Gull Lake	Melville	Regina
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Carrduff	Kisbey	Oxbow	Shaunavon
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Gainsborough	Maple Creek	Prussia	Whitewood

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Acme	Donalda	Lethbridge	Sedgewick
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Capital (authorized) \$6,000,000 Capital (paid up) \$1,431,200
Reserve \$715,600

A general banking business transacted at all branches

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High River	Binscarth	Aneroid	Macoun
Red Deer	Brandon	Balcarres	Manor
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B. COLUMBIA	Melita	Dubuc	Nokomis
Ashcroft	Miniota	Dundurn	Prelate
Eburne	Pierson	Duval	Qu'Appelle
New	Pipestone	Earl Grey	Quill Lake
Westminster	Rathwell	Fiske	Regina
Quesnel	St. Boniface	Fleming	Rockhaven
Steveston	Ste. Rose du Lac	Foam Lake	Rush Lake
VANCOUVER	Somerset	Glen Ewen	Saltcoats
Hastings St.	Sperling	Govan	Saskatoon
Mount Pleasant	Stonewall	Hanley	Sedley
Victoria	Winnipeg	Harris	Sheho
	Portage Ave.	Holdfast	Stornoway Stn.
	and Fort St.	Imperial	Swift Current
	Portage and	Kinley	Venn
	Sherbrooke	Lancer	Viscount
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	Sherbrooke		

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Burford	Kingston	Wellington St.	Spadina Ave.
Cheltenham	Mallorytown	Port Dover	Woodbridge
Comber	Napanee	Scotland	Woodstock

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V. F. Cronyn, Supt. Eastern Branches J. P. Roberts, Supt. B.C. Branches

INVESTMENTS IN BANK SHARES

Part Played by Bank Shareholders in Development of the Country

A greater interest is being shown by investors in bank shares, and in that regard, to the taxes paid by banks. As Mr. G. W. Morley pointed out in the annual number of *The Monetary Times*, 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.

Bank Shareholders' Role.

Speaking at the annual meeting of the Canadian Bank of Commerce last week, Mr. George G. Foster, K.C., expressed his regret that so many shareholders of banks fail to appreciate the important part which they play in the development of a comparatively young country like Canada. "We for many years," he said, "have had worthy citizens, representing railway corporations, boards of trade, manufacturers' associations, and some politicians, who have dinned into the minds of the people so assiduously the manner in which they discovered this country and the way in which they have developed it, that shareholders of banks sometimes fail to appreciate the great national benefit which the investment of their money in banks has been. Those of us who realize what has been done in Canada by its banks during the past, and particularly during the last three years, cannot but come to the conclusion that there are few opportunities given to the majority of the men and women in Canada by which they can with greater profit to themselves, and benefit to the country, invest their money than in any one of the great Canadian banks which to-day constitute the bulwark of our financial strength."

At the same meeting, it was stated that the list of shareholders had increased in the past year from 6,341 to 6,648, a gain of 37 names, or about 5 per cent. The increase came chiefly from the provinces of Ontario, Quebec and Nova Scotia. The experience of other banks was probably similar.

Having in mind the prices of bank stocks and the dividends paid, the net returns to the investor in bank shares 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.

Return to Investors.

Here is a table illustrating this point:—

Name of bank.	Price of stock.	Dividend.	Net return. %
Bank of Montreal	226	*12	5.3
The Bank of Nova Scotia	257	14	5.4
The Bank of Toronto	195	11	5.6
The Molsons Bank	195	11	5.6
The Merchants Bank	170	10	5.8
The Union Bank of Canada	135	9	6.6
The Canadian Bank of Commerce	185	*12	6.4
The Royal Bank of Canada	212	12	5.6
The Dominion Bank	209	12	5.7
The Bank of Hamilton	201	12	5.9
The Standard Bank of Canada	212	14	6.1
La Banque d'Hochelaga	145	9	6.2
The Bank of Ottawa	204	12	5.8
The Imperial Bank of Canada	200	12	6
Average	196	11.5	5.8

*Includes a bonus of 2 per cent.

The removal of minimum price restrictions last spring re-established the market for Canadian bank shares, which, so far as the stock exchanges were concerned, had virtually ceased to exist from the time of the war crisis of July, 1914. The volume of trading increased but slightly, however, with the removal of restrictions and bank stocks contributed considerably less than their usual quota to the year's business on the exchange.

WHAT THE CANADIAN NORTHERN CARRIED

The following freight was carried by the Canadian Northern Railway during the past two years:—

	Year ended, June 30th,	
	1916.	1915.
Flour, sacks (100 pounds each).	7,574,500	7,410,420
Grain, bushels	131,978,809	58,575,520
Live stock (all kinds), head....	488,809	595,058
Logs and lumber, feet	1,809,656,000	1,801,691,000
Firewood, cords	286,745	286,419
Coal, tons	1,741,031	1,653,952
Immigrants' effects, cars	2,968	3,518
Building material (lime, stone, brick, sand, etc.), cars....	41,887	46,082
Miscellaneous, tons	3,722,085	3,009,903

IMPERIAL GUARANTEE AND ACCIDENT ASSURANCE COMPANY.

The satisfactory financial position of the Imperial Guarantee and Accident Assurance Company, of Toronto, has been maintained during the past year, in addition to which increased business was transacted. The company issued 12,670 policies for insurance of \$34,107,135. The premiums amounted to \$267,770. The interest earnings amounted to \$18,486, being an increase of \$1,341. The assets of the company now amount to \$447,933, and the investments are all first-class securities, bearing good interest returns. The contingent reserve fund totals \$20,000, and the surplus to policyholders is \$286,030, which, together with the uncalled subscribed capital of \$800,000, makes the available security for all contracts \$1,106,030.

The following table compares the results for the two years:—

	1915.	1916.
Policies issued	12,670	13,250
Insurance issued	\$32,844,860	\$34,107,135
Premiums	260,377	267,770
Interest earnings	17,145	18,486

During the year, the directors secured a license to carry on the business of insuring automobiles against fire, so that the lines of insurance now written are: personal accident insurance, sickness insurance, elevator insurance, fidelity guarantee, plate-glass insurance and automobile insurance (including insurance of automobiles against fire).

The Imperial Guarantee and Accident Assurance Company has a capable manager in Mr. E. Willans, and has also an influential directorate. The company is now 12 years old, and continues to make excellent progress. The following are the directors:—Herbert C. Cox, president; Noel Marshall, vice-president. Directors:—R. Bickerdike, M.P.; Elias Rogers; S. Burrows; G. A. Morrow; D. B. Hanna; W. B. Robb; P. G. Goldsmith, M.D.; W. G. Morrow; A. McT. Campbell; W. B. Meikle; Frank W. Cox, secretary.

The Quebec government has shipped 50 cases of high-grade apples in order to introduce them on the Paris market. These apples have been sold in small quantities to all the large restaurants and groceries, and have met everywhere with success. The experiment was particularly interesting as to the packing of the apples, which proved adequate to bring them from Canada to France in excellent condition. The result will demonstrate that after the war the fruit-growers of Quebec will have a ready market in France.

Real Estate Managed

Those who wish to place the collecting of rents, the sale or the management of real estate into experienced hands are invited to investigate the service offered by this corporation.

THE TORONTO GENERAL TRUSTS CORPORATION

Capital Paid Up	\$1,500,000
Reserve	\$1,750,000
Assets (over)	\$72,000,000

BRANCHES: OTTAWA WINNIPEG SASKATOON VANCOUVER

Montreal Trust Company

INCORPORATED 1889

CAPITAL:

Paid-up ... \$1,000,000 Rest ... \$750,000

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HEAD OFFICE, MONTREAL

Capital Fully Paid - \$1,000,000 Reserve Fund - \$1,000,000

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CAPITAL \$1,000,000

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The Standard Trusts Co.

Head Office 346 Main Street, WINNIPEG

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Authorized Capital	\$ 1,000,000.00
Subscribed and Fully Paid.....	750,000.00
Reserve.....	455,000.00
Total Assets	15,250,000.00

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Insure your Estate against mismanagement and loss by making your Will appointing this Company your Executor and Trustee. Will forms supplied free. All business of a trust nature transacted.

WILLIAM HARVEY,
Vice-President and Managing Director

W. E. LUGSDIN,
Secretary-Treasurer

CANADIAN SUBSCRIPTIONS TO BRITISH LOAN

They Will Probably Be Few, on Account of War Loan Demands at Home

The first subscription sent from Canada to the big British war loan was one of £20,000. It was cabled direct to premier Lloyd George by Mr. James Carruthers, of the Canada Steamships Company, Montreal. A few other substantial subscriptions will be subscribed by Canada, but chiefly by institutions. These subscriptions will probably be made for special reasons, as it is felt the bulk of funds here will be required for domestic war loans, and the other war securities now offered by the Dominion government.

Some Large Subscriptions.

The following subscriptions to the British war loan are noted in a London Times cable to Canada:—Prudential Assurance Company, £20,000,000; Pearl Assurance Company, £1,600,000; British Dominions Assurance, £1,250,000; Liverpool Corporation, £1,000,000; Guardian Assurance, £350,000; Leeds city council, £250,000; Royal London Assurance, £250,000; Cardiff merchant, £250,000; and Eagle Insurance, £100,000.

The Prudential company state that their application for £20,000,000 includes conversion of their holdings of £3,000,000 in the 4½ per cent. loan. As regards the Pearl Company's £1,600,000, the directors are considering how much further they can go. The London and Manchester Assurance has taken £50,000 of stock apart from converting their present holdings. The directors propose in the course of a few months to increase the investment by £100,000. In the case of the Royal London, which already holds war loan stock to the value of £952,000, it was decided to apply £250,000 to the new issue. The Guardian Company's subscription will bring their holdings of war loans up to £1,319,000. The Eagle Company's subscription is the first instalment. The Cardiff merchant who subscribed a quarter of a million is head of the Cardiff Docks firm. Amounts on an equal scale will be taken by other large concerns.

Form of the Loan.

The new loan, subscriptions to which will close on February 16th, takes two forms. The part bearing 5 per cent. interest, subject to the income tax, is issued at 95, and is redeemable at the earliest in twelve years, and at the latest in thirty years. The other part bears 4 per cent. interest, free of tax, is issued at par and is repayable at the earliest in twelve years, and at the latest in twenty-five years. The loan will be accepted at the issue price in payment of death duties, and a sinking fund equal to 1½ per cent. per annum as the maximum will be established. The fund is to be maintained continuously at £10,000,000, within the percentage named, and is to be applied to the purchases of the bonds in the open market when the fund reaches the sum of ten millions. Payments into it will cease to be resumed when the amount falls below that amount owing to use for redemption.

Exempt From Taxation.

The tax on that part of the loan which is subject to impost will not be deducted at the source, and bonds in the hands of foreign and colonial holders will be exempt from present and future British taxation. The conversion privilege applies to the 4½ per cent. war loan and the 5 and 6 per cent. exchequer bonds, of which about £1,400,000,000 are outstanding in the aggregate, while British treasury bills will be accepted for subscription under a discount at the rate of 5 per cent. per annum, and two-year war expenditure certificates under a discount of 5½ per cent. per annum. The loan does not carry the right of conversion into any future British loan.

The 4 per cent. tax-compounded loan at par is considered less attractive than the 5 per cent. loan at 95 subject to income tax, especially as it is expected that the income tax will decline after peace, whereas the 4 per cent. loan compounds the tax at five shillings in the pound, which is the present maximum. Moreover, the income tax on the 5 per cent. loan will not be deducted before the interest is paid, which is favorable to holders and contrary to the usual procedure.

The yield basis on which the new 30-year war loan is offered of 5.34 per cent. is three-quarters of a point higher than the basis of 4.58 per cent. at which the 4½ per cent. 30-year loan was brought out a year and a half ago. This and other evidence indicates that the tendency of interest rates.

as far as war borrowing is concerned, is still upward. The yield on the new loan if redeemed after twelve years would be 5.58 per cent.; the yield on the 4½ per cent. loan if redeemed in 1925 would be 4.66 per cent. As the earlier loan is convertible into the new loan at par, it is safe to assume that practically all the old issue will be converted.

INCREASED REVENUE IN CANADA'S STATEMENT

The financial statement of the Dominion of Canada for the nine months of the fiscal year ended with December shows a total revenue of \$166,856,349, as compared with \$122,027,821 in the corresponding period last year. In December the revenue amounted to \$21,943,775, an increase of more than four millions.

Expenditures on the war in the nine months aggregated \$170,229,748, an increase of eighty-five millions. In the same period domestic expenditures on consolidated account totalled \$81,606,505, an increase of seven millions. On the present basis of capital and consolidated outlay compared with the revenues, there will be a surplus, apart from the war expenditure, of about sixty millions.

The customs department is the principal contributor to the aggregate revenue, furnishing \$97,332,210 in the nine months, which is a growth of \$28,000,000. Excise brought in eighteen millions, public works almost twenty millions, and the post-office twenty millions.

At the end of December the national net debt, increased by interest charges, stood at \$722,111,449, a growth of about \$200,000,000 in the year.

ROYAL BANK OF CANADA

The best balance sheet ever presented to the shareholders, and showing striking progress in all the bank's business during the past year. That is the description given by Mr. C. E. Neill, general manager of the Royal Bank of Canada, to the forty-eighth financial statement of that enterprising institution. It is confirmed by a close analysis of the statement, and a comparison with those of previous years. The net profits for the year were 17.87 per cent. on the capital, as compared with 16.48 per cent. last year; or 8.66 per cent. on combined capital and reserve, as compared with 7.90 per cent. last year, a very satisfactory showing.

The growing strength of the bank is reflected throughout its balance sheet. The liquid position has been well maintained, liquid assets being 53.24 per cent. of liabilities to the public, as compared with 49.03 per cent. last year. The increase in investments represents subscriptions to British government loans, the proceeds of which were to a large extent expended in this country.

The Royal Bank has obtained a substantial share of the increased deposits. Its total deposits now exceed \$200,000,000, the increase for the year being the large sum of \$45,000,000. Forty-two per cent. of the advance was in the savings department, and it is a gratifying feature that these figures include no large or unusual deposits of a temporary nature.

The bank's note circulation is approximately \$4,000,000 higher, and exceeds the paid-up capital of the bank by over \$6,000,000. The excess is covered by a deposit in the central gold reserve. Current loans show a moderate expansion. In Canada the increase is \$4,931,759, due chiefly to the acquisition of new accounts, and temporary loans to customers producing munitions of war. Commercial loans abroad are higher, on account of the active demand in the West Indies in connection with the production of sugar and other staple commodities. These loans will decrease substantially during the next two or three months.

The chief officers of the bank attribute the past year's excellent results to four causes—prosperous conditions in Canada and the West Indies, the advantageous location of the bank's branches, co-operation on the part of the directors, and a loyal and efficient staff. The Royal Bank of Canada has made noteworthy advances in every direction, and especially in the past few years. In Sir Herbert Holt, Mr. Edson L. Pease, and Mr. C. E. Neill, it has respectively an active and capable president, managing director and general manager. Surrounding them are a strong directorate and an efficient staff. The Royal Bank is playing an important role in the development of Canada, of its financial strength and in international banking and trade relations.

The Hamilton Provident and Loan Society

Capital Subscribed	\$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,014,032.60
Total Assets	4,874,409.66

DEBENTURES issued for term of five years with interest at $4\frac{3}{4}\%$ per annum, payable half-yearly. The Debentures of this Society are a legal investment for Trust Funds. Correspondence invited.

Head Office, King Street, HAMILTON, Ont.
 GEO. RUTHERFORD, President D. M. CAMERON, Treasurer

\$100 BONDS A Safe Investment for People of Small Means

To enable the small investor to invest his money without risk this Corporation's Bonds are issued in sums as low as one hundred dollars. They furnish absolute security, and, in Canada, are a **Legal Investment for Trust Funds**

Write for copy of Annual Report, specimen debenture, and all particulars.

Canada Permanent Mortgage Corporation

Paid-up Capital	\$ 6,000,000.00
Reserve Fund	4,750,000.00
Investments	33,546,242.74

Toronto Street Toronto
 ESTABLISHED 1855

Why Not Diversify Your Investments?

For any term from one to five years this Corporation pays interest in its Debenture Department at the rate of

5% per annum

Correspondence invited.

THE HURON & ERIE MORTGAGE CORPORATION

Incorporated 1864
 Head Offices ... LONDON, Ontario
 T. G. MEREDITH, K.C., President HUME CRONYN, General Manager

5%
Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
 WINNIPEG, Man.

CONVENIENT INVESTMENTS

It's hard to obtain an investment for a required amount, on the day you want it, and running just the right length of time—but we can furnish it.

CALL OR WRITE

"An attractive rate of interest with absolute security."

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THE TRUSTS AND GUARANTEE COMPANY LIMITED

BRANTFORD TORONTO CALGARY
 JAMES J. WARREN E.B. STOCKDALE
 PRESIDENT GENERAL MANAGER

When selecting a Trust Company as an Executor choose one whose fixed policy is to give

FINANCIAL ASSISTANCE

to Estates being administered by it.

CAPITAL, ISSUED AND SUBSCRIBED ...	\$1,171,700.00
PAID-UP CAPITAL AND RESERVE	860,225.00

The Imperial Canadian Trust Co.

Executor, Administrator, Assignee, Trustee, Etc.

HEAD OFFICE: WINNIPEG, CAN.
 BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA

FEW men act as executors often enough to learn even the routine of an executor's duties. Still fewer undertake enough executorships to learn the methods of meeting exceptional problems of administration adequately when these arise.

Here the services of National Trust Company, Limited, present a marked contrast. Years of administration have given its officers wide experience and ready resource. Their advice is at your service.

National Trust Company Limited

Capital Paid-up, \$1,500,000 Reserve, \$1,500,000.
 18-22 KING STREET EAST, TORONTO.

TO REFINE METALS IN CANADA

British Columbia is Interested—Vancouver Resolution Requests Early Legislation

The Vancouver board of trade has endorsed the following resolution prepared by the mining committee of that body:—

"That in view of the announced intention of Hon. Thomas White, minister of finance, to introduce legislation having for its object the refining of lead, copper, zinc and other metals in Canada, so that in war time the empire will not have to depend upon foreign sources for these indispensable metals, the mining committee of the Vancouver board of trade recommends the endorsement of such a policy and makes the following presentation:—

"Lead—The lead production of Canada is almost wholly derived from the province of British Columbia, the production of which is about 65,000,000 lbs. a year. This metal is at present produced almost entirely from the mines of east and west Kootenay, in the interior of the province. The ores are smelted at Trail smelter, and the lead is refined there.

"On the coast and along the route of the Grand Trunk Pacific Railway are important deposits of lead ores which cannot be economically treated for want of smelting accommodation on the coast. The establishment of a lead smelter and refinery on the coast is therefore a necessity to the development of ore deposits tributary thereto.

Electrolytic Refining of Copper.

"Copper—The copper production of British Columbia is about 70,000,000 lbs. per annum, and plants are being installed and projected to double this output. Of the present production the greater part is produced on the coast. For the smelting of these ores there are in the interior plants of a capacity of 9,000 tons per day, at Granby, Greenwood and Trail, and on the coast, two smelters of a total capacity of 3,250 tons per day (Anyox and Ladysmith). The smelting capacity on the coast is only capable of handling half the production there, with the result that the balance of the ore is shipped to foreign smelters.

"There is only one small copper refinery in the province (Trail), of a capacity of about 10,000,000 lbs. of copper per annum, so that about 60,000,000 lbs. of copper now produced has to be shipped to foreign refineries. To cover cost of export and foreign refining, producers are debited with an average charge of 3 cents per lb. (\$60 per ton).

"The essential feature of electrolytic refining of copper is cheap hydro-electric power, which is abundantly available in British Columbia, and smelting and refining plants to treat the ores now exported are required. The production is about 25,000,000 lbs. per annum and is capable of considerable increase. There is one refinery operating an electro-chemical process (at Trail), with a capacity of about 15,000,000 lbs. spelter per annum. Another small refinery is being installed in the interior at Nelson. Nearly all the zinc ores are now produced in the interior, and the excess production over present refinery capacity, amounting to 10,000,000 lbs., has to be exported.

Zinc and Other Metals.

"There are important zinc deposits on the coast and tributary to the Grand Trunk Pacific Railway, which would be developed were spelter refining works available. Such plants should be established to absorb the surplus production of the interior, as well as the coast production, and also handle Australian and other imported zinc ores, of which about 15,000 tons have recently passed through the port of Vancouver, en route to foreign spelter works.

"In this connection we suggest that an investigation be made of the refractory earth and clay deposits available for manufacture of retorts suitable to refining by the Belgian process of zinc ores not adapted to electro-chemical processes.

"Other metals—Other metals for which there is a demand in manufacture of armament and munitions, which can be produced in this province under economic conditions are: Molybdenum, antimony, mercury, iron, chrome and these would no doubt be developed provided metallurgical plants adapted to their treatment were established.

"That the Dominion government be requested to bring down at an early date such legislation as will insure the treatment of all our mineral products within the Dominion."

CANADIAN ACT CONSIDERED INADEQUATE

Ralph M. Easley Questions Effectiveness of the Lemieux Law

Mr. Ralph M. Easley, chairman of the executive council of the National Civic Federation, in a statement discussing the relevancy of the Canadian Compulsory Investigation Act to conditions in the United States, said in part:—

"It (the act) was not intended to prohibit strikes, and it does not prevent them in Canada. It is only intended to delay them until after a board has heard both sides of the issue and made a public recommendation. Then either side or both sides, which has happened in Canada time and time again, can go ahead and fight it out.

Question of Fact.

"Personally, I feel that the railway brotherhoods should have accepted the proposals of the railway managers for arbitration, notwithstanding their great disappointments in previous arbitration, and in the acknowledged serious defects inherent in all arbitration where the public representatives on the board have the deciding voice. Also, I believe in the paramountcy of the public interests; but that has no bearing on the question as to whether the Canadian compulsory investigation act is the vehicle through which the public voice can be made effective. It is not a question of sentiment, but a question of fact.

"The official reports of the board of conciliation of the labor department of Canada on the operation of the compulsory investigation act from its enactment 1907 to 1916, dealt with disputes involving only 146,000 employees, and 32,000 of them, or nearly 22 per cent., struck in spite of the award, and in many instances in spite of the law itself, striking before making any application. Nothing in the record shows that any effort was made to inflict the penalties of the law upon them by fining or sending them to jail.

Is Enforced Investigation.

"To jail ten or fifteen thousand men is neither a physical nor a political possibility in Canada, any more than it is a physical or a political possibility for the United States to jail 400,000 of the members of the railway brotherhoods in case we had the Canadian act, and they struck in spite of it.

"It must be borne in mind that submitting a case, under the Canadian act, to a board, does not mean submitting to arbitration, but simply an enforced investigation. Where both sides submit to arbitration, they feel in honor bound to stand by the award, however distasteful it may be, but none of this moral force is back of an award handed down through an enforced investigation."

WILL FINANCE PAPER MILLS

As part of a campaign to secure a large output of news print in Canada, the paper committee of the American Newspaper Publishers' Association is continuing its recent offer to finance new mills, guaranteeing profits for ten years.

"No news print mill in Canada," says a circular of the association, "properly financed and managed, ever made less than \$10 a ton profit. Present equipment and construction costs are higher than usual. To ensure the necessary number of new mills being built to meet this shortage, we propose to guarantee profits for ten years."

BIG MUNITIONS PLANT FOR TORONTO

A \$3,000,000 munitions plant for the Imperial Munitions Board is to be located on the new industrial site in Ashbridge's Bay, Toronto. The Toronto Harbor Commission has completed the arrangements, and construction work will commence forthwith. The plant will have an initial capacity of 300 tons a day. It will be erected to do electrical steel and forging work. The ultimate use of the plant for commercial industry will require sixty acres of ground, with modern dockage and rail facilities, all of which is being furnished in the Toronto harbor industrial district. The plant will require from 800 to 1,000 men to operate it. The plant will be in operation in July.

Patriotic Fund and Canadian Red Cross Appeal

Campaign Headquarters: OLD NORDHEIMER BLDG., 15 KING STREET EAST

INTERESTING FACTS

Concerning the Work of the Toronto and York County Patriotic Fund Association, showing how it has almost doubled in the past year.

THE Fund started with 900 families. At December 31st, 1915, they numbered 5,780.

The total number of families on the Fund at the end of 1916 was over 10,000.

The dependents a year ago numbered 15,000. They now number over 28,000, of whom 17,712 are young children.

The amount paid out for relief to families in the month of December, 1915, was \$87,158.98. In December last year it was \$148,070.64.

The salaries paid for the administration of this Fund, to December 31st, 1916, amounted to \$34,292.60. The number of employees averages 30 to 36 a month, and the highest salary is \$100 a month. Several workers are included in the staff whose services are very valuable, and are given without remuneration.

Other expenses of the Fund, since its inception, are: Rent, \$2,595.36; printing and stationery, \$3,360.08; postage and telegrams, \$3,240.08; war tax stamps, \$5,555.89; office fixtures and supplies, \$3,992.19.

Against expenses the Fund has received \$16,000 from banks in interest.

The net expenses of the Fund are 1.6 per cent.

Of every \$10.00 given to the Fund, the wives, mothers and children of soldiers receive \$9.84.

Compassionate allowances total \$24,558.94, and transportation—an allowance to families who during the first year and a half of the war were assisted to England—totalled \$14,022.38. These allowances are now discontinued.

The families receiving relief are composed as follows:

1 wife with 10 children	781 wives with 4 children
7 wives " 8 "	1,344 " " 3 "
39 " " 7 "	2,300 " " 2 "
159 " " 6 "	2,833 " " 1 child
366 " " 5 "	

There are also, on the Fund, 469 mothers of soldiers, 1,670 childless wives, 21 fathers, 12 guardians of soldiers' children, 18 sisters, two grandmothers, and one mother-in-law.

The average relief to a family is \$15.75 a month.

The Patriotic Fund acts as lawyer, agent and guide for the woman bereft of her husband and the wounded and returned soldier, in the securing of pensions, and in setting in operation of the other machinery necessary in their dealings with the civil and military authorities. The Fund receives thousands of visits, and writes thousands of letters monthly, on matters that do not relate to its fundamental purpose, the dispensing of monetary relief. This work is done gladly without charge.

The Fund, in its relations as an intermediary between the man who gives and the man who goes, acts on these principles and requisites:

To the giver, (1) honesty, (2) economy in administration, (3) a guarantee that those who require relief will receive that utmost patriotic fairness to which they are entitled.

To the soldiers' dependents, (1) courtesy, (2) kindness, (3) fairness in dollars and cents distribution.

It is estimated that the Fund will require upwards of two million dollars to carry on its work of relief in the City of Toronto and the County of York during the year of 1917.

Published by the Campaign Committee.

President
SIR WILLIAM MULOCK

Hon. Treasurer
E. R. WOOD

Campaign Organizer
W. S. DINNICK

"SERVE BY GIVING"

Telephone No. Two-and-a-Half Million

Forty-Eighth Annual Meeting of The Royal Bank of Canada

SIR HERBERT HOLT, PRESIDENT, REFERS TO PRINCIPAL PROBLEMS
CANADA MUST BE PREPARED TO DEAL WITH IN
THE POST WAR PERIOD.

Mr. Edson L. Pease, Managing Director, Deals With Marvellous Strides Canada Has Made During
Past Year and Assistance Given to the Government by Canadian Bankers' Association.

Mr. C. E. Neill, General Manager, Pays Tribute to the Record of the Staff of the Bank Overseas and
Draws Attention to the Necessity of Making Provision For Them On Their Return.

The Forty-Eighth Annual General Meeting of the Shareholders was held at the Head Office of the Bank in Montreal on Thursday, January 11th, at 11 o'clock a.m., Sir Herbert S. Holt in the chair.

Mr. W. B. Torrance acted as secretary of the meeting, and Messrs. A. Haig Sims and Alex. Paterson as scrutineers.

The Directors' Report was read by the General Manager, Mr. C. E. Neill.

DIRECTORS' REPORT.

The Directors have pleasure in submitting to the shareholders the Forty-Seventh Annual Report, for the year ending November 30, 1916, accompanied by the Statement of Assets and Liabilities.

PROFIT AND LOSS ACCOUNT.

Balance of Profit and Loss Account, November 30, 1916	\$ 676,472.16
Profits for the Year, after Deducting Charges of Management and all other Expenses, Accrued Interest on Deposits, Full Provision for all Bad and Doubtful Debts and Rebate of Interest on Unmatured Bills	\$2,111,307.65
	<u>\$2,787,779.81</u>
Appropriated as follows:—	
Dividends Nos. 114, 115, 116 and 117, at 12 per cent. per annum	\$1,417,207.02
Transferred to Officers' Pension Fund	100,000.00
Written off Bank Premises Account	250,000.00
War Tax on Bank Note Circulation	118,226.51
Contribution to Patriotic Fund	50,000.00
Balance of Profit and Loss Carried Forward	852,346.28
	<u>\$2,787,779.81</u>

The assets of the Bank have recently been subjected to the usual careful revaluation.

Your Directors record with deep regret the death of their late colleagues, Mr. Wiley Smith, His Honor Lieutenant-Governor MacKeen, and Mr. T. J. Drummond. Mr. Wiley Smith and Governor MacKeen were the Directors of longest standing, having served continuously on the Board for twenty-eight and twenty-one years, respectively. Mr. Drummond joined the Board in 1909. The vacancies were filled by the appointment of Messrs. M. B. Davis and G. H. Duggan, of Montreal, and Mr. C. C. Blackader, of Halifax.

On October 5th last we concluded an agreement with the Directors of the Quebec Bank to purchase the assets of that Bank, for a consideration of 9,117 shares of this Bank and \$683,775 in cash. This was ratified by the shareholders of the Quebec Bank on the 28th of November. The approval of the Governor-in-Council was obtained in due course, and the assets were transferred on January 2nd. By this purchase we have acquired on satisfactory terms, assets approximating \$22,000,000.

In addition to the thirty-five Quebec Bank branches added to our list, offices were opened during the year as follows: In Ontario—Church Street, Toronto; in New Brunswick—Buetouche, Richibucto; in Newfoundland—Heart's Content, Placentia; in Cuba—Palma Soriano; in Costa Rica—Limon; in the Dominican Republic—Sanchez, Santiago de los Caballeros; in Venezuela—Caracas. A sub-branch has been opened at Keewatin, Ont.

Fifteen of the Quebec Bank branches were closed when the transfer took place, and our branches at the following points were closed during the year: In Alberta—Athabasca, Blairmore, Namayo Avenue, Edmonton; in Saskatchewan—

Luseland; in Ontario—Dundas Street, Toronto, Gerrard and Main, Toronto; in Quebec—Beaumont Street, Montreal, Terrebonne. We have also closed the sub-branches at Bentley, Blackfalds and Peace River, West Side, Alberta, and Copetown, Ontario. Sutherland, Sask., branch has been changed from an independent branch to a sub-branch.

The Head Office and all our branches of the Bank have been inspected as usual during the year.

Your Directors desire to express their appreciation of the efficient manner in which the officers of the Bank continue to perform their respective duties.

All of which is respectfully submitted.

H. S. HOLT, President.

E. L. PEASE, Vice-President.

GENERAL MANAGER REVIEWS STATEMENT.

The General Manager, Mr. C. E. Neill, then referred to the Annual Statement as follows:—

The Balance Sheet before you is the best ever submitted to the shareholders, and shows striking progress in all departments of the Bank's business during the past year.

Total deposits now exceed \$200,000,000, the increase for the year being no less than \$45,000,000. Forty-two per cent. of the advance was in the Savings Department. It is a satisfactory feature that these figures include no large or unusual deposits of a temporary nature.

Our note circulation is approximately \$4,000,000 higher, and exceeds the paid up capital of the Bank by over \$6,000,000. The excess is covered by a deposit in the Central Gold Reserve.

Current loans show a moderate expansion. In Canada the increase is \$4,931,759, due chiefly to the acquisition of new accounts, and temporary loans to customers producing munitions of war. Commercial loans abroad are higher, on account of the active demand in the West Indies in connection with the production of sugar and other staple commodities. These loans will decrease substantially during the next two or three months.

The liquid position of the Bank has been well maintained, liquid assets being 53.24 per cent. of liabilities to the public, as compared with 49.03 per cent. last year.

The increase in investments represents subscriptions to British Government loans, the proceeds of which were to a great extent expended in this country.

Net profits for the year were 17.87 per cent. on the capital, as compared with 16.48 per cent. last year; or 8.66 per cent. on combined capital and reserve, as compared with 7.90 per cent. last year.

The year's remarkable results are attributed to four causes—prosperous conditions in Canada and the West Indies, the advantageous location of our branches, co-operation on the part of the Directors, and a loyal and efficient staff.

PRESIDENT'S ADDRESS.

In moving the adoption of the Directors' Report, Sir Herbert S. Holt, President, said:—

In view of the comparative uncertainty with which Canada necessarily looked forward to the year just passed, it is specially gratifying to be able to present so excellent a statement as that before you to-day. It undoubtedly excels any previous exhibit. Our total assets have increased during the year fifty-

five million dollars. Seven years ago they were sixty-seven millions; to-day they are two hundred and fifty-three millions.

In keeping with the fixed policy of the Bank, the ratio of liquid assets to liabilities to the public has been maintained at a high percentage. The rate at the close of the year was 53.24 per cent. against 49.03 per cent. at the end of the previous year. No matter how rapid the Bank's extension, we have not in the past departed from this cardinal principle, and we do not intend to in the future.

We are not singular, however, in respect of the year's growth. The wonderful prosperity of the country was reflected in the assets of Canadian banks in general, the total increase amounting to two hundred and fifty-five millions. This prosperity is not confined to those engaged directly or indirectly in the supplying of war materials. It is widely diffused, as may be seen by the record bank clearings, the congestion of railway traffic, the general activity in every department of wholesale and retail trade, and the great volume of exports. Labor is scarce and never commanded higher wages. Commodity prices have attained a level comparable only with civil war times in the United States. The following is a statement of some present prices compared with those of twelve months ago:—

	1915	1916
Wheat, per bushel	\$1.00-\$1.10	\$ 1.70 (av.)
Copper Ingots, per lb.	20½	31-32
Pig Iron, per ton	25.00	41.00
Steel Billets, per ton	42.60	50.20
Steel Rails, per gross ton	28.00	38.00
Structural Steel, per ton—bars	54.60	76.20
Structural Steel, per ton—plates	56.00	99.00
Structural Steel, per ton—shapes	48.40	77.60
Staple Cotton, per lb.	.12	.17
Wool, per lb., Lincoln Clothing	.38	.55-60
Wool, per lb., South Downs	.46	.75
Wool, per lb., Merino	.70	1.25
Sole Leather, per lb.	.41	.63
Print Paper, per ton	40.00	60.00
Wood Pulp, per ton	15.00	40.00
Sulphite, per ton	38.00	100.00

The list might be extended indefinitely. Abnormally high prices are enriching the producer and manufacturer, but profits are not so large as might appear on account of material increases in the cost of production.

POST-WAR CONDITIONS.

Meanwhile, the liabilities of manufacturers and others to their bankers have greatly reduced—in many cases wiped out—and large credit balances created. This is a very satisfactory situation, as working capital now accumulated will be of great utility on the return of peace. We should bear in mind that there is no permanence in war prosperity; that it is war business which has so accelerated the wheels of industry; and the termination of this must react on industrial activities with far-reaching results. Factories employed exclusively in this connection will close down. Kindred industries stimulated by high prices will suffer by the establishment of more ordinary conditions. Exports will decline as Europe imports less, and commodity prices will recede. Labor will become a glut on the market, aggravated by the return of soldiers in large numbers. All this appears certain to follow the establishment of peace, and the longer the war endures the more drastic will be the depression, because of the greater economic exhaustion of Europe and the effect upon her buying power. We have already seen the stock markets convulsed by a most improbable suggestion of peace.

However, after the first shock of readjustment, we may expect a great demand for our farm products, building material, farming implements, etc., etc., in the rehabilitation of Europe. Pending this demand and in preparation for depression in business that must occur the prudent man will put his house in order.

The war is now in its third year and prospects of peace in the near future are not bright, but the people of Canada are increasingly determined to help at any cost to bring about a complete victory for the Allies.

QUEBEC BANK.

The Quebec Bank, incorporated in 1818, whose assets we have recently acquired, was one of the oldest banks in Canada. Until a few years ago its operations were confined to Ontario and Quebec—principally to Quebec, in which province it had a valuable connection. As we had very few branches in this province, the acquisition of their connection was specially desirable. Our branches now number over 400. The fifteen Quebec Bank branches closed by us were located mostly in leading western cities where we are duplicated, and the resultant saving will be considerable. The closing of these offices gave us over one hundred men, of whom we were in great need to supplement the staff at other offices.

You will be asked to-day to pass a resolution increasing the number of Directors from seventeen to twenty, in order to include three of the Quebec Bank Directors.

You are aware that the capital was rounded off to \$12,000,000 during the year by the issue of 4,400 shares allotted to the shareholders at par. The issue of shares in connection with the Quebec Bank purchase has placed it again at an odd figure, namely, \$12,911,700. As the outstanding circulation of this Bank and the Quebec Bank at the highest point in December last was approximately \$10,000,000 in excess of the present paid up capital, it may become expedient to increase the capital further. It is expected, however, to make no issue before the end of the war, or until conditions warrant an increase on terms favorable to the shareholders.

Last winter six of your Directors, including the Managing Director and myself, made a tour of inspection of our branches in the South. None of us had previously visited any branch south of Cuba. We returned most favorably impressed with the excellent connection acquired in Cuba, Porto Rico, Santo Domingo, Costa Rica and the British West Indies by many years of patient work. It was distinctly advantageous to obtain a personal knowledge of local conditions, and to meet our leading customers. We were pleased with the buildings erected by the Bank and our locations in general, and were happy to learn that the Bank is held throughout the South in the highest esteem.

We also visited the republics of Venezuela and Colombia. Since then we have opened one branch and will open two others forthwith in Venezuela, where the outlook is promising. We were gratified to receive from Viscount Grey, the late Foreign Secretary, his approval of the establishment of branches in that country, and a promise of support from the British Government.

MANAGING DIRECTOR DEALS WITH GENERAL SITUATION.

In seconding the motion for the adoption of the Directors' Report, Mr. E. L. Pease, Vice-President and Managing Director, said—

The President and General Manager having reviewed the Bank's position, I shall refer briefly to some aspects of the general situation. The financial and economic strength developed by Canada since the beginning of the war is little short of marvellous. In the first seventeen months she evolved from a debtor to a creditor country, with a balance of \$206,706,000 in her favor. In the past twelve months the balance has reached \$329,000,000. More remarkable still is the transition from an habitual borrower in London to a lender to the Imperial Government, coincident with the raising of large domestic loans.

In July, 1914, before the war, the percentage of liquid assets of the associated banks to their liabilities to the public, as it is commonly determined, was 43.34. On November 30, 1915, this percentage stood at 50.85, and on November 30, 1916, at 55.73. During the period between November 15, 1915, and December 15, 1916, the Dominion Government floated two domestic loans of \$100,000,000 each, the first of this character put out in Canada. The banks underwrote \$25,000,000 of the first loan and \$50,000,000 of the second, but were relieved of the latter underwriting as public subscriptions aggregated \$200,000,000. Despite withdrawals of savings for investment in these loans, and the fact that during the same period the Canadian banks advanced the Imperial Government \$100,000,000 (expended for munitions of war in Canada and still current), their combined deposits on November 30 last were \$232,000,000 greater than at the beginning of the year, and the liquid percentage was higher. Of the increase in deposits \$122,000,000 was in the Savings Department in Canada. This extraordinary showing is due to large expenditures for munitions; to a rich harvest; to the sale of surplus wheat (estimated at 30,000,000 bushels), from the previous year's bumper crop at very high prices; and to the sale in the United States of \$75,000,000 Dominion Government and \$75,000,000 miscellaneous securities. It is probable, however, that a large proportion of these security sales represented renewals of obligations. Be that as it may, the accession of national wealth has been great.

It was a wise and courageous departure of the Government to take advantage of the great improvement in the monetary situation in Canada to float internal loans. The vigorous response by the public was a general surprise, both offerings being subscribed for twice over. The benefit of the investment of the country's savings in our own Government bonds is obvious. It is estimated that not over \$35,000,000 of these issues went to American investors. Another notable feature of the times is the loan of \$100,000,000 made by the associated banks during the year to the Imperial Government on Treasury Bills at twelve months' date for the purpose of purchasing munitions. Since the close of our fiscal year \$20,000,000 additional at six

months' date has been advanced by a syndicate of six banks, including ourselves, for the purpose of buying wheat and storing it over the winter. A further munitions credit of \$50,000,000 having a currency of twelve months has also been recently extended. The affording of credits to the Imperial Government will have a very beneficial influence on Canadian finance, and the possession of short date British Treasury Bills will place the banks after the war in a very strong position.

CO-OPERATION GIVEN BY CANADIAN BANKERS' ASSOCIATION.

The great factor in support of the financial situation in Canada since the beginning of the war has been the collaboration of the chartered banks, through the intermediary of the Canadian Bankers' Association, with the Minister of Finance. They may be depended upon to co-operate loyally in assisting the Minister to the utmost limit, having due regard to the needs of commercial borrowers and the maintenance of proper liquid reserves, in his arduous task of financing Canada's war. The banks are also co-operating with the Minister of Agriculture in his praiseworthy efforts to increase production and expand the country's live stock trade. To this end liberal advances are being extended to breeders of cattle. As a result of their combined action, the Department of Agriculture has been instrumental in turning back to the farms of western Canada from Winnipeg and other stock yards in the last three months over 9,000 head of cattle and 1,400 sheep which would otherwise have been slaughtered or shipped to the south. It is interesting to note the large diversion of cattle from the Winnipeg Stock Yards to the prairies instead of to the United States. In 1915, 44,975 head were shipped south; in 1916, only 21,124. In 1915, there were shipped from the Winnipeg Stock Yards to the prairies 9,380, and in 1916, 29,246. Likewise the Minister of Trade and Commerce will receive the hearty support of the banks in his campaign to develop our foreign trade in preparation for after-war competition. It will be seen that the Canadian Bankers' Association is endeavoring to further the interests of the community by every means in its power, and I am pleased to say that at no time in its history has there been greater unanimity among the members.

Compared with the marvellous crop of 1915, the harvest of last year was very disappointing in volume, but in value it approached the previous year, owing to the abnormal prices which prevailed. A small crop with high values is not so beneficial on the whole as a large crop with lower values, as the proceeds of the larger crop are more widely disseminated. The farmer received unusual returns last year, and no one will begrudge the wealth which has come to him. High prices for all grains prevailed from the beginning of the harvest. Usually prices rule lowest during the harvest.

Canada's wonderful progress during the year is summarized in the following comparative statistics:—

	1915	1916		1915
Value of field crops (Dec. 31)	\$ 797,669,000	\$ 729,346,000	—	\$ 68,323,000
Railroad earnings (June 30),				
12 months	210,000,000	258,000,000	+	48,000,000
Bank Clearings (Dec. 31)	7,796,781,000	10,557,188,000	+	2,760,407,000
Note Circulation (Nov. 30)	124,153,000	748,198,000	+	24,045,000
Chartered Banks—Deposits				
(Nov. 30)	1,288,985,000	1,521,349,000	+	232,364,000
Chartered Banks—Current				
Loans (Nov. 30)	881,101,000	927,399,000	+	46,298,000
Exports—Merchandise (Nov. 30), 12 months	598,742,000	1,073,509,000	+	474,767,000
Imports—Merchandise (Nov. 30), 12 months	435,342,000	744,403,000	+	309,061,000
Customs Receipts	87,618,000	136,160,000	+	48,542,000
+ Increase. —Decrease.				

Our foreign trade last year, you will observe, exceeded \$1,800,000,000, being nearly double the amount for the previous year, and nearly two and a half times as great as in 1914. These abnormal figures are due to enormous munition orders and high prices for commodities. All our energies should be directed to counterbalancing the loss of these orders on the return of peace as far as possible by supplementary exports. In addition to revealing to us our economic power, the war has created a great opportunity in the field of foreign trade. The primary essentials to success in this direction are immigration, which should be stimulated to a sufficient extent to provide for a large development of our natural resources, and encouragement by the Government in some form to industrial interests, without which, as a young manufacturing country, it would be difficult to take full advantage of the coming opportunity to enter competitive markets.

We believe the present prosperity will probably continue while the war lasts, to be followed by an inevitable reaction during the readjustment period. But with the triumph of the Allies—a foregone conclusion—a new era of prosperity will event-

ually come to us. We should have less to fear from the readjustment if the people of this country would curb their propensity to reckless speculation and extravagance in this time of plenty.

BRITISH COLUMBIA.

Commercial conditions in the past year showed marked improvement over 1915. Real estate, however, continued dull. Economy practised in public and private life is having a beneficial effect.

The year was fairly good for agriculture, and would have been more successful but for the shortage of competent labor. Fruit crops and the yield of vegetables were larger than in the previous year, and brought better prices.

The salmon pack was disappointing. The Fraser River catch of sockeyes was not over 50 per cent. of the lowest previous record. Prices ruled high, with a very active demand.

The halibut fisheries enjoyed a good season, with considerably enhanced prices. Whaling figures are not yet available, but are reported to be the best for several years past.

The state of the lumber industry has been healthier and more active than for years past. The cut for the current year is estimated at 1,250,000,000 feet, compared with 1,017,000,000 feet in 1915. A brisk demand developed in the Prairie Provinces during the spring and summer, bringing an advance in prices. Lumbering operations, however, were seriously hampered by a shortage of labor and high wages. It will be difficult to get out sufficient logs during the present winter to meet the demands expected next spring. The export trade was small owing to scarcity of tonnage. On account of the continued demand for pulp and paper at profitable prices, several new plants will commence operations during the coming year.

Another important industrial development is the establishment of shipbuilding yards on the Pacific Coast.

MIDDLE WEST PROVINCES.

The grain crop in the Middle West promised to be even larger than the record crop of 1915, but during the last week of July, owing to damp, hot weather, an epidemic of rust set in throughout southern and southwestern Manitoba and parts of Saskatchewan. Crops in the affected districts were practically ruined, the return being only from 3 to 10 bushels an acre. Hail storms, also, have been more numerous, more severe and more widespread than for many years past. In southern Alberta, and in southern Saskatchewan from Weyburn west, excellent crops were harvested.

The following estimate of the 1916 crop, as compared with 1915, is furnished by the "Grain Growers' Guide":—

	1915 Bushels	1916 Bushels
Wheat	341,500,000	168,605,000
Oats	330,100,000	270,477,000
Barley	62,700,000	48,515,000
Flax	7,700,000	6,570,000
	742,000,000	494,167,000

Farmers have increased their holdings of cattle and sheep, and dairying has received more attention than formerly.

Business conditions throughout the West are good. Wholesale houses report an increase in business, and collections satisfactory on the whole. Retailers are buying carefully, showing no disposition to over-stock.

ONTARIO.

The past year was a favorable one in the Province of Ontario, except for agriculture and lumbering and the building trade. Agriculture has hitherto been the basis of Ontario's prosperity, with lumbering next, but last year they were both eclipsed by manufacturers. Plants were worked to the fullest capacity that labor conditions would permit, while agricultural conditions were very unfavorable, in marked contrast to 1915. The only good crop was hay, which yielded 7,200,000 tons, or 2.07 tons per acre, as compared with 4,253,000 tons in 1915, or 1.32 tons per acre. The Department of Agriculture furnished the following comparative figures:—

	1915 Bushels per acre.	1916 Bushels per acre.
Fall Wheat	30.5	21.2
Spring Wheat	21.2	15.3
Barley	36.0	23.5
Oats	41.9	26.5
Rye	18.5	15.8
Corn	70.2	49.2
Potatoes	76.0	53.0
Sugar Beets	378.0	268.0

Lumbering operations were greatly restricted by the scarcity of labor, high wages, and increased cost of supplies.

Apples and fruits generally fell below the average.

Mining is rapidly becoming an important factor in the wealth of the Province. Important increases are shown in out-

put and value for the first nine months of the year, compared with the corresponding period of 1915. The increases in value for that period are as follows:—

	1915	1916
Copper Matte	\$2,024,000	\$ 6,288,000
Nickel Matte	5,369,000	15,523,000
Pig Iron	4,511,000	6,837,000
Gold	5,827,000	7,514,000
Silver	8,030,000	9,750,000

QUEBEC.

In the Province of Quebec crops were average, except hay, and prices were high. The dairy industry had another very satisfactory year, cheese and butter commanding the highest prices on record.

Manufacturers had a busy and profitable year, especially those making munitions and other war supplies. Labor was scarce, wages were high, and money was spent freely by the working classes.

Exports of grain and dairy products from Montreal show remarkable gains over 1915, except in the case of wheat.

Grain and Flour	1915	1916	Increase
Wheat (Bushels)	34,025,000	34,602,000	577,000 Bus.
Oats	8,405,000	26,064,000	17,659,000 Bus.
Corn	166,000	4,879,000	4,713,000 Bus.
Flour (Sacks)	1,701,000	4,821,000	3,120,000 Sacks
Dairy Products			
Cheese (Boxes)	1,854,000	2,152,000	298,000 Boxes
Butter (Pkgs)	54,500	179,300	124,800 Pkgs.
Eggs (Cases)	284,700	375,700	91,000 Cases

Lumbering operations have been active, and pulp and paper mills have been running to full capacity.

Building has continued quiet, as elsewhere.

Both wholesale and retail trade report conditions generally satisfactory, and collections good.

MARITIME PROVINCES.

The Maritime Provinces have prospered exceptionally. Steel plants were employed to their utmost capacity, and mills and factories in general were busy with war orders. Farmers did well on account of high prices. The trade in dry and pickled fish enjoyed great activity, with prices at high water mark. The lobster catch exceeded that of the previous season, and prices were satisfactory. Lumbering operations about equalled those of the previous year, and prices were good. The demand for wood pulp increased, at high prices. Operations during the coming season are likely to be somewhat restricted owing to a shortage in labor and the increase in cost of supplies.

The coal output was a little less than in 1915, although the increased requirements of steel and other industries created a greater demand. The quantity mined was limited only by the supply of labor available.

The shortage in tonnage and consequent high freight rates have brought about a revival of the shipbuilding industry in Nova Scotia, and yards are showing very great activity.

NEWFOUNDLAND.

Newfoundland experienced an excellent year. Her most important industry, the cod fishery, showed a successful catch, and prices were exceptionally high. The seal fishery had a record year, the total catch approximately 250,000 seals, valued at \$700,000. The pit prop industry has developed considerably. It is estimated that about 65,000 cords of pit props were exported to Great Britain during the year, and the amount would have been greater but for lack of tonnage. Pulp and paper mills worked to full capacity. Other industrial concerns had a busy year, and obligations were generally well met.

BRITISH WEST INDIES.

The year's results in Jamaica were only fairly satisfactory, and the lot of the banana planter was particularly hard. Tonnage was lacking for the export of the early fruit, and in August, for the second year in succession, the crop was entirely devastated by hurricane. A sharp decline in the price of log-wood was another unfavorable feature.

Imports during 1915 (the latest figures available) decreased from £2,565,000 to £2,327,000, but Customs duties showed an increase of £20,745, due to the higher Customs tariff. Of imported goods, Jamaica purchased 54% from the United States, 32.2% from Great Britain and 9% from Canada. It should be remarked that Canada could supply a large proportion of the goods at present unobtainable from Great Britain, on account of war conditions. It is doubtful, however, if our exports to Jamaica can increase to any appreciable extent unless better steamship service is provided. Should that colony become a party to the West Indian Reciprocity Agreement, of which she

has to date enjoyed the benefits, this could no doubt be arranged.

Total exports were valued at £2,228,664, or £676,000 less than the previous year. The chief causes of the decrease was the failure of the banana crop. Sugar, rum and cacao brought higher prices. The exports of sugar and rum were £441,000, of which Great Britain took £334,000. Exports of fruit were £646,000, of which £586,000 went to the United States.

Conditions in Trinidad were very satisfactory. A good cacao crop was marketed at high prices. The sugar crop was considerably above normal, and the estates made large profits. The increase in the production of oil continues, and important shipments were made during the year, largely for Navy purposes. The energetic development of this industry during the past five or six years has proved very fortunate for the Colony, in view of the present demand for oil.

Exact figures of the sugar production of Barbadoes have not come to hand, but the crop was much larger than that of the previous year. Sugar is the island's only important crop, and the prosperity now enjoyed is unprecedented. St. Kitt's and Antigua are in a similar position, like almost all the sugar producing islands.

Dominica was visited by a severe hurricane, which resulted in some loss of life and considerable injury to the lime industry. While some of the individual planters suffered heavy loss, conditions in general were satisfactory.

Grenada marketed an average crop of cacao and spices at satisfactory prices.

The sponge industry of the Bahamas continues satisfactorily, except in certain less important lines, which were formerly taken by Germany and Austria. The tourist trade was the best in years, and the present season is expected to be quite as good.

BRITISH GUIANA.

The year was a good one in British Guiana in almost every branch of trade and industry. The sugar crop was rather smaller than the year before, but good profits were realized from high prices. Shipments of rum were larger than in 1915, and prices ruled high. The rice crop was a large one, exports, according to incomplete estimates, amounting to 25,000,000 lbs., as compared with 17,000,000 lbs. the year before. All this was disposed of at profitable prices. The production of balata increased, and prices improved. Exports of timber were larger than last year, when shipments were practically suspended on account of the scarcity of tonnage. The production of gold was only 30,000 ozs.—17,000 less than in 1915. The output of diamonds, however, was nearly doubled.

The imports for the first ten months of 1916 were equal to the total for 1915. If the rate of importation was the same for the balance of the year, imports would show an increase of \$1,263,000 over 1915. The principal imports from Canada were flour, fish, oats and lumber.

BRITISH HONDURAS.

Business conditions in British Honduras continue somewhat unsatisfactory, due principally to the limited demand for mahogany. An improvement has been noted recently in this respect. Shipments of chicle increased during the year. The business of the Colony is still adversely affected by the political disturbances in Mexico.

CUBA.

The sugar crop for 1915-16 amounted to 3,005,000 long tons, against 2,575,000 for 1914-15. It is estimated that producers obtained an average price of \$4 per 100 lbs., f.o.b., Cuba—about double the average price for several years prior to the war. Experts estimate the probable 1916-17 crop at 3,500,000 tons, almost 1,000,000 tons more than the crop of two years ago. Sixteen new mills were erected during the past year, making 201 to grind during the present season. On account of unseasonable weather, the mills are considerably later than usual in starting to grind, and the cane is giving unfavorable returns as compared with last year. These facts, together with a scarcity of labor and transportation difficulties, may result in a lower production than estimated. Sugar freights during the last crop averaged 30 cents to 60 cents per 100 lbs., and present indications are that they will be higher during the coming season. There is more or less uncertainty regarding prices, but the outlook is nevertheless very favorable. An incident worthy of mention in the sugar trade during the year was the formation of the Cuba Cane Sugar Corporation, which acquired seventeen mills with an anticipated output of 550,000 tons during the present crop.

The production of tobacco was somewhat under that of the preceding year, and less than half a normal crop. Prices have risen steadily, and the value of the past crop is estimated at something over \$30,000,000, as compared with about \$20,000,000 in 1915. On the whole, conditions for the coming crop are favorable to an increased yield of good quality.

The cattle industry has been very profitable on account of the greater demand for working cattle, together with high prices for beef and hides. These factors have led to a depletion of the breeding stock, which may affect the industry seriously if not arrested.

Coffee and cacao are rapidly becoming important crops. Productions and prices during the past year were satisfactory.

There was considerable development in the mining industry during 1916, particularly in iron, manganese and copper.

A notable feature of the trade of Cuba is the large balance of trade in her favor, viz., \$130,000,000. For 1914-15 it was \$92,000,000, and for 1913-14, \$38,000,000.

Imports for 1915-16 were \$172,000,000, and exports \$302,000,000.

PORTO RICO.

The balance of trade in favor of Porto Rico increased from \$15,000,000 to \$27,000,000 for the year ending June 30, 1916. Exports amounted to \$66,731,000, against \$49,357,000 in 1915. The principal items were:—

	1915	1916
Sugar	\$27,278,000	\$45,809,000
Tobacco	9,246,000	8,588,000
Coffee	7,082,000	5,049,000
Fruit	3,030,000	2,942,000

Imports were approximately \$39,000,000, as compared with \$34,000,000 in 1915.

The 1915-16 sugar crop amounted to 483,000 short tons, compared with 350,000 in the preceding year. The average price was \$107.79 per short ton, compared with \$92.64 for the previous crop. The present crop is estimated to produce about 500,000 tons.

The coffee industry was adversely affected by the war on account of the loss of important European markets. The crop of 1915-16 amounted to only 32,144,000 lbs., as compared with 51,125,000 for the previous year, and the value was \$2,000,000 less. The crop now being harvested is greater in quantity, but the quality is poor on account of bad weather conditions. Through lack of transportation facilities and high insurance rates, planters may be obliged to accept a low price for their product.

The tobacco industry is in a prosperous condition. The crop now under cultivation, to be harvested between March and June next, is reported as good, with a large increase in acreage and prospects of high prices.

Fruit conditions were only fair, crops being poor and prices low.

DOMINICAN REPUBLIC.

During the past year, following a short-lived revolution, the United States Naval authorities assumed control of the Government of the Dominican Republic. A treaty was subsequently concluded, providing for the Government of the Republic under the supervision of the United States, covering a term of years. Business conditions were somewhat affected by the political unrest and the Government's inability to meet their payments during several months. The assurance of a stable Government should greatly help the development of the country, which has been retarded for years past by repeated revolutions. The island undoubtedly has a great future from an agricultural point of view.

Branches were opened during the year at Sanchez and Santiago de los Caballeros, the principal centres of the cacao and tobacco trade, respectively. Conditions in these districts are good, although they have suffered in the past from lack of adequate banking facilities. The sugar industry on the south side of the island is in a very flourishing condition, and several new estates are in course of formation.

COSTA RICA.

While Costa Rica lacks the unusual prosperity of most of the other southern countries in which we are represented, her business conditions are normal and fundamentally sound. The coffee and banana crops were good, and the prices satisfactory.

VENEZUELA.

A branch was opened during the past year at Caracas, Venezuela.

Trade statistics for the calendar year 1916 are not yet available, but are expected to be substantially the same as in

the previous year. Imports in 1915, consisting chiefly of dry goods, machinery, flour, rice, etc., amounted to \$13,400,000. Exports were valued at \$23,300,000, of which 50 per cent. was coffee, with cacao, hides, raw gold, rubber and chicle in smaller proportions. The coffee crop, now about ready for harvesting, will probably exceed the production of last year, but prices are uncertain.

The political conditions of the country are quite satisfactory, and the finances of the Government are in a strong position.

MR. E. F. B. JOHNSTON ON WAR OUTLOOK.

Mr. E. F. B. Johnston, K.C., Second Vice-President, spoke as follows:—

It is very gratifying to the shareholders to know that the bank has made steady and rapid advancement during the past year. The very able and comprehensive statements to which we have just listened, show that the bank's stability has not only largely increased in the past, but is becoming every day a greater financial factor in Canada and elsewhere. The policy pursued has largely added to the volume of the bank, without in any way interfering with its stability. I think we must all approve of the views taken by the Management, with regard to keeping ourselves available and ready for any contingency or emergency in the future.

That portion of the Bank's affairs which is in the hands of the Directors living in Ontario is, I am glad to say, in a flourishing condition. We have nothing in the way of credits that causes us any alarm, and I believe you would be very much pleased if you knew just how solid our business is in that Province.

The demands likely to be made on the banks in Canada in the future will in all probability be greater than at any time in the past. So far, this Bank with other Canadian institutions of a like nature, has responded to the call in the most generous way. At the same time, the affairs of the Bank have been kept in such a position that we could well afford to contribute whatever was required in such a strenuous time as we have at the present time.

There is more or less a fictitious prosperity abroad, caused by the expenditure of war moneys. I wish to add my humble note of warning against new expenditures and extravagant living, and speculative investments. Depression must necessarily result from such a condition as the war has created, even in Canada, and when we know that this same depression will affect our relations with the allied countries, it seems to me impossible to recover from the enormous loss without feeling the pressure. We have to repair the loss of material and men, and practically reconstruct our whole business machinery. Capital and labor must be brought together upon a basis similar to that which existed before the war. Factories which were flourishing in their regular business are now munition plants. Hundreds of these will have to be reconverted, and the trade resulting from them will have to be re-created. The unity of our business conditions will require to be re-established. To say, therefore, that the business connected with the war can be dropped in one day, and the old order of things from a manufacturing standpoint can be reinstated the following day, is not conceivable.

To accomplish the necessary changes after the war, and to aid in the reconstruction of our country's business affairs, will require money, and banking and other financial institutions will be the chief factors in assisting the return to national prosperity and life. For this reason I am absolutely in accord with the views of our President, as I read them the other day. The exigencies will be great, and the only institutions who will be of much service will be the strong Banks. The concentrating to some extent of the financial elements in the hands of large and powerful financial institutions is an important matter. Nothing adds to the financial stability of a country as much as large institutions which are not disturbed by ordinary fluctuations. I have always thought that it would make our financial conditions more favorable to the assistance of the public, and less dangerous to the community, if our banking systems were under the control of strong institutions. A weak bank is a menace to the public and the larger institutions. The confidence of the people is the great foundation upon which a bank can be absolutely safe, and I consider it one of the best features of the management of the Royal, that our officials are impressed with the same idea, and are keeping the bank in a position to meet a general pressure when it comes.

WHAT CANADA MUST DO.

What are our duties? We must fill this country with men capable of producing, either from the forest, mines or the land. Above all, we will require a large agricultural contribution to our population. Instead of 200,000 or 300,000 settlers coming here,

we ought to have at least 2,000,000 per annum, and the Government, with the assistance which the banks could give, should see that some practical system be adopted whereby the producer will be available instead of the consumer. I have no doubt that all the banks will be very glad to assist in a sound, practical scheme, which would increase our immigration fivefold. The banks themselves would be largely benefited by creating a new body of customers, and the country itself would be benefited by the increase in its national assets. We must not forget that of the 400,000 men engaged directly or indirectly in the war, only a percentage of these will return, and our producing power will be decreased by the loss. I hope, however, that the Government, aided by the banks and other institutions, will devote its efforts towards the practical solution of these important questions, which cannot be solved by mere oratory.

I have very great pleasure in supporting the statements submitted by the President, the Managing Director, and the General Manager. I believe they are based upon sound reasoning and reliable facts.

The number of Directors was increased from seventeen to twenty, by an amendment to the By-laws of the Bank, to provide for the addition of three Directors from the Quebec Bank Board.

Mr. J. Marwick and Mr. S. R. Mitchell were appointed auditors for the ensuing year.

BANK'S RECORD OVERSEAS.

A vote of thanks was passed to the President, Vice-President and Directors; also to the General Manager and staff. In replying to the latter, Mr. C. E. Neill, General Manager, said:—

In thanking you on behalf of the staff, I must first refer to those who are absent on military duty. The number enlisted from our ranks is now 762, and we have heard of 92 casualties—45 wounded, 38 killed or died of wounds, 1 missing, and 8 prisoners of war. I take this opportunity of expressing publicly our sense of loss, and our sympathy for the relatives of those who will not return.

To those who are fighting our battles unflinchingly in the midst of inconceivable hardship, we owe a heavy debt of grati-

tude; and we feel that this is realized by none more keenly than the men who bear the brunt of their departure to a great extent. I refer to the many officers who are putting forth splendid efforts with unflinching cheerfulness, under increasing duties. It is not easy to conduct the business, without so many of our trained men. The depleted ranks must be filled almost entirely by junior clerks and by girls, without banking experience, and the labors of our trained men are thus intensified. Had we not been able to secure the services of a large number of capable girls as clerks, the staff situation would have been serious indeed. The total number of girls employed on all posts has grown to 715.

As for the Executive officials, your approval is naturally a matter of importance and an added encouragement. We endeavor to use our best efforts at all times in the interests of the bank, and it is pleasant to know that we enjoy your confidence.

In connection with the staff, one thing above all others must be borne in mind—our moral obligation to do the very best we can for our men returning from the front. This war is wearing down the fine edge of our feelings in some respects, but it must not be allowed to so dull our sensibilities that we could ever accept the sacrifices of our men as a matter of course. There are problems ahead for us in dealing with them as we wish to deal, but we are fully prepared to give the future of these men our most serious consideration.

BOARD OF DIRECTORS.

The following were elected Directors for the ensuing year:—

Sir Herbert S. Holt, K.B.; E. L. Pease, E. F. B. Johnston, K.C.; Jas. Redmond, G. R. Crowe, D. K. Elliott, Hon. W. H. Thorne, Hugh Paton, Wm. Robertson, A. J. Brown, K.C.; W. J. Sheppard, C. S. Wilcox, A. E. Dymont, C. E. Neill, M. B. Davis, G. H. Duggan, C. C. Blackadar, J. T. Ross, R. MacD. Paterson, G. G. Stuart, K.C.

At a subsequent meeting of the Directors, Sir Herbert S. Holt was unanimously re-elected President; Mr. E. L. Pease, Vice-President and Managing Director, and Mr. E. F. B. Johnston, K.C., Second Vice-President.

MERCHANT SHIPS DESTROYED

Since the War Commenced 1,820 Have Gone, Representing 3,328,584 Tons

The number of merchant ships of all classes and types destroyed during twenty-five months of the European war, due to torpedoes, mines and uncertain causes, is 1,820, with a total gross tonnage of approximately 3,328,584, as shown by records compiled from all available data by the Journal of Commerce from August 1st, 1914, to November 1st, 1916.

British losses constitute approximately 60 per cent. of the total, while Norwegian losses, which are second largest, represent less than 9 per cent. of the entire loss. Following Norway, France ranks with less than 8 per cent., while Italy, Germany and Holland follow in the order named, no other nation having lost more than 100,000 tons of its shipping. Compared with the losses of the Allies or the neutrals, the loss of the Teutonic nations has been insignificant, the following table presenting the proportions:—

Percentage of Total Loss.

Allied shipping destroyed	.....	.755
Neutral shipping destroyed	.....	.178
Teutonic shipping destroyed	.....	.067

The following table shows the total loss of each nation during the war and the loss of belligerents and neutrals:—

Allied Shipping Destroyed.		
Nation.		Gross tons.
Great Britain	.....	1,970,067
France	.....	230,547
Italy	.....	198,277
Russia	.....	57,602
Belgium	.....	27,291
Japan	.....	22,539
Roumania	.....	3,688
Canada	.....	3,464
Total	.....	2,513,475

Neutral Shipping Destroyed.

Norway	.....	268,342
Holland	.....	111,611
Sweden	.....	63,520
Denmark	.....	59,428
Greece	.....	44,289
Spain	.....	34,828
United States	.....	12,071
Brazil	.....	2,258
Total	.....	596,947

Teutonic Shipping Destroyed.

Germany	.....	187,728
Austria-Hungary	.....	17,478
Turkey	.....	18,150
Total	.....	223,356

JANUARY RAILWAY EARNINGS

The following are the weekly earnings of Canada's trans-continental lines during January:—

Canadian Pacific Railway.			
	1917.	1916.	Increase.
January 7	\$2,238,000	\$1,874,000	+ \$364,000
January 14	2,417,000	1,863,000	+ 554,000
Grand Trunk Railway.			
January 7	\$1,012,906	\$ 880,702	+ \$132,204
January 14	1,072,915	966,301	+ 106,614
Canadian Northern Railway.			
January 7	\$ 598,700	\$ 541,100	+ \$ 57,600
January 14	646,100	469,300	+ 176,800

The Toronto bank clearing house figures for the week ended January 18th, 1917, were \$56,064,523 as compared with \$44,525,524 for the week ended January 20th, 1916.

UNION BANK OF CANADA

REPORT OF PROCEEDINGS OF THE FIFTY-SECOND ANNUAL GENERAL MEETING

Of the Shareholders of Union Bank of
Canada, held at the Head Office of the
Bank, in Winnipeg, on Wednesday,
January 10th, 1917

There were present: Messrs. John Galt, R. T. Riley, E. L. Drewry, F. E. Kenaston, M. Bull, W. R. Allan, J. S. Hough, K.C., G. H. Balfour, H. B. Shaw, F. W. S. Crispo, P. Vibert, J. S. Hiam, R. H. Baird, D. M. Neeve, G. A. Howson, G. S. Orde, C. H. Hartney, H. J. Pugh, H. Veasey, F. L. Appleby, H. A. Robson, K.C., C. A. Neel, Isaac Campbell, K.C., F. W. Drewry, G. F. Tweed, J. B. Persse, L. J. Elliott, Right Rev. John Grisdale, D.D., D. R. Finkelstein, W. J. Christie, W. Martin, W. A. Windatt, R. Cook (Fillmore, Sask.), G. A. Merrick, C. D. Shepard, E. F. Stephenson.

On motion of Mr. W. R. Allan, the President, Mr. John Galt, having taken the chair, Mr. C. A. Neel was requested to act as Secretary, and Messrs. W. Martin and W. A. Windatt were appointed scrutineers.

The Secretary read the notice convening the meeting, which was in the following terms:—

"Notice is hereby given that the Annual General Meeting of the Shareholders of the Union Bank of Canada, for the election of Directors and other general business, will be held at the Head Office of the Bank, in the City of Winnipeg, on Wednesday, the 10th day of January, 1917. The chair will be taken at twelve o'clock noon. By order of the Board.

"G. H. BALFOUR.

"Winnipeg, November 27th, 1916. "General Manager."

The Chairman read the Annual Report of the Directors as follows:—

DIRECTORS' REPORT.

The Directors have pleasure in presenting their report showing the result of the business of the Bank for the year ending November 30th, 1916.

During the year seven Branches of the Bank have been opened in the several provinces, as follows: Alberta, 3; Saskatchewan, 4.

Fifteen Branches and Agencies which were not giving satisfactory results under present conditions have been closed, as follows: Quebec, 2; Ontario, 3; Alberta, 1; British Columbia, 6; Manitoba, 2; Saskatchewan, 1.

The total number of Branches and Agencies is now 309.

The usual inspection of Head Office and all Branches and Agencies of the Bank has been made.

JOHN GALT, President.

52nd Annual Statement, 30th November, 1916

PROFIT AND LOSS ACCOUNT.

Balance at credit of account, 30th November, 1915	\$ 106,976.75
Net profits, for the year, after deducting expenses of management, interest due depositors, reserving for interest and exchange, and making provision for bad and doubtful debts, and for rebate on bills under discount, have amounted to	651,183.67
	<u>\$ 758,160.42</u>

Which has been applied as follows:—

Dividend No. 116, 2 per cent., paid 1st March, 1916	\$ 100,000.00
Dividend No. 117, 2 per cent., paid 1st June, 1916	100,000.00
Dividend No. 118, 2 per cent., paid 1st September, 1916	100,000.00
Dividend No. 119, 2 per cent., payable 1st December, 1916	100,000.00
Bonus of 1 per cent., payable 1st December, 1916	50,000.00
Transferred to Contingent Account	150,000.00
Contribution to Officers' Pension Fund	10,000.00
Contribution to British Sailors' Relief Fund	5,000.00
War Tax on Bank Note Circulation to 30th November, 1916	50,000.00
Balance of Profits carried forward	93,160.42
	<u>\$ 758,160.42</u>

LIABILITIES.

Capital Stock	\$ 5,000,000.00
Rest Account	\$ 3,400,000.00
Balance of Profit and Loss Account carried forward	93,160.42
	<u>\$ 3,493,160.42</u>
Unclaimed Dividends	4,013.53
Dividend No. 119, payable 1st December, 1916	100,000.00
Bonus of 1 per cent., payable 1st December, 1916	50,000.00
	<u>3,647,173.95</u>
	<u>\$ 8,647,173.95</u>
Notes of the Bank in circulation	\$ 8,815,117.00
Deposits not bearing interest	29,122,848.51
Deposits bearing interest	60,144,940.61
Balances due to other Banks in Canada	320,936.02
Balances due to Banks and Banking Correspondents elsewhere than in Canada	1,476,235.12
	<u>99,880,077.26</u>
Acceptances under Letters of Credit	512,281.32
Liabilities not included in the foregoing	695.50
	<u>\$ 109,040,228.03</u>

ASSETS.

Gold and Silver Coin	\$ 3,139,492.26
Dominion Government Notes	6,965,529.00
	<u>\$ 10,105,021.26</u>
Deposit with the Minister of Finance for the purpose of the Circulation Fund	260,000.00
Deposit in the Central Gold Reserves	4,700,000.00
Notes of other Banks	937,860.00
Cheques on other Banks	4,016,138.02
Balances due by other Banks in Canada	49,872.56
Balances due by Banks and Banking Correspondents elsewhere than in Canada	700,455.05
Dominion and Provincial Government Securities not exceeding market value	2,100,547.50
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	14,445,701.09
Railway and other Bonds, Debentures and Stocks not exceeding market value	3,170,871.47
Call and Short (not exceeding 30 days) Loans in Canada on Bonds, Debentures and Stocks	7,616,488.64
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada	8,484,897.00
	<u>\$ 56,587,852.59</u>

Carried Forward \$ 56,587,852.59

Brought Forward	\$ 56,587,852.59
Other Current Loans and Discounts in Canada (less rebate of interest)	49,173,367.16
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)..	846,117.55
Liabilities of customers under Letters of Credit, as per contra	512,281.32
Real Estate other than Bank Premises.....	355,982.24
Mortgages on Real Estate sold by the Bank.	104,404.03
Overdue Debts, estimated loss provided for.	341,352.87
Bank Premises, at not more than cost, less amounts written off	1,106,255.38
Other Assets not included in the foregoing..	12,614.89
Total Assets	\$109,040,228.03

JOHN GALT,
President.

G. H. BALFOUR,
General Manager.

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS
OF THE UNION BANK OF CANADA.**

In accordance with the provisions of sub-sections 19 and 20 of Section 56 of the Bank Act, we report to the Shareholders as follows:—

We have audited the above Balance Sheet with the books and vouchers at Head Office and with the certified returns from the branches.

We have obtained all the information and explanations that we have required and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In addition to our verification at the 30th November, we have during the year, checked the cash and verified the securities representing the investments of the Bank at its chief office and principal branches and found them to be in agreement with the entries in the books of the Bank relating thereto.

In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Bank, according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

T. HARRY WEBB, E. S. READ, C. R. HEGAN,
Auditors of the firm of
WEBB, READ, HEGAN, CALLINGHAM & Co.,
Chartered Accountants.

Winnipeg, 20th December, 1916.

PRESIDENT'S ADDRESS.

We have not yet reached a point when it would be wise to try to envisage what will happen in the near future, but that need not stop us from taking stock of where we stand—what have been the effects of the past two and a half years of warfare—on Canadian banks in general, and on the Union Bank in particular. The outstanding fact, of course, is the unshaken solvency of our institutions—then comes the remarkable increase in deposits—a pleasing feature of which is the growth of savings accounts, showing that the rank and file of our people are alive to the importance of spending less than they are earning.

Our banks have followed the wise course of carrying ample cash reserves, and of keeping themselves in a liquid position to enable them to meet any possible contingency, and also to do their part in financing the war expenditure of the Government. So far they have taken many millions of British and Canadian loans, and are prepared and able to take further large amounts as required. It is splendid evidence of the soundness of our banking system and no less of the ability with which our banks have been handled during these times so full of uncertainty, anxiety and peril.

And now to come to our own case. The General Manager will give you his analysis of our statement, and will refer more particularly to the financial aspects. The Union Bank is now in its 52nd year. Starting in Quebec with a small capital, it had a hard road to travel until its management awoke to the value of the great field for development which was opening up in the Northwest prairies. Seizing upon this opportunity which offered itself in the early eighties, the Union Bank proceeded to establish itself throughout the West, and

by following a wise and liberal policy towards its clients, has reached a position of strength and influence that was beyond the dreams of any of us a few years ago.

The Shareholders should not be disappointed that our earnings have not exceeded those of last year, but this is entirely due to our sound policy of maintaining a strong and liquid position. This, we know, will meet with your entire approval. Your Directors have resolutely refused to countenance speculation, but they have continued the policy of assisting the Bank's clients in the legitimate expansion of their business, and have always had before them the importance of encouraging production.

London, England.

Our London Office continues to show satisfactory progress. We have been established there for five years and the gratifying increase in our business is due entirely to the wise and able advice and attention of our Advisory Committee, Major J. Leigh Wood, C.M.G., Lieut.-Col. the Hon. Sidney Peel and Mr. F. W. Ashe.

With the rapid growth of our resources has come the need of improving our facilities for handling the produce of the country, and, to this end it is gratifying to your Board of Directors to be able to announce to-day that we shall, in the near future, open an agency in the City of New York. Our Foreign Exchange Department has increased its business in a satisfactory manner during the past year, and the contemplated arrangement will better enable us to handle the rapidly increasing business between London, the United States and Canada.

United States.

Following our London plan, we shall have an Advisory Committee for this bank at New York and I am happy to inform you that Mr. Stuyvesant Fish, Mr. Cornelius Vanderbilt and Mr. Gilbert G. Thorne have consented to act upon that Committee. It is unnecessary for me to add anything further, as the names of these gentlemen are well known in Canada, the United States and abroad, and we are indeed fortunate to have worked out a programme for the future which carries with it so much promise.

We are greatly pleased to report the completion of arrangements whereby the Bank is assured of the able services of the well-known firm of Carter, Ledyard and Milburn, counsellors-at-law, of the City of New York.

We intend to feature a statistical department in New York, through which all information concerning Canada can be readily obtained by our friends in the United States, and through which we expect to be able to quickly furnish such information as may be desired by our home friends in regard to United States affairs.

Agriculture.

Conditions generally throughout the country are far more satisfactory than could have been foreseen. The remarkable harvest of 1915 gave freights to our railroads, a market to our manufacturers and merchants, employment to our people, and showed the Empire what Canada is capable of doing towards supplying food for the world.

Last year the harvest was not so abundant, but the prices realized were so high that never in the history of Canada were our farmers, speaking generally, in such good shape financially. Every farmer has it now within his power to do a real service to the cause by bending his energies towards increasing his production of foodstuffs, which are so urgently needed by the world.

I shall not go into details of conditions in the various provinces, as the reports of our Superintendents will appear in our annual book form. These reports have been most ably prepared and are well worth reading.

I must not conclude these brief remarks without an urgent appeal to every one who may hear or read them. We must win the war. We cannot all fight, but we can all serve the cause in one way or another. We can produce and we can economize. Remember that everything we import has to be paid for—many luxuries are still brought in which we could perfectly well do without, and each one of them makes the balance of trade against Canada so much the greater. Production, whether of foodstuffs, or of munitions, intelligent economy, efficient management—these need not be empty phrases—they can and should be put into effect at once, not a moment should be lost. There are two questions which every man in Canada should ask himself—what can I do? and what have I done for my country to-day?

I have an announcement to make that I am sure you will be sorry to hear. Mr. Balfour has decided to retire from the position of General Manager after forty-seven years of service—no one should find fault with his decision to take a well-earned rest. He has filled in succession, every post in the Bank, from that of junior clerk to general manager, and has filled that position during the past thirteen years, which have, without question, been the most prosperous in the history of the history of the Bank. We all feel that the remarkable progress of the institution is, in no small measure, due to the ability and well balanced administration of Mr. Balfour. To his personality is also due the fine esprit de corps which pervades the institution at the present time. The story of his career should be a stimulating one to every officer in the service as it shows what possibilities are before every able, energetic young man if he does his work faithfully and with a single eye to the welfare of the institution. During the many years I have known Mr. Balfour he has been uniformly the same courteous and high-minded gentleman. We all have a sincere affection for him and it would be a real misfortune were we to lose him, but I am glad to say that he has agreed to join the Board and we shall, therefore, retain the benefit of his wisdom and experience. You will be asked to-day to approve of a resolution increasing the Board of Directors of this Bank from 15 to 16 in order that Mr. Balfour may immediately take his seat on the Board.

Your Directors have decided to appoint Mr. Harold B. Shaw General Manager. He has been in the Bank's service for twenty-six years, has been Assistant General Manager for the past eight years, and previous to that filled the position of Superintendent of our western business for eight years. Mr. Shaw is a well-trained, conservative and able banker, full of energy and devoted to the best interests of the Bank. Your Directors have watched his career closely and are satisfied that he will fill his new position with success. The friends of the Bank may rest easy in their minds knowing that the policy of the Bank will be unchanged, and that Mr. Shaw will carry on the traditions of the Bank, which may be summed up as "service and security."

GENERAL MANAGER'S ADDRESS.

Gentlemen:—

In presenting the 52nd Annual Statement of the Bank to the Shareholders, there are but few changes in the balance sheet in your hands, which require explanations or comment. Owing to the exceptionally profitable harvest of 1915, the balance of trade with Great Britain being greatly in favor of Canada, the tremendous expenditures of money in this country for war purposes, and the abnormally high prices obtained for an average crop in 1916, assisted by economy—money has been abundant and general trade conditions satisfactory.

Prosperity in Canada has been clearly demonstrated by the ease with which money has been obtained by the Federal Government for war purposes and the steadily increasing bank deposits.

Notwithstanding the fact that less anxiety prevailed than in 1915, the same conservative policy has been followed during 1916, owing to there being, as yet, no indications as to when the war may end. What effect the cessation of hostilities may have on business generally, owing to war contracts being summarily discontinued, is a question difficult to answer, but husbanding resources would seem to be the only wise policy to adopt, and so long as the war continues there is no other prudent course to follow.

Profits.

The net profits for the year amounted to \$651,183.67, as against \$659,688.01 in 1915, or \$8,504.34 less, being 13.02 per cent. on paid-up capital; a result with which we were well satisfied, having in mind the fact that exceptionally ample provision for all bad and doubtful paper had been made before closing our books, and to the Bank maintaining very strong cash reserves throughout the year. These profits have been disposed of as follows: dividend of 8 per cent. and bonus of 1 per cent. paid to Shareholders, \$450,000; War Tax on note circulation, \$50,000; British Sailors' Relief Fund, \$5,000; Contingent Account, \$150,000, and the usual contribution to the Officers' Pension Fund of \$10,000, leaving \$93,160.42 to

be carried on to the new Profit and Loss Account as against \$106,976.75 brought forward from last year.

With regard to setting aside \$150,000 to a Contingent Account, this is purely a precautionary measure which we deem wise owing to fluctuations taking place from time to time in the valuation of securities held by the Bank.

Deposits.

The deposits amount to \$80,267,000, against \$72,685,000 in 1915, an appreciable increase of \$16,582,000, of which \$7,000,000 is in non-interest-bearing and \$9,500,000 in interest-bearing deposits.

Reserves.

The percentage of quick assets to liabilities to the public has increased to 56.65 per cent., from 47.92 per cent. last year and 36.27 per cent. in 1914. The wisdom of maintaining strong liquid reserves will, I am sure, be commended.

Circulation.

Although the crop was not moved out nearly as freely the past season as it was in 1915, notes of the Bank in circulation were in excess about \$1,200,000, bearing evidence of greater business activity throughout the country.

The Dominion Government war tax on our circulation was \$50,000.

Total Assets.

The assets of the Bank have passed the century mark, being \$109,040,228, an increase of \$18,377,165 over 1915, when they amounted to \$90,663,063.

Dominion and Provincial Government Securities.

Our holdings in these securities have increased \$1,415,000, made up entirely of Canadian War Loan issues.

Canadian Municipal Securities, and British, Foreign and Colonial Public Securities Other Than Canadian.

Since the last statement under review we have purchased \$14,000,000 of British Treasury Bills, which accounts for the large increase in securities under the above heading.

Call and Short Loans Elsewhere Than in Canada.

These loans are higher by \$4,000,000 than in 1915, and are secured by British Treasury Bills in London.

Branches.

Seven branches have been opened during the year—viz., Province of Alberta—Clairmont, Etsizom, Cluny; Province of Saskatchewan—Bulyea, Hazenmore, Prussia, Hatton; and fifteen branches have been closed, as they were not being operated at a profit—viz., Province of Ontario—Geneva and Welland Streets, St. Catharines; Rockland, Cayuga. In Province of Quebec—St. Catherine and St. Christophe Streets, Montreal; Jonquieres. In Province of Alberta—Seven Persons. In Province of British Columbia—Vancouver Heights, Granville and Robson Streets, Vancouver; City Heights, Vancouver; Enderby, Prince George, Squamish. In Province of Manitoba—Clearwater (Sub to Crystal City), Sargent and Arlington Streets, Winnipeg. In Province of Saskatchewan—Verigin.

The total number of branches at the present time is 309.

Staff.

We have a male staff of 1,218 and female, 305, or a total of 1,583, whose duties are greatly increased, and are being cheerfully performed, owing to so many others having volunteered for overseas duties. The steadily increasing cost of living is a very important factor with all persons on salaries and the Bank has endeavored to lessen the burden as much as possible in its periodical adjustment of salaries.

658 members of the staff have enlisted for overseas active service. Of these we regret to announce 43 have been killed, 28 wounded and 3 are missing, leaving 584 still in the field. To the sorrowing relatives our heartfelt sympathy is extended.

This is the last occasion on which I shall have the pleasure of addressing you as General Manager of the Bank, as I am relinquishing executive duties on the 31st instant, after nearly 17 years of active service, the last thirteen and a half of which I have been General Manager.

The Bank has shared to a very appreciable extent in the prosperity of the country during this latter period, and I am

sure the following figures in this connection will be read with much interest:—

	1903.	1916.
Capital Stock	\$ 2,400,000	\$ 5,000,000
Rest Account	1,000,000	3,400,000
Profits	360,000	651,000
Dividends	155,000	450,000
Rate of Dividend	7%	9%
Notes in Circulation	2,300,000	8,800,000
Deposits	13,300,000	89,200,000
Balances Due to Other Banks	8,000	1,800,000
Coin and Government Notes	1,500,000	10,100,000
Government Circulation Fund	91,000	260,000
Deposit in Central Gold Reserves	Nil	4,700,000
Notes and Cheques of other Banks	467,000	4,954,000
Balances due by Other Banks	69,000	750,000
Bonds and Stocks	101,000	19,700,000
Call Loans	667,000	15,100,000
Current Loans	15,000,000	50,000,000
Number of Shareholders	847	2,438
Number of Branches	74	309
Total Assets	19,400,000	109,000,000

It is needless to point out that such marked success could not have been achieved without the active co-operation and loyal support of a capable staff of officers, who have, at all times, devoted their best energies to furthering the interests of the Institution they served. I desire to take this occasion of expressing to them, one and all, my very great appreciation of their valuable assistance.

After seeing the progress of the Bank from 1870, when its operations were very restricted, and it had only three branches, to its present position of one of the important financial institutions of the country, I am retiring with mixed feelings of pride and regret, pride at the enviable position occupied by the Bank, and regret at the severance of such long-standing relations, always made pleasant and congenial by the ready assistance of Directors, Executive and Staff.

I esteem it a great honor to be invited to join the Board of Directors of the Bank, and it will be a pleasure and satisfaction to me, if elected by the Shareholders, to retain my connection with the Bank in that capacity. I trust, too, that my intimate knowledge of affairs of the institution may prove of some assistance in an advisory capacity as a Director.

The President has been good enough to refer to my services and retirement in very kind and appreciative words. My relations with the Presidents, Vice-Presidents and Directors with whom I have been associated have, at all times, been very pleasant, and their advice most helpful. I desire to express my very great appreciation of and thanks for the kindly manner in which Mr. Galt has alluded to my resignation.

ASSISTANT GENERAL MANAGER'S REMARKS.

Mr. Chairman:—

I desire to thank you for the kind words with which you and the Directors have introduced me to the public.

I wish to assure you, Sir, also the Directors and Shareholders of the Bank, that I shall assume my new position with a deep sense of its responsibilities.

I should like to add my testimony to the splendid example which has been set by Mr. Balfour to every member of the Staff, and to express our regret at losing him in an official capacity at the end of this month. It is with the greatest of satisfaction that we have heard that he is to join the Board—for we know that we shall still keep him as a friend and advisor.

I shall do my utmost to live up to the best traditions of the Bank, and to carry on the wise policy of my predecessors.

REMARKS OF MR. F. E. KENASTON, OF MINNEAPOLIS.

Mr. Chairman and Gentlemen:—

The important change taking place to-day in the general management of the Bank whereby Mr. G. H. Balfour is resigning as General Manager, after forty-seven years of service, and the appointment of Mr. H. B. Shaw, who has so well served the Bank for a number of years as Assistant General Manager, to full Managership, has impressed me very

strongly. When you take into account, Gentlemen, forty-seven of the best years of a man's life, devoted in the most loyal and faithful manner to the upbuilding of a business institution, and when advancing years bring him to reason with himself that it is better to shift the burden of responsibility on to younger shoulders and enjoy a well-earned rest after so many years of arduous work, we must conclude that the severing of ties which bind men together in business life is a serious thing. I wish to endorse fully all of the words of eulogy which the preceding speakers have used in connection with Mr. Balfour's long years of service, and his decision to now resign the burden of General Managership of the Bank, and to congratulate the Bank, at the same time, that he is to be made a Member of its Board of Directors, so that the vast fund of information and detail knowledge possessed by him of the Bank's business will not be lost to the Institution.

Mr. H. B. Shaw, who is now to be the General Manager of the Bank, is too well known to you all to need any words of introduction from me. He has been connected with the Bank, in one position or another, during all of his working life, and for many years has been Assistant General Manager. His well-known efficiency and great ability as a banker is sufficient warrant to us all that the affairs of the Institution will be in good hands.

The present business conditions brought on by the great war have made New York City a great financial centre and in order to avail itself of its proper share of the Empire's financing at the present time, and to assume its share of solving the financial problems which are bound to ensue at the close of the war, the Union Bank has deemed it wise to establish an agency in New York City.

The officers of the Bank, in their negotiations for suitable connections there, have been most extraordinarily fortunate in securing the services of Messrs. Stuyvesant Fish, Cornelius Vanderbilt and Gilbert G. Thorne, as Members of an Advisory Committee. These gentlemen are so well known everywhere on this continent that it seems superfluous to say a word in their praise, but I cannot pass by the opportunity of saying that the names of these gentlemen, connected with any business institution or enterprise, is an absolute guarantee of conservatism, integrity and efficient management, and is an endorsement of the Union Bank itself, not only in New York City, but in the Dominion of Canada as well—a fact in which we, as Stockholders, should take great pride. In summing up the situation, gentlemen, I am free to say that the Union Bank is going into New York City with its Agency under the most favorable auspices possible.

On the 25th of August last, the Directors of the Union Bank, accompanied by a few invited guests, began a trip of 13 days of inspection of Western Canada with reference to business conditions and prospects generally and, specifically, with reference to its own branches extending throughout the Provinces of Manitoba, Saskatchewan and Alberta.

During this trip we met 192 Branch Managers, with whom the Directors discussed very freely their respective local conditions and prospects. The meeting of these Branch Managers (most of them young, vigorous, intelligent men) to some of us was a revelation. We found them uniformly loyal and enthusiastic workers for the good of the Union Bank, well advised as to their own local conditions, and what was required for the betterment of these conditions as respects mixed farming. The paying of greater attention to stock raising, thereby minimizing the risk with which a business or a community constantly stands in peril by reason of depending upon one crop only.

We saw some very wonderful agricultural development at different points and a very noticeable appearance of thrift and prosperity in the purely agricultural districts among the farmers. We also found a very satisfactory condition prevailing in the larger towns and cities of the West with regard to commercial affairs, which seem to have been reduced to dealings in staple articles and necessities of life rather than the luxuries. In these lines there was reported a very satisfactory volume of business. We also found an enormous amount of liquidation of indebtedness, particularly among the farmers, by reason of the exceptionally large crops of grain, with good prices, during the years 1915 and 1916.

The trip was very interesting to many of the Directors by reason of the passing through of so much new and hitherto, to them, unknown territory, and particularly the Peace River country, which seemed to open up an enormous field for settlement at a later date. The Peace River country is now being invaded by the iron trail under the vigorous

auspices of Mr. J. D. McArthur, who has extended the rails of the Edmonton, Dunvegan and British Columbia Railway to Peace River Crossing, and it is to be hoped that he will receive a full measure of reward for the courage he has displayed in this undertaking, and, in this connection, it is only proper to state our hearty appreciation to Mr. McArthur for the many courtesies received at his hands during the progress of this trip.

Mr. J. S. Hough, K.C., moved the adoption of the report, which was seconded by Mr. W. J. Christie, and asked that the same be printed for distribution amongst the Shareholders.

The motion for the adoption of the report was then submitted and carried.

The President informed the meeting that the retiring auditors were eligible for re-election, and that no other nominations had been received. It was then moved by Mr. Isaac Campbell, K.C., and seconded by Mr. F. W. Drewry, that Messrs. T. Harry Webb, C.A., E. S. Read, C.A., and C. R. Hegan, C.A., of the firm of Webb, Read, Hegan, Callingham and Co., be reappointed as auditors of the Bank.

The Chairman stated that he would deposit one ballot, representing the Directors and other Shareholders who had sent him their proxies, unless any Shareholder wished to deposit the ballot himself.

The ballot was unanimous and these gentlemen were declared elected.

It was moved by Mr. Isaac Campbell, K.C., and seconded by Mr. F. W. Drewry, that a sum not exceeding \$5,000 be set apart by the Directors for the remuneration of the auditors to be apportioned by them as may be deemed advisable. Carried.

The Chairman explained the desirability of amending the Shareholder by-laws to provide for increase in the Director-

ate, and asked the Secretary to read the proposed amending by-law, which being done, it was moved by Mr. R. T. Riley and seconded by Mr. E. L. Drewry that a by-law be now passed and enacted by the Shareholders accordingly. Carried.

It was moved by Mr. J. S. Hough, K.C., and seconded by Mr. M. Bull, that the meeting now proceed to the election of Directors for the ensuing year and that the Chairman do cast one ballot for Messrs. W. R. Allan, G. H. Balfour, Hume Blake, K.C., M. Bull, Major-General John Carson, C.B.; B. B. Cronyn, Edward L. Drewry, John Galt, S. Haas, J. S. Hough, K.C., R. O. McCullough, F. E. Kenaston, Sir Wm. Price, R. T. Riley, Wm. Shaw, Geo. H. Thomson.

This motion was carried unanimously. The ballot being cast, the Scrutineers reported above gentlemen elected as Directors of the Bank for the year ending 30th November, 1917.

It was moved by Mr. J. B. Perse and seconded by Mr. W. A. Windatt, that the thanks of the Shareholders are hereby tendered to the Honorary President, President, the Vice-Presidents and the Directors of the Bank, for their valued services during the year. Carried.

It was moved by M. F. E. Kenaston and seconded by Mr. E. L. Drewry that the thanks of the Shareholders are hereby tendered to the General Manager, the Assistant General Manager, Superintendents, Inspectors, Managers and other officers of the Bank for their efficient services during the past year. Carried.

The Assistant General Manager replied briefly on behalf of the staff.

The meeting then adjourned.

At a subsequent meeting of the newly elected Board. Sir William Price was elected Honorary President; Mr. John Galt, President; Mr. R. T. Riley and Mr. Geo. H. Thomson, Vice-Presidents.

DUTCH CAPITAL IS AVAILABLE

Funds Go Chiefly Into Mortgage Loans—Holland and Colonial Development

With regard to the general attitude of Dutch investors to Canadian investments, various issues of new stock in the Netherlands by companies operating in the Dominion have taken place during the past year. The invariable success of these issues affords abundant proof that the confidence of Dutch investors in the future of Canada remains firm and unshaken. If this is the case during prevailing war conditions, there is reason to believe that the outlook for further Dutch investments in this country is very fair. When the war is over and general conditions assume their normal aspect again, demand for capital under the influence of accelerated immigration cannot but increase. This increased demand will be met by an increase in the supply also from the Netherlands. So writes a well-known Dutch loan company manager to *The Monetary Times*.

For Mortgage Debentures Only.

While this is so, another authority suggests it will be difficult to interest Dutch capital in industrial enterprises unless it would be buying stock in first-class and good dividend paying companies. For new concerns it would be practically impossible to obtain capital. One must not forget that tempting investments can be made in Holland, and, moreover, and this is often overlooked in Canada, that Holland is the second colonial nation of the world, possessing most fertile colonies in Asia, with a population of 40,000,000 people. These colonies, the East India archipelago, comprising the islands of Java, Sumatra, Celebes, a large part of Borneo and numerous smaller islands, are in a high state of cultivation, and produce large quantities of tobacco, rice, coffee, tea, petroleum, sugar, rubber, spices, etc., and the many companies operating there require large operating capital, which is found in "our little, but wealthy country." In Holland itself good investments can be found, so the investor would look over such propositions first before putting his money in an industrial Canadian enterprise. Of course, we except here railway bonds, which were one time held in large amounts in Holland. Investment of Dutch capital will for the present, at least, be limited to the purchase of debentures of the several first-class mortgage companies operating in the three western provinces. A better demand has set in again for these debentures, but the great difficulties which

confront the Canadian managers are to find proper investments, the applications both for farm and city loans being scarce. This may lead to bringing to a stop the sale of debentures, for there are companies which have several hundred thousands of dollars waiting for investment.

Do Not Like Moratoria.

There are almost a dozen Dutch mortgage companies doing business in Canada. These include the Holland Canada Mortgage Company and the Mortgage Company for America, of The Hague, the Rotterdam Canada Mortgage Company and the Overseas Mortgage Company, of Rotterdam, the Netherlands Transatlantic Mortgage Company and the Amsterdam Canada Mortgage Company, of Amsterdam, the Netherlands Canadian Mortgage Company of Groningen, and the Intercolonial Mortgage Company, Saskatoon.

The three companies from whom the above information was obtained have placed over \$3,000,000 in Canada. Adverse opinions of the moratorium legislation of Western Canada was expressed by these lenders, as well as by those whose remarks are printed elsewhere.

COBALT ORE SHIPMENTS

The following are the Cobalt ore shipments for the month of December, 1916:—

	Tons.
Aladdin Cobalt Mine	22
Beaver Consolidated Mines	69
Buffalo Mine	43.6
Coniagas Mine	56
Dominion Reduction Company	247.5
Hudson Bay Mine	30.5
La Rose Mine	32
McKinley-Darragh-Savage Mines	165
Mining Corporation of Canada	107
Penn-Canadian Mine	41.7
Trethewey Silver Mine	38
Total	854.5
From Haileybury—	
Pittsburg Lorraine	31
From Elk Lake—	
Miller Lake O'Brien	20
From Timmins—Gold Slag—	
Hollinger Gold Mine	36
From Porquis Junction—Nickel Ore—	
Alexo Mining Company	347

CAMPAIGN HEADQUARTERS
15 KING ST. E.
 (NORDHEIMER BUILDING)
PHONE 2 MILLIONS

INTERESTING FACTS

concerning the work of the Canadian Red Cross and the aid it gives the sick, the wounded, and the captured.

In Four days
 Jan. 23-24-25-26th
TWO AND A HALF MILLION DOLLARS

ESTIMATE OF COMMITMENTS AND EXPENDITURES OF THE CANADIAN RED CROSS SOCIETY FOR THE YEAR 1917.

Canadian Red Cross Hospital at Vincennes—a gift to the French Government	\$ 150,000
Princess Patricia Canadian Red Cross Special Hospital	100,000
Prisoners of war, food allowance, \$10 each per month Maintenance (extra) of Canadian Red Cross Hospitals	300,000
Ten Verandah Wards in Canadian Army Medical Corps Hospitals, \$3,000 each	100,000
Rents and rates of English offices	30,000
Scottish Women's Hospitals Grant	20,400
Yarn to be knit into socks	10,000
Gauze and cotton shipped in bulk as requested ..	35,000
Serums	5,790
Peaches and fruit	1,700
Regulation Red Cross shipping cases	12,000
All rents, wages and office expenses in Canada ...	25,000
Postage, cables, printing and stationery	13,000
St. John Ambulance Brigade grant for expense of nurses and orderlies	15,000
Purchase of supplies in Canada—blankets, towels, tobacco	50,000
Purchase of supplies in England—drugs, hospital furnishings, etc.	300,000
Insurance	200,000
Insurance	500
Total	\$1,368,890

SOME OF THE LARGER GRANTS AND EXPENDITURES MADE DURING 1915-1916 BY THE CANADIAN RED CROSS SOCIETY.

EQUIPMENT OF HOSPITALS AND HOMES—	
Duchess of Connaught Red Cross Hospital at Cliveden	\$100,000
King's Canadian Red Cross Hospital, Bushey Park	75,000
Canadian Special Red Cross Hospital, Buxton	25,000
Rest Home for Canadian Nurses (Overseas)	10,000
Recreation Rooms for Canadian Army Medical Corps and Red Cross Hospitals	125,000
	\$335,000
MONEY GRANTS—	
British Red Cross Society	\$ 50,000
French Red Cross	73,000
French Wounded Emergency Fund	15,000
Scottish Women's Hospitals at Royaumont	20,000
Exclusive of supplies to value (approx)....	\$200,000
Serbia, Belgium, Montenegro, Italy, Rumania, Russia	55,000
Hospital Fund of Canadian War Contingent Assoc.	30,000
St. Dunstan's Training Hostel for Blind Soldiers ..	20,000
Grants to Hospitals in England for Canadian Soldiers	6,500
To St. John Ambulance Brigade for Nurses and Orderlies for Overseas	50,000
Military Hospitals in Canada (ambulances, supplies, etc.)	10,500
	\$280,000

CHRISTMAS FACTS ABOUT THE CANADIAN RED CROSS SOCIETY.

Lady Drummond's parcel department of the Canadian Red Cross office in England sent out 22,000 Christmas parcels to wounded and sick Canadians in the week before this last Christmas.

These parcels for Canadian boys were filled with supplies sent from Canada, and tied up by Canadian girls now resident in England. What a delight to our wounded boys on Christmas morning!

The Canadian Red Cross provided the necessary organization for collecting and despatching these supplies from Canada and distributing them to the boys scattered in hundreds of hospitals in England and France. Their names are all on the Red Cross books.

There was Turkey for dinner, and plum pudding and fruit on Christmas Day in the Canadian hospitals overseas. How did it get there?

Because the people of Canada gave the funds, and the Canadian Red Cross found out from the officer commanding each hospital what his patients and staff needed to give them a real good spread on Christmas Day, and saw that they got it.

On Christmas morning 26,559 Canadian soldiers in hospitals in England and France found a Christmas stocking hanging on their beds. How did they get there?

The women and children of Canada made and filled them; the men helped to pay for their contents, and then the Canadian Red Cross collected them in Canada, shipped them overseas and distributed them to the boys on Christmas Day.

TORONTO SENT 6,922 STOCKINGS!

THE CANADIAN RED CROSS FEEDS AND CLOTHES THE CANADIANS IN GERMAN PRISON CAMPS.

The Canadian Red Cross feeds 2,196 Canadian prisoners of war in 91 German camps.

2,196 prisoners cost, approximately,	Each prisoner costs, approximately,
\$263,520 a year	\$120 a year
21,960 a month	10 a month
5,490 a week	2.50 a week
784 a day	.35 a day

In what way can a Canadian spend 35 cents better than in providing necessary, nourishing food for our Canadian brothers daily suffering for us?

There are 2,196 Canadian prisoners of war on the books of the Canadian Red Cross Society. These men are confined in over ninety prison camps. Each man receives weekly 6 lbs. of bread (4lbs. being sent from Switzerland and 2 lbs. from Holland) besides weekly parcels of food to the value of about \$2.00 each parcel. The expense of feeding a prisoner now amounts to about \$10 a month. The expense of providing this food is met—

- (a) By specially designated gifts of money sent in to the Canadian Red Cross, or directly addressed to Mr. Rivers Bulkeley who is in charge of this department of the Society's work at the London office.
- (b) From the general funds of the Canadian Red Cross Society, subscribed by the public in Canada.

One of the greatest difficulties in dealing with the needs of the prisoners is that they are so constantly moved from camp to camp; the Red Cross receives official notification of these changes.

Warm clothing and certain medical supplies are also permitted to be sent to the prisoners by the Red Cross Society.

The above figures will show the very heavy liability undertaken by the Society in the provision of supplies for prisoners, involving an outlay of nearly \$22,000 a month or about a quarter of a million a year.

In addition to its other forms of work the Society has received, packed in regulation cases, transported and distributed overseas, supplies to the approximate value of:—

\$8,000,000.00

The Society's reserve of stores is now practically exhausted.

CAMPAIGN HEADQUARTERS
15 KING ST. E.
 (NORDHEIMER BUILDING)
PHONE 2 MILLIONS

"SERVE BY GIVING" CAMPAIGN

Patriotic Fund and Canadian Red Cross Appeal

President
SIR WILLIAM MULOCK

Hon. Treasurer
E. R. WOOD

Campaign Organizer
W. S. DINNICK

In Four days
 Jan. 23-24-25-26th
TWO AND A HALF MILLION DOLLARS

BANK OF HAMILTON

FORTY-FIFTH ANNUAL GENERAL MEETING.

TOTAL ASSETS OVER FIFTY-SEVEN MILLION DOLLARS.

The Forty-fifth Annual General Meeting of the Shareholders of the Bank of Hamilton was held at the Head Office of the Bank in Hamilton at noon on Monday, January 15th. The President, Sir John Hendrie, K.C.M.G., was in the chair, and Mr. J. P. Bell acted as Secretary.

The General Manager read the Annual Report of the Directors for the year ended 30th November, 1916, as follows:—

PROFIT AND LOSS ACCOUNT.

Balance at credit of Profit and Loss Account, 30th November, 1915	\$175,821.53
Profits for year ended 30th November, 1916, after deducting charges of management, interest accrued on deposits, rebate on current discounts, and making provision for bad and doubtful debts.....	442,525.69
	<u>\$618,347.22</u>
Appropriated as follows:—	
Four Quarterly Dividends, in all 12%.....	\$360,000.00
Pension Fund—	
Annual Assessment	\$ 8,790.65
Special Contribution	10,000.00
	<u>18,790.65</u>
War Tax on Bank Note Circulation.....	30,000.00
	<u>408,790.65</u>
Balance of Profits carried forward.....	<u>\$209,556.57</u>

GENERAL STATEMENT.

LIABILITIES.

To the Public:—	
Notes of the Bank in Circulation.....	\$ 4,409,351.00
Deposits not bearing interest.....	\$10,927,818.79
Deposits bearing interest, including interest accrued to date of statement	34,470,355.27
	<u>\$45,398,174.06</u>
Balances due to other Banks in Canada.....	31,799.58
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	604,135.42
Acceptances under Letters of Credit.....	119,730.83
	<u>\$50,563,190.89</u>
To the Shareholders:—	
Capital Stock paid in.....	3,000,000.00
Reserve Fund	\$3,300,000.00
Balance of Profits carried forward....	209,556.57
	<u>\$3,509,556.57</u>
Dividend No. 110, payable 1st December, 1916	90,000.00
Former Dividends unclaimed.....	597.00
	<u>3,600,153.57</u>
	<u>\$57,163,344.46</u>
ASSETS.	
Current Coin	\$ 860,142.93
Dominion Government Notes	4,462,261.00
Deposit in Central Gold Reserves.....	1,500,000.00
Deposit with the Minister of Finance for the purposes of the Circulation Fund.....	157,000.00
Notes of other Banks.....	437,655.00
Cheques on other Banks.....	2,337,085.36
Balances due by other Banks in Canada.....	119,399.63
Balances due by Banks and Banking Correspondents elsewhere than in Canada	439,409.74
Carried Forward	<u>\$10,312,953.66</u>

Brought Forward	\$10,312,953.66
Dominion and Provincial Government Securities, not exceeding market value	569,458.46
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	6,635,336.88
Railway and other Bonds, Debentures and Stocks, not exceeding market value	641,982.10
Call and Short Loans (not exceeding thirty days) in Canada, on Bonds, Debentures and Stocks....	3,844,635.08
	<u>\$22,004,366.18</u>
Other Current Loans and Discounts in Canada (less rebate of interest)	31,995,961.60
Real Estate other than Bank Premises.....	485,605.86
Overdue Debts, estimated loss provided for.....	178,194.68
Bank Premises, at not more than cost, less amounts written off	2,042,595.55
Other Assets not included in the foregoing.....	336,889.76
Liabilities of Customers under Letters of Credit as per contra	119,730.83
	<u>\$57,163,344.46</u>

JOHN S. HENDRIE,
President.

J. P. BELL,
General Manager.

AUDITORS' REPORT.

In accordance with the provisions of Sub-sections 19 and 20 of Section 56 of the Bank Act, we report to the Shareholders as follows:—

We have examined the above Balance Sheet with the books and vouchers at Head Office and with the certified returns from the Branches, and we have obtained all the information and explanations we have required, and in our opinion the transactions which have come under our notice have been within the powers of the Bank.

We have checked the cash and verified the securities of the Bank at the Chief Office and at several of the principal Branches during the current year, as well as on November 30th, 1916, and have found that they agreed with the entries in the books of the Bank with regard thereto.

In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given us, and as shown by the books of the Bank.

C. S. SCOTT,
E. S. READ,
Chartered Accountants,
Auditors.

In moving the adoption of the Report, the President, Sir John Hendrie, K.C.M.G., said:—

It is with a great deal of satisfaction that the Directors place before the Shareholders the Report an exceptionally strong Statement which they are asked to adopt to-day. Liberal provision for possible bad and doubtful debts was made before we arrived at the profits, which show the comfortable increase of about \$18,000 over those of last year.

During the year the Bank obtained a long lease on favorable terms of the handsome offices formerly occupied as the Head Office of the Traders Bank in Toronto in what is now known as the Bank of Hamilton Building.

There is urgent need of economy and thrift. The purchasing power of money has declined sharply. This condition cannot last forever, but it provides one of the strongest incentives to save now, as every dollar on hand will be worth more when normal conditions return. Meanwhile the money will earn good interest and do patriotic service by being placed at the disposal of the Government, either directly or through the Banks.

The President referred in feeling terms to the great loss which the Board has sustained by the death of Mr. George Ruth-

erford. He also referred to the retirement, on account of ill-health, of Mr. C. E. Newton of Winnipeg, and stated that the Board proposed that the Shareholders fill these vacancies by electing Mr. W. E. Phin, a well-known Hamiltonian, and Mr. Isaac Pitblado, K.C., of Winnipeg.

Mr. Cyrus A. Birge, Vice-President, seconded the adoption of the Report.

Mr. J. P. Bell, General Manager, said:—

The notes in circulation show a gain of 26 per cent., which is all covered by a deposit in the Central Gold Reserve. The increase in deposits is \$7,300,000, equal to 19.25 per cent., which is considerably above the average.

Deposits have increased in ten years from \$24,000,000 to \$45,000,000. The Liquid Assets have increased 28 per cent., owing to investment in Government loans for munition orders in Canada, while the total assets have grown by \$9,000,000.

In conclusion, Mr. Bell commented favorably on the issue of War Savings Certificates, but suggested that War Taxes, possibly on individual income and expenditure, might be imposed with most valuable social and economic results. He recognized, of course, that there were many practical difficulties in collecting such taxes, but believed the people were ready to co-operate heartily in any measures which the Government might impose.

In presenting the Auditors' Report, Mr. C. S. Scott assured the Shareholders that the statement had been made up on a most conservative basis.

The following motions were adopted:—

Moved by Mr. E. G. Payne, seconded by Mr. F. W. Gates, that the date of the Annual Meeting be changed to the third Monday in April. Mr. John E. Brown was of the opinion that January was a more convenient date for assembling the Shareholders, but was satisfied with the change when it was explained that the end of February was a better date to close the Bank's books than the end of November.

Moved by Mr. W. A. Robinson, seconded by Mr. W. J. Waugh, that Mr. C. S. Scott and Mr. E. S. Read be re-elected Shareholders' Auditors.

Moved by Dr. James Russell, seconded by Mr. Stanley Mills, that the thanks of the meeting be given the President and Directors, to which Mr. Robert Hobson and Mr. W. E. Phin replied on behalf of the Board.

Moved by Mr. W. J. Morden, seconded by Mr. Fred J. Harris, that the thanks of the meeting be given the General Manager, Superintendents and other members of the Staff. In replying, Mr. Bell referred admiringly to the staff who were on active service. Mr. E. R. Niblett also responded with a reference to the large number of ladies now employed with satisfactory results.

Mr. W. H. Wardrope moved, seconded by Mr. W. J. Aitchison, that the election of Directors and Auditors be proceeded with, and the Scrutineers, Mr. F. H. Lamb and Mr. R. S. Morris, reported the following gentlemen elected:—

Sir John Hendrie, K.C.M.G.; Cyrus A. Birge, C. C. Dalton, Robert Hobson, W. E. Phin, I. Pitblado, K.C.; J. Turnbull, W. A. Wool.

At a subsequent meeting of the new Board, Sir John Hendrie, K.C.M.G., was re-elected President, and Mr. Cyrus A. Birge, Vice-President.

NATIONAL LIFE ASSURANCE COMPANY

The financial statement of the National Life Assurance Company of Canada shows that the company obtained a total amount of new paid business last year of \$5,457,957. The net gain over 1915 paid business was \$1,148,660. The increase of assurance in force was \$2,688,975. The following table compares the figures of the past two years:—

	1916.	1915.
New paid business	5,457,957	4,309,297
Assurance in force	\$23,883,130	\$21,194,155
Total assets (exclusive of uncalled capital)	3,630,194	3,339,123
Surplus	489,539	471,355
Cash income	900,309	866,680
Payments to policyholders	211,066	251,033

The National Life Assurance Company is now eighteen years old, and during later years particularly has strengthened its position materially. It still maintains an unbroken record of eighteen years, in that no interest or principal on its invested funds have ever been overdue or in arrears. The average rate of interest earned is approximately 5½ per cent.

Mr. Elias Rogers is president of the company, Mr. Albert J. Ralston is first vice-president and managing director, and Mr. F. Sparling is secretary. The company has also an active directorate.

Canadian Northern Railway System

COMPANY DURING FIRST YEAR OF OPERATION AS TRANSCONTINENTAL LINE MAKES TREMENDOUS STRIDES IN BUSINESS HANDLED. SYSTEM NOW A FACTOR IN SOLUTION OF TRANSPORTATION PROBLEMS OF THE COUNTRY

The Board of Directors of the Canadian Northern Railway System, in submitting to shareholders their annual report for the past fiscal year, draw attention to many of the general features that have contributed towards the expansion of the Company's traffic and business.

The Gross earnings for the year 1916 amounted to \$35,476,275, compared with \$25,912,106 in the previous year. Of this amount revenue from passenger traffic amounted to \$6,128,470, as compared with \$5,411,224, in the previous year. Revenue from freight traffic \$26,560,213 as compared with \$18,207,800. Revenue from express, mail, telegraph, interest and profits from elevators and other subsidiary companies, investments, etc., \$2,787,591, as compared with \$2,293,081. The working expenses, including taxes, etc., totalled \$26,102,744, as compared with \$19,288,814, leaving the net earnings for the year \$9,373,530, as compared with \$6,623,291 in the previous year. From this amount had to be deducted the total fixed charges which amounted to \$9,621,657 as compared with \$8,263,574 in the previous year, bringing the net loss or deficit for the year to \$248,127, compared with \$1,640,283 in the previous year.

The Company had under operation an average of 8,048 miles in 1916 as compared with an average of 7,269 miles in 1915.

The total operating revenues, as compared with previous year, showed a total increase of 36.91%; Passenger traffic an increase of 13.25%; Freight traffic an increase of 45.87%; Mails an increase of 6.05%; Express an increase of 30.27%; Miscellaneous traffic 19.96%. The Company carried 131,978,809 bushels of grain in 1916, as compared with 58,575,520 bushels in 1915, an increase of 73,403,289 bushels or a gain of 125.31%.

While a portion of the increased earnings is due to an increased mileage, a substantial improvement has been made in the Company's business. This is indicated by the fact that earnings per mile of road for the year were \$4.408 as compared with \$3.564 for the previous year, an increase of 23.66%.

The Company's new mileages on the Pacific Coast and the Northern Ontario divisions have not yet come into their full earning power, as operation on these divisions was only commenced in the late Autumn of last year.

When it is recalled that the Company's system was in operation as a transcontinental line during only seven months of the twelve months of the fiscal year, the excellent showing made by the mileage in British Columbia after seven months of operation may well be considered an outstanding feature in the year's operations. It must be considered fortunate that the Canadian Northern System and the country tributary to it were sufficiently developed to take an important part in supplying the Empire's food requirements. The System's passenger and freight earnings during the year were affected by the lack of two important terminals which were under construction at Montreal and Vancouver but which were not completed in time to take care of transcontinental business. The station at Toronto, which the System will occupy in conjunction with another railway, has been completed.

An agreement of great importance in the development of the System's freight and passenger traffic was made with the Cunard Steamship Co. Under the terms of the agreement the Cunard Co. has taken over the Atlantic steamers controlled by the Canadian Northern Railway and a close working alliance is in effect between the two companies, and in future the Cunard Line and the Canadian Northern Railway will be, in fact, a single transportation unit between Europe and Canada.

The possession of such favorable grades as those on the System's lines has given the Canadian Northern an already important advantage in the economy of operation, particularly in carrying the two commodities offering in largest volume, viz.: lumber and grain.

The main line of the Canadian Northern Railway from Quebec to Vancouver is superior to any line crossing the continent of America in points of grade and curvatures favoring traffic.

Although the company's transcontinental line has been in operation for only a few months, its superior economies has established the fact that the road must assume a commanding position when traffic has grown to dimensions making general the use of heavy train loads. The lines of the company's system are now serving 75% of the aggregate population of the cities and towns of all Canada, having 5,000 inhabitants and over.

The present situation emphasizes the fact that the railway is not as dependent upon grain crop movements as in the past and in becoming transcontinental has acquired a highly diversified traffic.

UTILIZE CANADA'S RAW MATERIALS

Manufacturers Should Convert Domestic Supplies Rather Than Import Basic Needs

"Few countries in the world have equal advantage with Canada in the matter of natural resources, and it is most encouraging to find that organized effort is being focused upon not only the development of these resources, but in utilizing them for the general benefit of Canada. What Canada needs is more manufacturers who will produce from raw materials obtained in Canada, rather than from raw materials which must be imported from foreign countries into Canada." This was the remark of Mr. Arthur Hewitt, general manager of the Consumers Gas Company, retiring president of the Toronto board of trade, in a businesslike address at the board's annual meeting.

Problems are Big.

"The problems which face Canada as a nation are not few," continued Mr. Hewitt, "and if our democracy is to be real, and if it is to be successful, every unit of our population must play its part. Compared with our neighbors to the south, with their hundred million of population, our eight million of population, scattered over even a larger area than theirs, constitutes a problem in itself. How this population and the additions that will surely be made to it after the close of the war, can be distributed so as to effect a proper balance between producers and consumers, should be made a matter of careful study by our governments.

"Because of the war, not only is immigration at a standstill, but the large number of men which Canada has supplied for military service overseas and the tremendous extent to which labor has been applied to the production of munitions have entirely changed our economic position from what it was before the war.

Adjustments After the War.

"With the return of our citizen soldiers, and with the considerable number of immigrants which in all probability will be attracted to Canada from Great Britain and from countries now allied with Great Britain, there is not likely to be any shortage of men, but their movement and their location must be wisely adjusted, so that there will be a reasonable proportion as between producers and consumers, and so far as immigrants are concerned, it is of the utmost importance to Canada that they be of the right class.

"The success of our financial plans during the war reflects credit upon those on whose shoulders the responsibility of this burden has rested. Canada's credit has not suffered because of the war, and, while the sources of supply for money in the immediate future may be different from the sources from which it has come in the past, there is not likely to be any great difficulty in securing the money required in connection with the development of our country and its resources."

In connection with the congress of the British imperial council of commerce to be held in Toronto this year, Mr. Hewitt said he could not emphasize too strongly the importance of the board putting forth every effort to make success assured for what will be the greatest and most influential gathering of business men ever held in the British empire.

The annual elections resulted as follows:—

Council—Messrs. J. D. Allan, Hugh Blain, J. L. Campbell, W. F. Cockshutt, M.P. (Brantford), R. J. Copeland, K. J. Dunstan, R. W. Eaton, E. H. Gurney, Charles McD Hay, Edward Hay, Arthur Hewitt, A. O. Hogg, H. G. Stanton, C. D. Stillman and J. W. Woods.

Representatives to Canadian National Exhibition Board—Messrs. D. O. Ellis, George H. Gooderham, M.P.P., Noel Marshall, J. B. Reid and C. W. I. Woodland.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended January 12th, 1917:—

Temiskaming Mines, 82,884; O'Brien Mine, 66,000; La Rose Mines, 109,304; Penn-Canadian Mines, 64,591; McKinley-Darragh-Savage Mines, 169,496; Dominion Reduction Company, 164,000; total, 656,275 pounds, or 328.1 tons.

The total shipments since January 1st, 1917, now amount to 1,017,552 pounds, or 508.7 tons.

DOMINION BANK

The figures of the Dominion Bank for 1916 show a continuance of the steady progress of that institution. During the past year profits were \$893,502, this being an advance over the previous year's earnings. Deposits show a growth of approximately \$5,500,000 and stand at \$70,473,000, as compared with \$65,965,000 in 1915. Assets readily available amount to \$37,625,896, equivalent to about half the bank's liabilities to the public. Total assets are \$92,866,962. Current loans show an expansion and are \$49,030,365, as compared with \$47,466,260 in the previous report.

BANK OF ENGLAND RATE LOWER

The rate of discount of the Bank of England was reduced from 6 to 5½ per cent on Thursday.

The change was regarded as an indication that the gold situation and the question of the foreign exchanges are well in hand, so that maintenance of the 6 per cent. rate is no longer necessary. The market believes that the chief purpose, however, is to bring the official minimum more in line with the interest on the new loan and benefit the banks which were lending on the new loan at 1 per cent. under the bank rate with a minimum charge of 5 per cent. Their charge now will be only one-half of 1 per cent. under the bank rate.

The official announcement that interest will be allowed on fully paid applications for the war loan before the end of January is expected to bring in large subscriptions which otherwise would be held over until near the time of closing the list at the middle of February.

CANADA'S BANK CLEARINGS

The following are the returns of Canada's bank clearing houses for the weeks ended January 11th, 1917, and January 11th, 1916, with changes:—

	Week ended Jan. 11, '17.	Week ended Jan. 11, '16.	Changes.
Montreal	\$ 77,295,725	\$ 70,582,999	+ \$ 6,712,726
Toronto	63,347,095	46,100,863	+ 17,246,232
Winnipeg	39,296,273	35,153,945	+ 4,142,328
Vancouver	6,676,371	5,160,562	+ 1,515,809
Ottawa	4,735,868	3,848,144	+ 887,724
Calgary	4,654,226	3,792,288	+ 861,938
Hamilton	4,997,180	3,239,425	+ 1,667,755
Quebec	3,646,026	3,470,810	+ 175,216
Edmonton	3,044,018	2,153,449	+ 890,569
Halifax	3,354,896	2,797,282	+ 557,614
London	2,428,671	2,001,325	+ 427,346
Regina	3,040,875	2,325,165	+ 715,710
St. John	2,002,859	1,592,485	+ 410,374
Victoria	1,532,701	1,363,857	+ 168,844
Saskatoon	1,701,090	1,134,518	+ 566,572
Moose Jaw	1,458,938	931,648	+ 527,290
Brandon	529,456	552,806	— 23,350
Brantford	747,352	608,773	+ 138,579
Fort William	631,323	403,227	+ 228,096
Lethbridge	761,906	437,903	+ 324,003
Medicine Hat	511,947	293,025	+ 218,922
New Westminster	259,448	217,666	+ 41,782
Peterboro'	548,866	502,267	+ 46,599
Totals	\$227,113,110	\$188,664,432	+ \$38,448,678
Sherbrooke	570,872		
Kitchener	604,423		

Regarding a despatch from London printed on page 48, in which it is stated that the "Deutschland" carried Canadian nickel on her first voyage, the British foreign office has informed the Canadian Associated Press that this was not necessarily Canadian nickel and directed attention to a statement of Lord Robert Cecil, under secretary, who, when speaking in regard to a statement made by him in an interview in the American press, that certain amounts of nickel emanating from allied territory, which were despatched to the United States, ultimately found their way to Germany on board the "Deutschland," said this is no way referred to nickel from Canada, and he had no further intention to criticize the arrangement for controlling Canadian nickel.

The National Life

ASSURANCE COMPANY OF CANADA

Head Office - TORONTO

ELIAS ROGERS, President

ALBERT J. RALSTON,
First Vice-President and Managing Director

F. SPARLING,
Secretary

EIGHTEENTH ANNUAL REPORT

	1906	1911	1916
Assurance in Force - -	\$5,802,358.00	\$14,453,866.00	\$23,883,130.00
Total Assets (not including Uncalled Capital)	720,405.00	1,808,272.00	3,630,194.00
Premium & Interest Income	219,537.22	555,446.18	900,309.60
Surplus - - -	170,508.75	352,903.00	489,539.08
Payments to Policyholders	23,146.14	91,015.00	211,066.69

<u>Total Amount of New Paid Business, 1916</u> - -	\$5,457,957.00
<u>Net Gain over 1915 Paid Business</u> - - -	1,148,660.00
<u>Gain of Assurance in Force</u> - - - -	2,688,975.00

Points of Interest

THE ABOVE FIGURES GIVE AN EXCELLENT IDEA OF THE STEADY PROGRESS OF THE NATIONAL LIFE. THE COMPANY STILL MAINTAINS ITS UNBROKEN RECORD OF EIGHTEEN YEARS, NO INTEREST OR PRINCIPAL ON ITS INVESTED FUNDS OVERDUE OR IN ARREARS. THIS IS A RECORD OF WHICH WE ARE JUSTLY PROUD, AND WHEN IT IS CONSIDERED THAT THE AVERAGE RATE OF INTEREST EARNED IS APPROXIMATELY 5½%, OUR POLICYHOLDERS, AND OTHERS INTERESTED, MAY BE ASSURED IN THE KNOWLEDGE THAT THIS DEPARTMENT IS BEING WISELY ADMINISTERED.

Write for your copy of the Annual Report giving full details.

THE NORTHERN CROWN BANK

The Eleventh Annual General Meeting of the Shareholders of the Northern Crown Bank was held at the Banking House, Winnipeg, on Wednesday, 10th January, 1917, at 12 o'clock, noon.

These were present: Sir. D. H. McMillan, Elisha F. Hutchings, Wm. R. McConnell, L. C. Barr, Hiram Keech (Stoney Mountain), R. J. Macpherson, R. McKenzie, A. S. Bond, J. H. Riley, Henry S. Gooderham (Toronto), W. A. Cockshott, Sheriff Inkster, Jas. McKenty, John Allonby, John Stovel, Capt. Wm. Robinson, Jas. H. Ashdown, C. N. Mitchell, Rev. S. G. Bland, Noah Bowman, Wm. R. Bawlf, F. W. Sprado, D. A. McArthur, O. Montgomery, Neil J. McGregor, Alex. Reid, Sir D. C. Cameron, K.C.M.G., Harry J. Lennox, H. W. Dearman, F. Steele and others.

Upon motion by Capt. Wm. Robinson, seconded by Mr. John Stovel, the President, Sir D. H. McMillan, took the Chair.

It was then moved by Mr. L. O. Barr, seconded by Mr. H. Keech, that Mr. R. Campbell, the General Manager, act as Secretary for the Meeting, and that Messrs. R. J. Macpherson and J. H. Riley act as Scrutineers.

The President called upon the Secretary to read the Annual Report as follows:—

THE REPORT.

The Directors of the Northern Crown Bank beg to submit to the Shareholders, the Eleventh Annual Report, showing the result of the Bank's business for the year ended 30th November, 1916, together with the usual Statement of Assets and Liabilities as at that date.

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDED 30th NOVEMBER, 1916.

The Balance at Credit of Profit and Loss Account on 30th November, 1915, was.....	\$ 21,630.08
Net Profits for the year ended 30th November, 1916, after deducting expenses of Management, and making full provision for all bad and doubtful debts	128,761.48
	<u>\$150,391.56</u>

Appropriated as follows—

War Tax on Bank Note Circulation to 30th November, 1916	\$ 17,436.70
Balance carried forward at Credit of Profit and Loss Account	<u>\$132,954.86</u>

D. H. McMILLAN, President.
R. CAMPBELL, General Manager.

ANNUAL STATEMENT TO SHAREHOLDERS AS AT THE CLOSE OF BUSINESS ON 30th NOVEMBER, 1916.

LIABILITIES.

Capital Stock paid in	\$ 1,428,797.19
Rest	715,600.00
Profit and Loss Account	132,954.86
Dividends Declared and Unpaid	704.06
	<u>\$ 2,278,056.11</u>
Notes of the Bank in Circulation.	\$3,336,320.25
Deposits Not Bearing Interest.	8,338,825.47
Deposits Bearing Interest, including interest accrued to date of statement	10,046,229.13
Balances Due to other Banks in Canada	686.60
Balances Due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	1,599.36
Acceptances Under Letters of Credit	25,672.95
Liabilities not included in the foregoing	1,875.72
	<u>\$21,751,209.48</u>
	<u>\$24,020,265.59</u>

ASSETS.

Current Coin held by the Bank	\$ 191,775.57
Dominion Notes held	846,404.75
Notes of other Banks	206,670.87
	<u>\$ \$1,244,851.19</u>
Cheques on other Banks	\$1,845,972.47
Balances due by other Banks in Canada	993,011.56
Balances Due by Banks and Banking Correspondents elsewhere than in Canada	1,484,378.74
Dominion and Provincial Government Securities, not exceeding market value, (Dominion Government War Issues, \$3,714,700)	3,756,220.80
Canadian Municipal Securities and British, Foreign and Colonial Public Securities, other than Canadian (Imperial Government Short-Term Munitions Loan, \$1,500,000)	1,671,697.72
Railway and other Bonds, Debentures and Stocks, not exceeding market value	220,536.28
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks	534,865.00
Deposit with the Minister for the purpose of the Circulation Fund	100,500.00
Deposit in the Central Gold Reserves	2,200,000.00
	<u>\$12,807,182.57</u>
	<u>\$14,052,033.76</u>

Other Current Loans and Discounts in Canada (less Rebate of Interest)	\$7,853,988.15
Capital Stock and Bonds in Subsidiary Company holding Bank Premises	1,250,000.00
Liabilities of Customers under Letters of Credit as per contra	25,672.95
Real Estate other than Bank Premises	36,621.02
Mortgages on Real Estate sold by the Bank	97,784.42
Overdue Debts, estimated loss provided for	241,306.76
Bank Premises (fittings, furniture and fixtures) at not more than cost, less amounts written off	375,611.48
Other Assets not included in the foregoing	96,247.05

9,977,231.83

\$24,020,265.59

D. H. McMILLAN,
President.

R. CAMPBELL,
General Manager.

In moving the adoption of the report, the president, Sir D. H. McMillan, said:—

"At the date of our last annual meeting the benefit resulting from the great crop of 1915 had already begun to be felt, and there were indications at that time that the results obtained from it would have far-reaching effects on the prosperity of the country and would go a long way to offset the depression that then existed in various lines of industry and in the real estate situation in the west.

"The requirements of the Imperial and Dominion governments for supplies and munitions had also to be filled, and the orders to Canadian firms created by these demands were beginning to have a beneficial effect on trade.

"Since that date the 1915 crop has moved steadily out of the country up to the time the 1916 crop was harvested, and partially marketed, at unusually high prices, and even now some of it still remains in the hands of our farmers. In the meantime orders for munitions and supplies have grown to enormous proportions, the result being that exports have in-

creased to such an extent that Canada's trade balance, hitherto against her, is now largely in her favor.

"The increase in bank deposits has been phenomenal, and the minister of finance has been enabled to borrow in Canada, for the conduct of the war, to an extent that would formerly have been quite impossible.

"At our last annual meeting it was pointed out that the deposits of this bank had increased from approximately \$10,000,000 in August, 1915, to \$14,126,000 on the 31st of December, 1915. It is gratifying to be able to report a further increase to \$18,385,000 at November 30th, 1916. This is a gain of approximately \$8,000,000 since August, 1915, and is \$2,000,000 more than they have ever been before. The highest point previously reached was \$16,000,000 in October, 1912.

"Loans, on the other hand, largely on account of the easy monetary conditions I have mentioned, have decreased to a considerable extent, being \$7,853,988 at November 30th, 1915.

"The funds released from loans have been invested temporarily in Dominion of Canada war issues, of which we hold \$3,714,700, and in Imperial government short date munitions loans, of which we hold \$1,500,000.

"You will be glad to hear that our surplus funds are now gradually finding their way into the ordinary loan channels.

"Liquid assets are exceptionally high, the total of \$14,052,033 being 64.6 per cent. of our liabilities to the public and 76.5 per cent. of our total deposits.

"Profits of \$128,761 show a considerable increase over 1915, and we look for greater profits this year in view of the increasing demand for money, of which there are now indications, and the generally improved business conditions in the Dominion.

"Earnings were a little over 9 per cent. of the capital of the bank, but in view of the uncertainty as to what effect either the continuation or termination of the war may have upon the financial situation, your directors deemed it the wisest course to pass the dividend for the half-year ended the 30th of November, and have carried the profits to Profit and Loss account after deducting the government war tax of \$17,436.70. It is their earnest hope that this may be the last dividend they will have to pass, and they are encouraged to believe that they will, if nothing unforeseen occurs, be in a position to resume payment of dividends from now on.

"There will no doubt be a period of readjustment after the war, and many opinions have been advanced as to what effect this period of readjustment will have upon the affairs of our country. Fears have been expressed that the sudden cessation of war orders may have a serious effect upon financial and trade conditions, but it must be borne in mind that those industries that have been fortunate enough to secure orders for the manufacture of munitions and equipment have, for the most part, been enabled thereby to greatly strengthen their financial position and to increase their capacity and efficiency for handling new business. These concerns should be in a position, at the close of the war, to take advantage of the opportunities that will inevitably occur to participate in the trade that will doubtless spring up in connection with the period of reconstruction which is expected to follow.

"As regards the west, it must be apparent to most thinking people that if we have not yet reached the limit of our depression we shall reach it before the end of the war, and not after it. The west is, generally speaking, not a manufacturing country, and the cessation of the war orders should consequently not affect its position to the same extent as it may affect the east. Our troubles, such as they are, have resulted more from over-speculation in land and in the decline of building activities than from any other causes. We depend for our prosperity largely upon what we can produce, and are in a position to supply precisely the commodities that will be required in less fortunate countries during the period of reconstruction.

"Is it possible that immigration may be retarded by lack of shipping accommodation, but we must remember that the huge armies now fighting in Europe must be demobilized, and that some scheme of colonization will probably be adopted. Demobilization must be commenced immediately after the war in order to cut down expenses. It must be done gradually, and in order that it may be done successfully it will presumably be undertaken by the respective governments of the nations at war. The process will probably take years, but the problem of transportation will, no doubt, be solved as other problems equally difficult have already been solved by those at the head of affairs.

"We are also told that immigration to Canada from the United States is at present held back by the fear of conscription and increased taxation. The first of these deterrents, even if the government should decide to enforce it, will disappear at the conclusion of the war. The second is a more serious and tangible difficulty that will have to be dealt with to the best advantage, or rather to the least disadvantage.

"We think we are safe in assuming, after taking all the pros and cons into consideration, that the end of the war cannot fail to bring increased prosperity to the west, but in view of conflicting opinions on the subject, and the uncertainty as to when the war will be over, we feel that we must continue to move with the greatest caution.

"We have not forgotten the effect the beginning of the war had upon us, and we must be prepared, as far as it is in our power, for any contingency that may arise."

"The progress of the bank for the past year has been highly satisfactory. Expenses are being held down to a minimum. The greatest care is being exercised in the conduct of the business, and it is reasonable to expect a steady improvement as years go on.

"I cannot close my remarks without a tribute to the gallant members of our staff who have joined the forces in France. A number of these, I regret to say, have fallen in defence of the empire; others have been wounded, and two are prisoners of war in Germany. The positions of the 165 men who have gone to the front have largely been filled by women, of whom we now have 102 in the service.

"I move that the report be adopted."

In seconding the adoption of the report the vice-president said:—

"In rising to second the adoption of the report, I need hardly say that I agree with what has been said. I am glad to say that the progress the bank has made in the last year has greatly encouraged me.

"You may not have forgotten that between October, 1912, and August, 1915, there was a shrinkage of nearly 40 per cent. in the deposits of the bank, but the turning point came in August, 1915, and from that date deposits have increased very rapidly. In fifteen months the deposits have increased over \$8,000,000, and during the same period our loans were reduced about \$2,000,000, throwing about \$10,000,000 of cash into the bank in a very short time. It was naturally difficult for us to place all this money to advantage in commercial loans, and we took advantage of the opportunity to invest it temporarily in government and other securities, which accounts, to a large extent, for our immediately available assets being so high. However, it seems to me that depositors who read the statement which has been submitted to you to-day will come to the conclusion that there is no safer place to deposit their money than in the Northern Crown Bank.

"Judging from what the bank has done in such a short time, we may fairly anticipate great strides ahead as soon as conditions become favorable.

"Our experience has taught us that when our deposits reach a figure in the neighborhood of \$20,000,000 we shall be on a high earning basis, and we are not far from that point now.

"I really hope that we are now on the road to prosperity.

"I think I have mentioned before that the directors of this bank are more devoted to its affairs than the directors of any financial institution that I have ever been connected with.

"The bank has earned much more than enough to pay a dividend, and the money has been carried into Profit and Loss account. What we want to do is to establish the bank on a good sound basis.

"Our record for the past year would indicate that we have the confidence of the public, and, with the experience of past years, we ought to do better in the future than we have done in the past.

"It must be borne in mind that this bank has passed through a very trying period, and has had to contend with probably more difficult conditions than almost any other young bank, and it is really remarkable what has been done.

"Our funds are now fully invested, and we should feel the benefit this year, although a proportion of our surplus funds have necessarily had to be invested at comparatively low rates.

"I have much pleasure in seconding the adoption of the report."

In the discussion that ensued, upon the invitation of the president, Mr. Alexander Reid said:—

"I am very gratified with the statement that has been presented to us, but I cannot quite agree with the stand the directors have taken. It seems to me that both the statement and the remarks of Capt. Robinson show that you have had

difficulty in using the money that has been available. Now there are a great many shareholders in this bank who invested their money with a view to getting something back.

"While I am not going to make any motion to change the decision the directors have come to, I would like to point out to them that when they are in such a strong position I think they should pay a small dividend, even if it is only 3 per cent. There are people in this city who have their money invested and need it now. I left the meeting a year ago expecting that we would soon get a dividend, and I think when the bank is in such a strong position they should pay at least 3 per cent.

"I am glad to see that the bank is in an exceptionally strong position. I think it always has been able to show a very good statement."

Mr. Ashdown replied:—

"I would like to say, with regard to the position of the bank, that a year ago when we cut our stock in half I was one of the strongest advocates that this should be done. I cannot see that the position of the shareholders was in any way impaired by it, but we put ourselves in a better position. There was some opposition to this, but I noticed that in all the financial journals it was favorably commented upon, and the passing of the dividend in the same way. Now we have gone on, and we are in a very strong position. With the number of other large and strong institutions to compete with we have not got the amount of mercantile business that we would like to have, and we have been obliged to invest the money largely in government loans. These loans do not pay the percentage of profits that you expect, because you have got a large proportion of your deposits which are themselves interest bearing. You must take into consideration the expenses of maintaining an institution of this sort; the large number of employees, and so on.

"There is also the question of the government tax, which bears heavily on a small bank of this kind. We felt these difficulties much more than the older banks, and the difficulties caused by the amalgamation with the Crown bank and everything of the sort. It was a most unfortunate position we got in, but we are now getting on a good sound basis. The directors have endeavored to keep expenses down to a low figure, and to get all the safe business they could of a mercantile character, but it must be remembered that with the large number of other institutions competing for the mercantile business, it was hard to get the business we would have liked.

"I would have liked, and I have looked forward to, our being able to pay a dividend for the half-year that is passed,

but I thoroughly concur with, in fact, I have been an advocate of, the course that has been decided upon by the directors, and I can only ask that the shareholders content themselves for a short time. I do not think there is any doubt but that the policy of paying a regular dividend will be commenced and carried on in the future."

The president, in putting the motion for the adoption of the report to the meeting, added the following remarks in reply to Mr. Reid:—

"I might just say, regarding the objection that has been made, I am not surprised at it. It is just the way I feel myself. I think everyone of the shareholders expected to receive a dividend, but was disappointed. I might say that when the matter was being considered by the board there was some little discussion as to whether a dividend should not be paid. We have earned it—we have earned double it. I think we have the bank established now in a safe position, and what Mr. Ashdown has said will be carried out in future, and this is the last time, I hope, the bank will have to pass the dividend."

It was then moved by Mr. W. R. McConnell, seconded by Mr. J. H. Riley, that Messrs. A. A. Benton and Douglas Dewar, of Messrs. Marwick, Mitchell, Peat & Company, be appointed joint auditors for the year 1917.

It was then moved by Mr. R. J. Macpherson, seconded by Mr. D. A. McArthur, that the thanks of the shareholders be tendered to the directors, general manager and staff. Mr. Macpherson accompanied the motion by a few well-chosen remarks, which were suitably replied to by the president.

It was then moved by Mr. C. N. Mitchell, seconded by Rev. S. G. Bland, that the annual election of directors be proceeded with, resulting in the following gentlemen being elected:—Sir D. H. McMillan, K.C.M.G.; Capt. Wm. Robinson; Jas. H. Ashdown, Esq.; W. R. Bawlf, Esq.; Sir D. C. Cameron, K.C.M.G.; E. F. Hutchings, Esq.; A. McT. Campbell, Esq.; John Stovel, Esq.

While the scrutineers were counting the ballots, Mr. Ashdown said:—

"I would like to say that there has been only one change on the board of directors, which was caused by the death of Mr. H. T. Champion. Mr. W. R. Bawlf has been selected by the directors to fill that position, and I may say, for myself. I do not think we could possibly have succeeded in getting anyone that would have been better suited to help us in our work."

At a subsequent meeting of the board of directors, Sir D. H. McMillan, K.C.M.G., was re-elected president, and Capt. Wm. Robinson, vice-president.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Campbellton, N.B.—Tenders close on January 22nd for \$35,000 5 per cent. bonds. J. T. Reid, town clerk.

Winnipeg, Man.—City treasurer H. C. Thompson has reported to the board of control the receipt from J. P. Morgan and Company of a cheque for \$20,423.

The reduction of the city's debt as a consequence of the transaction, while nominally \$476,715.90, is really more. Added to this amount is the extra profit and the utilization of that part of the sinking fund effected by the conversion and other amounts, these together enabling the calling in of stock to the amount of \$572,295, by which amount the city's debt will be really reduced.

The city treasurer recommends that stock issued under the following by-laws be as a consequence cancelled:—

By-law No.	Purpose.	Maturity.	Amount.	Annual levy.	Reserve at Mar. 1, '17.
5544	Bridges	1941	\$232,541.00	\$4,504.63	\$29,506.22
5460	Police patrol service	1941	60,000.00	1,162.28	7,613.15
6358	Fire halls	1941	60,000.00	1,162.28	7,613.15
5546	Fire alarm system	1941	145,293.79	2,814.54	18,435.76
4218	Fire halls	1941	49,460.40	881.89	5,849.53
6350	Osborne Street bridge	1941	25,000.00	445.75	2,956.64
			\$572,295.19	\$10,971.37	\$71,974.45

To do this it will be necessary for the council to authorize the conversion of an additional \$95,579.29 of the 1940-1960 stock, and for the sinking fund trustees to be notified of the intention of the city to cancel the stock named.

Although the interest on the new issue will be increased by the transaction, the buying in of the stock named will effect an immediate net annual saving of \$12,000 over this amount, which will, year by year, be increased to \$34,000.

St. Hyacinthe, Que.—Tenders close on January 24th for a block of 5 per cent. serial bonds. A. Messier, city clerk.

Souris, Man.—Tenders close on February 5th for an issue of \$15,000 6 per cent. 20-installment bonds. J. W. Braekey, secretary-treasurer.

Redcliff, Alta.—The borrowing of \$35,000 from the Royal Bank for current expenses pending tax collections has been authorized.

Toronto, Ont.—Finance Commissioner Bradshaw has succeeded in securing a temporary loan of \$2,000,000 at 3.40 per cent. The money is required pending the collection of taxes for the present year. The loan was arranged in New York.

Windsor, Ont.—An issue of \$130,727 bonds were awarded to Messrs. G. A. Stimson and Company, Toronto. Eleven bids were received.

Montreal, Que.—An issue of \$1,500,000 5 per cent. 30-year bonds of the Montreal Roman Catholic School Commission has been sold to Credit Canada, Limited, Montreal.

Etobicoke, Ont.—For an issue of \$6,000 6 per cent. 25-installment bonds the following tenders were received and the first-named firm received the award: G. A. Stimson and Company, 106.45; Canada Bond Corporation, 105.97; A. E. Ames and Company, 105.62; Macneill and Young, 105.00; C. H. Burgess and Company, 104.83.

The Imperial Guarantee & Accident Insurance Company of Canada

Directors' Twelfth Annual Report for the Twelve Months Ending Thirty-first December, Nineteen Hundred and Sixteen.

The Directors have much pleasure in submitting to the Shareholders their Twelfth Annual Report for the twelve months ending December 31st, 1916.

During the year the Directors secured a license to carry on the business of insuring Automobiles against Fire, so that the lines of insurance now written are: Personal Accident Insurance, Sickness Insurance, Elevator Insurance, Fidelity Guarantee, Plate Glass Insurance, and Automobile Insurance (including insurance of Automobiles against Fire).

BUSINESS: The Company issued 12,670 policies for insurance of \$34,107,135.00. The premiums thereon amounted to \$267,770.19. The interest earnings amounted to \$18,486.60, being an increase of \$1,341.40.

ASSETS: The Assets of the Company now amount to \$447,933.43, and the investments are all first-class securities bearing good interest returns.

SURPLUS: The Contingent Reserve Fund now amounts to \$20,000.00, and the surplus to policyholders is \$286,030.74, which, together with the uncalled subscribed Capital of \$800,000.00, makes the available security for all contracts \$1,106,030.74.

The Certificate of the Auditors is appended to the Financial Statement as to the audit of the Company's affairs.

HERBERT C. COX,
President.

Toronto, January 12th, 1917.

Statement for Year Ending December 31st, 1916.

PROFIT AND LOSS ACCOUNT.

Dr.	
To Claims, Commission and Expenses	\$235,733.95
" Reinsurance and Refunds	20,400.17
" Reserve for Unearned Premiums, December 31st, 1916	95,601.63
" Added to Contingent Reserve Fund	5,000.00
" Dividend paid January 1st and July 1st, 1916	16,000.00
" Balance	86,030.74
	\$458,766.49

Cr.

By Balance Profit and Loss, December 31st, 1915	\$ 77,888.94
" Premiums	267,770.19
" Interest	18,486.60
" Reserve for Unearned Premiums, December 31st, 1915	94,620.76
	\$458,766.49

BALANCE SHEET.

Assets.	
Bonds and Debentures, depreciated value	\$307,614.25
Real Estate	2,324.03
Loans on Mortgages.....	9,400.00
Accrued Interest	1,659.17
Outstanding Premiums (Reserve on same included in Liabilities)	40,549.16
Other Assets	12,670.85
Cash in Savings Bank bearing Interest	57,871.16
Cash in Banks and on hand	15,844.81
	\$447,933.43
Liabilities.	
Government Reserve for Unearned Premiums....	\$ 95,601.63
Reserve for Filed and Unfiled Claims.....	33,836.06
Contingent Reserve Fund	20,000.00
Sundry Accrued Accounts	2,965.00
Dividend payable January 1st, 1917	8,000.00
Suspense Account	1,500.00
Capital Stock Paid	\$200,000.00
Surplus over all Liabilities	86,030.74
	286,030.74
	\$447,933.43

AUDITORS' CERTIFICATE.

We have audited the accounts of the Imperial Guarantee and Accident Insurance Company of Canada for the year ending December 31st, 1916. We have examined the securities and verified the Cash and Bank Balances, and we certify that the above Balance Sheet shows the true position of the Company at that date.

CLARKSON, GORDON & DILWORTH,
Chartered Accountants.

Toronto, January 12th, 1917.

WEST DESIRES EFFECTIVE WAR ORGANIZATION

A petition signed by Winnipeg's business interests who favor conscription of the whole power of the Dominion, both of men and money, has been presented to Premier Sir Robert Borden. This states that the time has come when the government's requirements should be enforced, and not be optional, pertaining to all matters in connection with the war. The annals of war have displayed time and again the victory of superior organization over superior resources with inferior organization. They urge the reinforcing of the government by the selection from business and labor circles in Canada of men who would bring the same vigor and intelligence to their work that they have already exhibited in connection with their business, with a view of having a cabinet that could, in the present emergency, at once enforce its views without unnecessary delays.

Those signing the petition were Messrs. A. M. Nanton, George Allan, R. T. Riley, J. H. Munson, K.C.; A. F. D. MacGachen, F. Morton Morse, C. W. Rowley, W. J. Bulman, W. J. Tupper, C. F. Roland, M. Bull, W. R. Allan, John Galt, F. L. Patton, A. L. Crossin and Edward Anderson, K.C.

The Manitoba Grain Growers in a resolution also urge that a census of the wealth of Canada should be immediately taken with a view of improving upon it to the full share of the burden it should bear in this time of national sacrifice, and further that these resources can only be organized to their full efficiency by a national government in which the interests of political parties shall be made entirely subservient of the interests of the state.

Mr. R. J. Younge, joint general manager of the Export Association of Canada, has addressed a letter to members of the association reminding them that arrangements are already being made for the Lyons Fair to be held on March 1-15. The main object of this fair, Mr. Younge says, is to replace the Leipsic Fair. It was held for the first time last March, and although organized at short notice, was most successful, exhibits being displayed by 1,342 firms, and actual orders booked amounting to 52,000,000 francs. Fourteen members of the association exhibited, and a number of them received orders and inquiries. The association will endeavor to place and superintend exhibits for its members this year as it did last year.

GREAT WEST PERMANENT LOAN COMPANY

Campaign for Proxies is in Full Swing—Another Letter Issued

The Shareholders' Protective Association, appointed in connection with the affairs of the Great West Permanent Loan Company, the Canada National Fire Insurance Company and the Imperial Canadian Trust Company, of Winnipeg, has formed other committees throughout Western Canada. These committees are endeavoring to gather sufficient proxies to bring about a change in the board and management of the companies at the annual meetings next month. Neither the present management nor the Shareholders' Protective Association has announced its success to date in this struggle for proxies.

The latest contribution to the exchange of circulars and letters between the present management, the shareholders and the protective association is a letter from the Great West Permanent Loan Company, dated January 12th, and signed by W. T. Alexander, E. L. Taylor, F. H. Alexander, D. E. Sprague, J. H. G. Russell, R. G. Affleck and J. G. Hargrave. This letter says in part:—

"The directors and the management are pleased to report to the shareholders another successful year. This is very gratifying in view of the many adverse conditions such as moratoria and war relief acts, crop failures and hail losses in certain districts, combined with a general business and financial depression, resulting, in a large measure, from the war. For the year just closed the company paid two half-yearly dividends at the rate of 8 per cent. per annum, while the surplus profits were much greater than the previous year.

"This company, with its very extensive organization throughout Canada and the British Isles, ranks as one of our leading Canadian loan companies, in assets, paid-up capital, reserve, dividends, etc. Its progress during good times as well as in times of depression, and the present strong financial standing of the company, speak for themselves, and re-

fect great credit on the management, the officers, of which it may be remembered, were the organizers of the company, and have, during their tenure of office, done all in their power to promote the interests of the shareholders and generally build up a strong and successful institution.

Honesty and Efficiency.

"From the inception of the company about 15 years ago, the management has been known and credited for its honesty, efficiency and progressiveness. No promotion fees nor bonus stock were allowed or given to anyone in connection with the organization of this company, and with the satisfactory record of the company, the management has deservedly enjoyed the confidence of the shareholders.

"It is only recently that a small clique of shareholders, headed by Mr. H. Sandison, who has for years aspired to become a director, and Mr. E. F. Hutchings, who lately sold all his stock holdings and retired from the board (the reason for his action having been explained in the recent folder mailed you by the company), inaugurated a campaign, characterized by its bitter and unwarranted attack on the officers of the company, with the object of not only destroying the long-established confidence of the shareholders in the management, and doing their utmost to discredit it, but of advancing their own selfish interests, and, notwithstanding the statements made in their literature to the contrary, apparently without regard to any injury which the company and the shareholders might suffer through such a malicious campaign."

The letter concludes with a strong appeal for proxies.

Hutchings Still In.

The statement made in this letter that Mr. Hutchings lately sold all his stock holdings, has been denied by Mr. Hutchings in a letter to Mr. T. Sharpe, chairman of the re-organization committee of the companies. That communication said in part:—

"I take the opportunity of entirely contradicting same. As a matter of fact, I still have considerable holdings of fully paid up stock in these companies."

TO INVESTORS

THOSE WHO, FROM TIME TO TIME, HAVE
FUNDS REQUIRING INVESTMENT
MAY PURCHASE AT PAR

DOMINION OF CANADA DEBENTURE STOCK

IN SUMS OF \$500, OR ANY MULTIPLE THEREOF

Principal repayable 1st October, 1919.

Interest payable half-yearly, 1st April and 1st October by cheque (free of exchange at any chartered Bank in Canada) at the rate of five per cent per annum from the date of purchase.

Holder of this stock will 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.

A commission of one-quarter of one per cent will be allowed to recognized bond and stock brokers on allotments made in respect of applications for this stock which bear their stamp.

For application forms apply to the Deputy Minister of Finance, Ottawa.

DEPARTMENT OF FINANCE, OTTAWA
OCTOBER 7th, 1916.

Investment—Satisfaction—Return

INVESTMENT—Canadian Government and Municipal Bonds offer exceptional opportunities for sound investment.

SATISFACTION—In the knowledge that your money is safely and wisely invested, you will experience satisfaction and comfort.

RETURN—In addition to being absolutely safe, the income return is unusually good, ranging from

5% to 6%

Write to us to-day for a copy of our January Bond List.

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CANADIAN BONDS AND DEBENTURES

Bought, Sold and Appraised

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Investments of January Funds

GOVERNMENT AND MUNICIPAL BONDS

	Maturing	To Yield
		Price on
		Application
Dominion of Canada (War Loan)	5% 1931	5%
City of Toronto	5% 1926-1940	5%
Province of Saskatchewan ...	4½% 1919	5.30%
“ “ “	“ 1923	5.30%
Town of North Bay	6% 1921-1938	5½%
Municipality, Point Grey, B.C.	5% 1953	6%

Full particulars on request

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£20,000 (\$97,333.33)

CITY OF WINNIPEG, MAN.

4½% REGISTERED STOCK

DUE 1 FEBRUARY, 1963 INTEREST PAYABLE
1 FEBRUARY AND AUGUST

PRINCIPAL AND INTEREST PAYABLE AT THE
FIXED RATE OF EXCHANGE OF \$4.86½ TO THE £.

PARTICULARS OF MUNICIPALITY:

ASSESSED VALUATION..... \$280,791,340

GENERAL DEBENTURE DEBT.... 5,051,170
LESS SINKING FUND..... 350,792

NET DEBENTURE DEBT \$ 4,700,378

POPULATION—203,000 AREA—14,685 ACRES

PRICE: 86.23 AND INTEREST
(YIELDING 5.30%)

NEW YORK LONDON, ENG. DETROIT

LIFE COMPANIES' INVESTMENTS

Premiums Outstanding Show Wide Variation as Between Individual Companies

BY R. W. BARTON, A.I.A.

II.

Bonds and debentures decreased rapidly in favour until 1914, when, partly owing to more attractive interest rates prevailing and, in 1915, to investments in Canadian government war issues, they started on an upward trend.

The decrease in this security 1910-13 corresponds largely with the increase in mortgages during that period and subsequently conditions are reversed.

Stocks also show a diminishing tendency. Owing to restrictions under the insurance act, 1910, and the fact that they are chiefly held by a few offices, that are rapidly clearing them from their books, it is probable that this holding will be still further reduced. From the nature of the security, they are not the most desirable form of investment—as a class—for life companies and in fact, have been in the past largely acquired by way of bonus on purchase of bonds, or debentures. A practice less common than it was a few years ago.

Collateral loans are small and variable. These are call loans and for the most part, are only made by companies to secure some interest return, while money is being accumulated for a special purpose—such as a large permanent investment, or the payment of a quinquennial bonus.

Increasing Cash Percentage.

Of the uninvested assets, cash, shows an increasing percentage, but as will be seen later, it varies, chiefly with the special requirements of individual companies. It is still the general aim to reduce "cash" holdings to the minimum for immediate requirements.

"Interest and rents due and accrued," show an increasing percentage, which, on the surface, is not easy to account for.

The reason is to be found in the increased holdings in mortgages, in respect of which interest payments made on the due date are the exception and not the rule—partly on account of which a higher rate of interest is charged on these loans.

The moratoria and other measures enacted since the war started, have also added to this unfavorable feature.

Premiums Outstanding and Deferred.

"Premiums outstanding and deferred" have not varied to any large extent. In the tables which appear further on, however, it will be seen that in this item, there is a somewhat wide variation between individual companies. In the younger companies there is no doubt greater leniency in dealing with laggard payers; while the aggressive campaigns for new business, conducted at the end of the year, tends to make outstanding premiums abnormally high at this period.

"Other assets" are almost negligible in quantity and embrace odd items outstanding at the end of the year, such as reassurances due from other companies.

A separate investigation of the distribution of the assets in the larger companies, is illuminating in this respect. The author contributed an article to the annual number of *The Monetary Times* on this phase of the subject. The figures showed, it will be recalled, that in the main, the characteristics of the table, regarding all Canadian companies, were clearly exhibited in each of the individual companies, noted in the table printed in the annual number, although the percentages of similar securities held by the different companies, varied 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.

Two features 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."

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 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 mortgages, 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.

Invested and Uninvested Assets.

An examination of the distribution of the assets into invested and uninvested, shows a marked decrease in the invested assets, as will be seen in the following table:—

TABLE 4—INVESTED AND UNINVESTED ASSETS

Company.	Year.	Assets		
		invested.	Cash. uninvested.	
A	1911	95.79	.72	3.49
	1912	96.04	.37	3.59
	1913	95.72	.45	3.83
	1914	94.33	1.63	4.04
	1915	94.88	.66	4.46
B	1911	93.81	.93	5.20
	1912	93.58	1.11	5.31
	1913	92.51	1.59	5.90
	1914	93.13	.73	6.14
	1915	92.88	1.13	5.99
C	1911	92.33	.10	7.57
	1912	92.08	.19	7.73
	1913	91.56	.91	7.53
	1914	89.96	1.80	8.24
	1915	89.71	3.01	7.28
D	1911	92.27	2.38	5.35
	1912	92.41	1.69	5.90
	1913	91.32	2.43	6.25
	1914	91.38	2.84	5.78
	1915	90.49	4.20	5.31
E	1911	94.39	1.04	4.57
	1912	93.99	1.42	4.59
	1913	92.62	2.54	4.84
	1914	94.05	.64	5.31
	1915	93.48	1.12	5.40
F	1911	96.24	.87	2.89
	1912	95.30	1.91	2.79
	1913	95.73	1.49	2.78
	1914	96.06	.90	3.04
	1915	94.99	1.94	3.07
All Canadian companies	1910	94.40	1.34	4.26
	1911	94.21	1.31	4.48
	1912	94.07	1.37	4.56
	1913	93.83	1.44	4.73
	1914	93.39	1.61	5.00
	1915	93.17	1.88	4.95

Here it will be noted at once that the percentage of invested assets varies widely in the different companies, but that a decrease is a marked feature in all, as it is in the combined Canadian experience.

(To be Continued.)

To provide for the continuance of work on the Pacific Great Eastern Railway, the British Columbia government has passed an order-in-council providing for a loan of \$500,000 by the Canadian Bank of Commerce to the company.

Why Burden Your Wife?

If you wish to appoint your wife as executrix or trustee under your will, why not assist her to carry the heavy burden by appointing this Corporation as co-executor?

Your estate will thus have the advantage of the personal direction which she can give, and she will be relieved of the burdensome details necessarily involved in the management of any estate. Also she will receive invaluable assistance in regard to investments.

Our officers will be glad to confer with you in regard to the making of your will or any trust business you may have in mind.

2261

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Managing Director
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The Northern Trusts Co.

Executor, Administrator, Trustee

No moneys on deposit; No Bonds or Debentures issued

The clause in the Company's Charter enabling it to include in its activities the acceptance of moneys on deposit and the issue of Bonds and Debentures was, at the special request of the original Directorate, struck out.

Sole liability to the public represented by Guaranteed Mortgage Investments to an amount not exceeding the paid-up Capital of the Company, and secured in each instance by improved Farm and City Property to the value of more than double the amount of the mortgage investment.

Head Office .. Winnipeg

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 Canada

CAPITAL AND UNDIVIDED PROFITS .. \$3,550,000

5%

SHORT TERM (5 YEARS)
DEBENTURES
YIELD INVESTORS

5%

ASSETS OVER \$8,000,000

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THE Bond and Debenture Corporation OF CANADA, LIMITED

WESTERN MUNICIPAL AND SCHOOL DEBENTURES

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6%

First Mortgage Bonds

Earnings about five times amount required for interest charges.

Listed on the New York Stock Exchange.

Price 101 and accrued interest

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Chicago Philadelphia Buffalo
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SEVEN CANADIAN BANKS IN NEW YORK

Union Bank is Establishing Agency There—Fifteen Branches in United States

The opening of a New York agency by the Union Bank of Canada brings up to seven the number of Canadian banks with branches in that centre. Those of our institutions which now have agencies in New York are as follows: Bank of British North America, Canadian Bank of Commerce, Merchants Bank of Canada, Bank of Montreal, Bank of Nova Scotia, Royal Bank of Canada and Union Bank of Canada.

Mr. F. E. Kenaston, of Minneapolis, in speaking at the annual meeting of the Union Bank, at Winnipeg, last week, stated that the present business conditions brought on by the great war, have made New York City a great financial centre and in order to avail itself of its proper share of the empire's financing at the present time, and to assume its share of solving the financial problems which are bound to ensue at the close of the war, the Union Bank has deemed it wise to establish an agency in New York City.

Advisory Committee Appointed.

The officers of the bank, in their negotiations for suitable connections there, had been fortunate, he added, in securing the services of Messrs. Stuyvesant Fish, Cornelius Vanderbilt and Gilbert G. Thorne, as members of an advisory committee. "These gentlemen are so well known everywhere on this continent that it seems superfluous to say a word in their praise," continued Mr. Kenaston, "but I cannot pass by the opportunity of saying that the names of these gentlemen, connected with any business institution or enterprise, is an absolute guarantee of conservatism, integrity and efficient management, and is an endorsement of the Union Bank itself, not only in New York City, but in the Dominion of Canada as well—a fact in which we, as stockholders, should take great pride. In summing up the situation, gentlemen, I am free to say that the Union Bank is going into New York City with its agency under the most favorable auspices possible."

Fifteen Branches in United States.

Canadian banks have now 15 branches in the United States as follows:—

Bank.	City.
Bank of Nova Scotia	Boston, Mass.
Bank of Montreal	Chicago, Ill.
Bank of Nova Scotia	Chicago, Ill.
Bank of British North America	New York, N.Y., 52 Wall Street.
Canadian Bank of Commerce ..	New York, N.Y.
Merchants Bank of Canada ...	New York, N.Y.
Bank of Montreal	New York, N.Y.
Bank of Nova Scotia	New York, N.Y.
Royal Bank of Canada	New York, N.Y.
Union Bank of Canada	New York, N.Y.
Canadian Bank of Commerce ..	Portland, Oregon.
Bank of British North America ..	San Francisco, Cal., 264 California Street.
Canadian Bank of Commerce ..	San Francisco, Cal.
Canadian Bank of Commerce ..	Seattle, Wash.
Bank of Montreal	Spokane, Wash.

IDEAL LIFE POLICY

Experience has shown that the ideal life insurance policy should cover three main contingencies: (1) it should protect the family in case of the death of the insured; (2) it should be an anchor to windward in case of financial disability of the insured himself; (3) it should provide at least the nucleus of an old age pension fund. It is recognized that the burden of premium payments should properly fall during the productive period of life. It has been found, furthermore, that very few men are financially independent in old age, and it seems desirable, therefore, that, after the need of protection for the family has to a large extent passed, the proceeds of the insurance should be available for the insured himself. The financial ability of the insured determines to a large extent the form of policy which shall best serve his purpose.—William H. Tennyson.

GROWTH OF PULP INDUSTRY

Exports of Paper for Last Fiscal Year, \$21,678,868—Bulk to United States

The progress that Canada is making toward becoming the world's centre for the manufacture of pulp and paper is indicated in figures recently published by the department of trade and commerce. For the year ended July, 1916, the exports of paper amounted to \$21,678,868, of which 88 per cent. went to the United States and 5.2 per cent. to the United Kingdom. This total is an increase of 31 per cent. over the figures for the year previous.

First Shipment in 1892

The rate at which this business has grown in Canada will be appreciated when it is realized that the first export shipment of paper from Canada was made in 1892, amounting to a total of \$91 for that year. The total exports for 1902 were but \$24,000, and for 1913 only \$6,327,000.

Taking the situation as a whole, the total exports of paper, pulp and pulp wood for the fiscal year ended July, 1916, were \$40,865,266, of which the United States received 87 per cent., and the United Kingdom 6 per cent. The increase over the previous year was 27 per cent. On the other hand, Canada imported, during the year ended July, 1916, \$6,327,298 worth of paper and manufactures of paper.

Drain Upon Resources.

The foregoing facts, in conjunction with the use of Canadian pulp and paper mills of nearly \$9,500,000 worth of pulp wood indicate the tremendous drain upon our pulp wood resources, according to a statement issued by the conservation commission. This drain is likely to increase rather than diminish in view of the rapid depletion of accessible supplies of timber suitable for pulp wood in the United States.

If this great source of national wealth is to be perpetuated, much more stringent measures than in the past must be taken to prevent destruction by fire and to ensure the restocking to valuable species of cut-over and burned-over areas.

BANK OF HAMILTON

Satisfactory banking results were obtained by the Bank of Hamilton during the past year. The profits aggregated \$442,525. The balance brought forward was \$175,821. Dividends accounted for \$360,000, pension fund \$18,790, the war tax on circulation \$30,000, and \$209,556 being carried forward.

Several substantial increases are shown in the balance sheet. Total assets are higher than in any previous return, showing a gain of 18.4 per cent., the amount being \$57,163,344. The liquid assets increased 28 per cent., largely due to British government short-date loans in connection with munition orders in Canada. Current loans show an increase of 13 per cent., chiefly due to the financing of grain in transit.

Deposits increased \$7,300,000, equal to 19.25 per cent. The deposits of all banks have increased, but the gain of Bank of Hamilton is considerably above the average, and is an outstanding feature of the statement. The bank's deposits have increased in ten years from \$24,000,000 to \$45,000,000, a noteworthy record. The notes in circulation show a gain of 26 per cent., and the bank has in the Central Gold Reserve \$1,500,000, which means that the excess circulation is covered dollar for dollar. The larger circulation this year is partly due to higher prices, and partly to the people carrying more money in their pockets than heretofore.

The Bank of Hamilton has developed strong connections particularly in Ontario and Western Canada, and has utilized its resources for Canadian business, associating itself also with the various credits and financial assistance rendered the Dominion and the British Empire. This progressive Ontario institution has been in business forty-five years, attaining an excellent reputation and good financial standing. It has a substantial directorate, and continues to make progress under the able management of Mr. J. P. Bell, the general manager, and his efficient staff.

8% NET FARM MORTGAGES

We want \$1,000 on each of thirty-two quarter sections of first-class land. Principal re-payable in five years; interest payable the First of January and the First of July. All expenses paid by the Mortgagors. Titles examined by MacDonald, Craig, Tarr & Ross.

D. A. DOWNIE & COY.
TRIBUNE BLDG. - - WINNIPEG, Man.

Wholesale Dealers in

Western Canadian School and Municipal Debentures

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Stocks and Bonds dealt in on all Exchanges. Western
Municipal, School District, Rural Telephone Debentures
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ROYAL BANK BUILDING, TORONTO.

5% DEBENTURES 5%

For a limited time we will issue debentures bearing 5% interest
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Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
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Reserve 685,902.02
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EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
LONDON, ENG. EDINBURGH, SCOT.

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President

NATHANIEL MILLS, Manager

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, \$724,550.00 Reserve Fund, \$530,000.00
Total Assets, \$3,386,136.85

President, SIR WM. MORTIMER CLARK, LL.D., W.S., K.C.
Vice-Pres., WELLINGTON FRANCIS, K.C.

Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.

Loans made on improved Real Estate on favorable terms.
WALTER GILLESPIE, Manager

GERMANS GOT OUR NICKEL

Submarine "Deutschland" Took Canadian Metal on Recent Trip

The nickel controversy, which has disturbed the peace of mind of International Nickel shareholders, was revived this week. A cable to The Toronto Star from its London correspondent, F. A. McKenzie, said:—

"The following authoritative statement in regard to nickel sales has been issued: 'Canadian nickel was sold in the United States through the International Company only to firms signing a stringent guarantee against reselling for exporting. The precautions taken thereunder for supervision by the British and Canadian governments proved satisfactory in every case save one, when the firm broke its bond and despatched a consignment of nickel through the "Deutschland." This breach of faith was soon discovered. Any ordinary vessel would have been intercepted before reaching Germany. Immediate steps were taken, which, it is believed, render further breach impossible. Export of nickel from the United States is finally controlled by British officials, not the Meritons. Two certificates are necessary from the British consul-general in New York and the British war trading department before exportation. Certificates are granted only after the most careful investigation of consignees. They are pledged not to resell.'"

This brought a statement from Hon. Howard Ferguson, minister of mines, Ontario, to the effect that "if there was a weakness in the arrangements the British government would no doubt take steps to see that there was not a repetition. We see from here that the nickel reaches the point where it is directly under British supervision, and then the

responsibility rests with them. In any event, it is very apparent that Germany is not getting much nickel from anywhere."

In a speech on Tuesday, Hon. W. D. McPherson, provincial secretary of Ontario, pointed out that the British government had not favored the stopping of the exportation of nickel from Canada, but had entered into an arrangement whereby Great Britain and her allies and companies engaged in making for them munitions in the United States would receive supplies of the metal, but enemy nations would not. He asserted that the arrangement had had the desired effect and that Canadian nickel had not fallen into the hands of the Germans. He pointed out the steps which the Ontario government had taken to have Ontario nickel refined in the province and to see that nickel companies paid adequate taxation.

Another Ontario cabinet minister recently stated, in effect, that the International Nickel Company would be paying heavier taxes in Canada in the comparatively near future. In the meantime, the German submarine "Deutschland" is said to be nearing America again and public interest is centred once more in the nickel question.

The Royal Bank of Canada has opened a branch at Dysart, Sask.

The annual review of the shipping season showing the export trade in Canadian products from the port of Montreal in 1916, has been issued by the Montreal Gazette. The facts and figures are gathered and compiled by the commercial department of that paper. The useful volume is well edited and its value is enhanced by the care and accuracy which are invariably given to the work of the commercial and financial editors of our Montreal contemporary.

LEGAL NOTICE

STANDARD STAMPINGS, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 11th day of December, 1916, incorporating: James Frederick Edgar, barrister-at-law; Lily Mae Lewis, stenographer, and Norman Robert Tyndall, draftsman, all of the City of Toronto, in the Province of Ontario; James Edward Maybee, patent solicitor, of the Village of Port Credit, in the said Province of Ontario, and George Patrick Mackie, book-keeper, of Birch Cliff P.O., in the said Province of Ontario, for the following purposes, viz.:—(a) To carry on the business of stampers, founders, metal workers, manufacturers, engineers and dealers in brass, copper, zinc, iron and other metals, and as machinists and smiths; to manufacture, buy, sell and deal in goods, wares and merchandise made in whole or in part of copper, brass, iron and other metals; to manufacture, buy, sell and deal in hardware of all descriptions, machines and machine supplies; (b) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (c) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company; (d) To apply for, purchase or otherwise acquire, any patents, licenses, concessions and the like, conferring any exclusive or non-exclusive, or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (e) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or hold, re-issue, with or without guarantee, or otherwise deal with the same; (f) To take, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (g) To enter into any arrangements with any authorities, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them, and to obtain from any such authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (h) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful

object; (i) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company; (j) To purchase, take on lease or in exchange, hire or otherwise acquire, any personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any machinery, plant, stock-in-trade; (k) To construct, improve, maintain, work, manage, carry out or control any roads, ways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufacturing, warehouses, electrical works, shops, stores and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof; (l) To lend money to customers and others having dealings with the company and to guarantee the performance of contracts by any such persons; (m) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (n) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company; (o) To apply for, secure, acquire by assignment, transfer, purchase, or otherwise, and to exercise, carry out and enjoy any charter, license, power, authority, franchise, concession, rights or privilege, which any government or authority or any corporation or other public body may be empowered to grant and to pay for, aid in and contribute towards carrying the same into effect, and to appropriate any of the company's shares, bonds and assets to defray the necessary costs, charges and expenses thereof; (p) To procure the company to be registered and recognized in any foreign country and to designate persons therein according to the laws of such foreign country to represent this company and to accept service for and on behalf of the company of any process or suit; (q) To raise and assist in raising money for, and to aid, by way of bonus, loan, promise, endorsement, guarantee of bonds, debentures or other securities or otherwise, any other company or corporation and to guarantee the performance of contracts by any such company, corporation, or by any other person or persons with whom the company may have business relations; (r) To adopt such means of making known the products of the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (s) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (t) To do all or any of the above things as principals, agents, contractors, or otherwise, and either alone or in conjunction with others; (u) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere, by the name of "Standard Stampings, Limited," with a capital stock of forty-five thousand dollars, divided into 450 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 13th day of December, 1916.

THOMAS MULVEY,
Under-Secretary of State.



It's a Hard Rub

For a woman to unexpectedly find it necessary to become a breadwinner. You wouldn't like your wife to come to that, would you?

But what about your widow? Why not provide for her a regular monthly income to begin at your death and continue as long as she lives? You can do it by means of an Imperial Life policy.

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO

NEW INCORPORATIONS

Western Paper Company with Capitalization of \$5,000,000 Gets Charter—Five Large Companies

Canada's new companies incorporated this week number 35. The head offices of these companies are located in five provinces. The total capitalization amounts to \$15,101,000.

The largest companies are:—

Ajax Rubber Company of Canada, Limited.....	\$1,000,000
Collingwood Shipbuilding Company, Limited.....	2,600,000
Hana Gold Mining and Development Company, Limited	1,000,000
Industrial Chemicals, Limited	2,750,000
Lake Winnipeg Power Company, Limited	5,000,000

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

Province.	No. of companies.	Capitalization.
Ontario	7	\$ 8,855,000
Quebec	18	4,387,000
British Columbia	7	790,000
Manitoba	2	1,020,000
New Brunswick	1	49,000
	35	\$15,101,000

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

Fernie, B.C.—The Croyden Lumber Company, Limited, \$25,000.

Ottawa, Ont.—Lake Winnipeg Power Company, Limited, \$5,000,000. D. B. McDonnell, E. Seybold, A. W. Fraser;

Water Purification, Limited, \$40,000. J. T. Mitchell, E. M. Knight, A. Wyman.

Vancouver, B.C.—The Britannia Extension Copper Mines Company, Limited, \$1,000,000. D. McLeod, J. J. Ford, A. M. \$10,000; Canadian Patriotic Films, Limited, \$10,000; Robertson and Hackett Sawmills, Limited, \$300,000.

Winnipeg, Man.—Hanna Gold Mining and Development Company, Limited, \$100,000; Texada Mines, Limited, Steiman; the Macdonald Sectional House Company, Limited, \$20,000. J. C. Dunbar, D. Robertson, N. J. Macdonald.

Toronto, Ont.—Gale Manufacturing Company, Limited, \$130,000. G. F. Lawrence, A. J. Sneath, Norma Lown; Ajax Rubber Company of Canada, Limited, \$1,000,000. W. D. Hamilton, R. S. Gilpin, J. F. Selby; Stevens-Aylesworth Company, Limited, \$10,000. R. D. M. Walter, J. Stewart, W. Gilchrist.

Montreal, Que.—Sovereign Realty and Investment Company, Limited, \$20,000. J. Crankshaw, Jr., J. T. Whelan, N. Swan; General Agencies, Limited, \$20,000. R. A. Leduc, W. R. Atkin, J. D. Lamy; Morgan Trust Company \$250,000. C. D. Morgan, F. C. Morgan, A. B. Barker; A. T. Stewart Company, Limited, \$50,000. A. T. Stewart, W. Barry, L. Daoust; the Universal Machinery Company, Limited, \$200,000. H. Johnson, C. R. Jones, H. C. Brennan; Industrial Chemicals, Limited, \$2,750,000. G. W. McDougall, L. Macfarlane, W. B. Scott; the Dignard Manufacturing, Limited, \$300,000. C. Dignard, A. Dignard, F. J. Clapin; North American Hardware Supply, Limited, \$49,000. L. Hurtubrise, E. Hurtubrise, L. Brault; Metro Films Service, Limited, \$40,000. L. A. David, L. P. Crepeau, S. R. H. Bush; Bartram and Ball, Limited, \$40,000. V. T. Bartram, J. B. Bartram, Irene Rouse; William Scully, Limited, \$100,000. D. R. Murphy, J. Martineau, M. Raymond; A. Hollander and Son, Limited, \$100,000. E. Lafontaine, N. Gordon, P. Bercovitch; Robert Maw and Company, Limited, \$50,000. T. B. Gould, Clara Thomas Laura M. Smith; Sam'l Osborn (Canada), Limited, \$50,000. A. W. Myles F. J. Laverty, J. W. Blair; Masters and Company, Limited, \$200,000. A. R. Holden, E. G. Bennett A. B. Wright.

DIVIDENDS AND NOTICES



TENDERS FOR PULPWOOD AND PINE LIMIT

Tenders will be received by the undersigned up to and including the 1st day of February, 1917, for the right to cut pulpwood and pine timber on a certain area situated on the Black Sturgeon River and other territory adjacent thereto, in the District of Thunder Bay.

Tenderers shall state the amount per cord on pulpwood, and per thousand feet board measure, on pine, that they are prepared to pay as a bonus in addition to dues of 40 cents per cord for spruce, and 20 cents per cord for other pulpwoods, and \$2.00 per thousand feet, board measure, for pine, or such other rates as may from time to time be fixed by the Lieutenant-Governor-in-Council, for the right to operate a pulp mill and a paper mill on or near the area referred to.

Such tenderers shall be required to erect a mill or mills on or near the territory and to manufacture the wood into pulp and paper in the Province of Ontario.

Parties making tender will be required to deposit with their tender a marked cheque, payable to the Honourable the Treasurer of the Province of Ontario, for ten thousand dollars (\$10,000), which amount will be forfeited in the event of their not entering into agreement to carry out conditions, etc. The said \$10,000 will be applied on account of bonus dues as they accrue, but the regulation dues, as mentioned above, will require to be paid in the usual manner as returns of cutting of wood and timber are received.

The highest or any tender not necessarily accepted.

For particulars as to description of territory, capital to be invested, etc., apply to the undersigned,

G. H. FERGUSON,
Minister of Lands, Forests and Mines.
Toronto, 1916.

N.B.—No unauthorized publication of this notice will be paid for.

CANADA CEMENT COMPANY, LIMITED PREFERENCE SHAREHOLDERS

DIVIDEND No. 28.

Notice is hereby given that a dividend of 1¾% for the three months ending December 31st, 1916, being at the rate of 7% per annum on the paid-up Preference Stock of this Company has been declared, and that the same will be paid on the 16th day of February next, to Preference Shareholders of record at the close of business, January 31st, 1917.

The Transfer Books of the Company will be closed from February 1st to 10th, both days inclusive.

By order of the Board of Directors,

H. L. DOBLE,
Secretary.

THE MONTREAL CITY AND DISTRICT SAVINGS BANK

The Annual General Meeting of the Shareholders of this Bank will be held at its Head Office, St. James Street, on Monday, the twelfth day of February next, at 12 o'clock noon, for the reception of the Annual Reports and Statements, and the Election of Directors.

By order of the Board.

A. P. LESPERANCE,
Manager.

Montreal, January 8th, 1917.

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of Two and one-half per cent. for the current quarter, being at the rate of Ten per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and at its Branches, on and after the 1st day of February next, to Shareholders of record at the close of business on the 15th day of January.

By order of the Board,

D. C. MACAROW,
General Manager.

Montreal, 26th December, 1916.

DEBENTURES FOR SALE

DEBENTURES.

Tenders will be received until Friday, the 26th January, 1917, for \$21,000 of Debentures of the Board of Trustees of the Roman Catholic Separate School of the City of Brantford, payable in twenty-five equal annual instalment payments of principal and interest of \$1,565.54 each, Debentures dated 1st December, 1916, interest 5½ per cent. payable yearly at Bank of Commerce, Brantford, interest coupons attached.

Total assessment of School Board, \$920,758. Total debt including this issue, \$39,645.28.

Address Tenders to "John Morgison, 64 Grey St., Brantford, Ont."

For further particulars, apply to A. E. Watts, Solicitor, Court House, Brantford, Ont.

ANOTHER BRITISH LOAN IN UNITED STATES

The third loan to be placed by the British government, arranged along the general lines followed in the two preceding operations, will provide \$250,000,000, making a total of \$800,000,000 borrowed in the United States on mobilized securities. With her share of the \$500,000,000 Anglo-French loan, the total government borrowing by Great Britain in the United States amounts to \$1,050,000,000.

Messrs. J. P. Morgan and Company, fiscal agents of the British government in the United States, made a formal statement on Wednesday of the newest offering. As was expected, the yield to investors was raised another point to meet the changed conditions. The first collateral loan for \$250,000,000 was sold last August on a basis to yield the investor 5½ per cent. The second loan for \$300,000,000, sold in October, netted 5¾ per cent. to buyers of the three-year notes and 5.85 per cent. to buyers of the five-year maturity. The present loan will yield 6 per cent.

As an additional attraction for investors, the new notes contain a conversion privilege considerably better than that which was provided in the Anglo-French loan. They may be exchanged at the option of the holder for 20-year 5½ per cent. bonds at any time prior to maturity.

The new issue will be secured by the deposit with a trust company of \$300,000,000 of collateral, half of stocks and bonds of United States corporations, including the Canadian Pacific Railway and bonds or other obligations of the Dominion of Canada, Newfoundland or Canadian municipalities or provinces, and the other half of obligations of Australia, South Africa, New Zealand, Argentina, Chile, Cuba, Japan, Egypt and India, with some bonds of dividend-paying British railroads.

Mr. J. P. P. Oliver, A.A.S., has been appointed secretary and actuary of the Security Life Insurance Company, Toronto.

PERSONAL NOTES

Mr. N. Sinclair has been appointed by the Sovereign Life Assurance Company to be supervisor of agencies in Ontario.

Mr. T. W. F. Norton, manager of the British Columbia branch of the Canada Life Assurance Company, has been appointed supervisor of the company's Toronto branch.

Mr. A. E. Black, Ottawa, has been appointed by the Mutual Life Assurance Company of Canada as general agent for the Huntingdon district, with offices at Huntingdon, Que.

Mr. G. M. Reynolds, president of the Continental and Commercial National Bank, of Chicago, has been elected a director of the Continental Insurance Company, of New York.

Mr. C. A. Crosbie, who has been western supervisor for the Royal Bank of their British Columbia branches (Vancouver) for the last twelve years, is resigning from the service.

Mr. C. Cassils has been elected vice-president of the Bell Telephone Company of Canada, of which he has been a director for many years. He succeeds the late Hon. Robt. Mackay.

Mr. W. Currie, who has been manager in New Brunswick for the Equitable Life Assurance Company, has been transferred to Halifax and made manager of the maritime provinces.

Mr. W. J. Underwood, London, Ont., has been appointed by the Mutual Life Assurance Company of Canada district agent for portions of Elgin and Kent counties, with offices at London.

Mr. W. P. Hess, formerly deputy superintendent for the Metropolitan Life Insurance Company at Galt, Ont., has been made superintendent at Barrie, Ont. He is succeeded at Galt by Mr. J. W. Smith, of Kitchener.

Mr. H. B. Shaw, who has become general manager of the Union Bank of Canada, has been in the bank's service for twenty-six years, having been assistant general manager for the past eight years, and previous to that having filled the position of superintendent of the bank's western business for eight years. Mr. Shaw is a well-trained, conservative and able banker, full of energy, and devoted to the best interests of the bank. The directors have watched his career closely and are satisfied that he will fill his new position with success. The friends of the bank, it was stated at the annual meeting last week, may rest easy in their minds, knowing that the policy of the bank will be unchanged, and that Mr. Shaw will carry on the traditions of the bank, which may be summed up as "service and security."

Mr. G. H. Balfour, who has decided to retire from the position of general manager of the Union Bank of Canada, is one of the prominent bankers of the Dominion who have worked their way, by merit and ability, from a junior position to the highest office in the institution. Mr. Balfour has given forty-seven years of service to the Union Bank, and as Mr. John Galt, the president, said last week, no one should find fault with his decision to take a well-earned rest. He has filled, in succession, every post in the bank, from that of junior clerk to general manager, and has filled that position during the past thirteen years, which have, without question, been the most prosperous in the history of the bank. "We all feel," said Mr. Galt, "that the remarkable progress of the institution is, in no small measure, due to the ability and well-balanced administration of Mr. Balfour. To his personality is also due the fine esprit de corps which pervades this institution at the present time. The story of his career should be a stimulating one to every officer in the service, as it shows what possibilities are before every able, energetic young man if he does his work faithfully and with a single eye to the welfare of the institution. During the many years I have known Mr. Balfour he has been, uniformly, the same courteous and high-minded gentleman. We all have a sincere affection for him, and it would be a real misfortune were we to lose him, but I am glad to say that he has agreed to join the board, and we shall, therefore, retain the benefit of his wisdom and experience."

We Own and Offer :

		Approximate Yield
Dominion of Canada	5's	5 $\frac{1}{4}$ %
Anglo-French Five Year	5 s	7%
United Kingdom of Great Britain and Ireland Secured Loan Notes	5 $\frac{1}{2}$ %	5 $\frac{3}{4}$ %
Province of Ontario <small>(Free from succession duties)</small>	4's	Price a on application

AND

A selected list of well-secured industrial bonds yielding up to 7 $\frac{3}{4}$ %.

Send for January List.

Ferguson, Sanson & Graham

TORONTO GENERAL TRUSTS BUILDING,

85 Bay Street, Toronto

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; "Positions Vacant," "Agents or Agencies Wanted," 3c. per word; other condensed advertisements, 3c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance.

LOAN MANAGER would accept change if suitable post offers. Correspondence invited with Box No. 23, *The Monetary Times'* Office, Toronto.

NOTICE.—A leading Guarantee and Accident Insurance Company requires the services of a thoroughly experienced Agency Inspector for Ontario. Applicants with satisfactory records only need apply. The Company's contracts are up to date and the position should be a good one to the right man. Apply in confidence, with full particulars as to salary, experience, etc., to Box 25, *The Monetary Times*, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

Set of Harvard Classics, 51 volumes complete, new, and unused, for sale at reduced price. Apply Box 27, *The Monetary Times*, Toronto.

Messrs. R. MacD. Paterson of Montreal; John T. Ross and G. G. Stuart K.C., of Quebec have been elected to the board of the Royal Bank following the completion of the absorption of the Quebec Bank by the Royal.

THE MONETARY TIMES WEEKLY STATISTICAL RECORD

DOMINION SAVINGS BANKS

POST OFFICE SAVINGS BANKS

BANK	Deposits for Dec. 1916	Total Deposits	Withdrawals for Dec. 1916	Balance on 31st Dec. 1916.
Manitoba:—	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Winnipeg.....	4,891.00	571,111.49	4,396.25	569,715.24
British Columbia:—				
Victoria.....	20,795.86	1,179,600.56	19,512.38	1,160,088.18
Prince Edward Island:—				
Charlottetown.....	48,566.00	1,960,961.99	23,619.20	1,937,342.79
New Brunswick:—				
Newcastle.....	1,121.00	271,094.32	2,127.00	268,967.32
St. John.....	48,759.98	5,382,009.31	55,062.97	5,326,946.34
Nova Scotia				
Amherst.....				
Barrington.....	30.00	118,770.69	135.00	118,635.69
Guysboro'.....	545.00	117,998.53	1,019.26	116,979.27
Halifax.....	25,834.90	2,524,368.72	21,847.36	2,502,721.36
Kentville.....	5,134.00	241,893.83	2,509.67	239,384.16
Lunenburg.....	8,823.00	422,491.80	2,415.68	420,076.12
Pictou.....				
Port Hood.....	29.00	86,705.05	293.70	86,411.35
Shelburne.....	3,147.39	226,571.46	3,646.87	222,924.59
Sherbrooke.....	1,801.00	100,107.59	1,395.45	98,712.14
Wallace.....	2,438.00	137,070.24	1,873.76	135,196.48
Totals.....	171,716.13	13,343,755.58	139,684.55	13,204,071.03

DR.		OCTOBER, 1916		CR.	
BALANCE in hands of the Minister of Finance on 30th Sept., 1916	\$ cts.	41,160,906.68	WITHDRAWALS during the month.....	\$ cts.	1,083,129.54
DEPOSITS in the Post Office Savings Bank during month.....		1,051,099.16			
TRANSFERS from Dominion Government Savings Bank during month:—					
PRINCIPAL.....					
INTEREST accrued from 1st April to date of transfer.....					
DEPOSITS transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada		4,249.47			
INTEREST accrued on Depositors accounts and made principal on 31st March, 1916 (estimate)					
INTEREST allowed to Depositors on accounts closed during month.....		8,324.59	BALANCE at the credit of Depositors' accounts on 31st Oct. 1916.....		41,141,450.36
		42,224,579.90			42,224,579.90

GOVERNMENT FINANCE

PUBLIC DEBT		1916		ASSETS—		1916		REVENUE AND EXPENDITURE ON ACCOUNT OF CONSOLIDATED FD.		Total 31st Dec. 1916		EXPENDITURE ON CAPITAL ACCOUNT, ETC.		Total 31st Dec. 1916	
LIABILITIES—	\$ cts.			Investments—Sinking Fds.	\$ cts.	13,249,186.93		REVENUE—	\$ cts.			War.....	\$ ct	170,229,748.92	
Payable in New York.....	75,357,000.00			Other Investments.....	138,673,112.12		Excise.....	18,452,361.09			Public Works, Railways and Canals.....	18,610,157.35			
Payable in Canada.....	308,806,931.69			Province Accounts.....	2,296,327.90		Post Office.....	14,150,000.00			Railway Subsidies.....	363,478.61			
Payable in England.....	362,703,312.40			Miscel and Bkg. Accounts.....	289,396,205.15		Pbc. Works, R'lways & Canals	19,793,911.06							
Temporary Loans.....	120,925,808.02			Total Assets.....	443,614,832.10		Miscellaneous.....	17,127,866.67							
Bank Circul'n Redemp. Fd.	5,755,554.26			Total Net Debt 31st Dec....	722,111,449.67		Total.....	166,856,349.15							
Dominion Notes.....	179,290,064.29			Total Net Debt 30th Novr....	706,128,082.14			81,696,605.10							
Savings Banks.....	54,660,623.45			Increase of Debt.....	15,983,367.53										
Trust Funds.....	10,224,830.38														
Province Accounts.....	11,920,481.20														
Miscel. and Bkg. Accounts.	36,081,676.08														
Debt.....	1,165,726,281.77														

CHARTERED BANKS' LATEST STATEMENT, NOVEMBER, 1916

ASSETS		1916
Current Coin in Canada.....		\$46,810,358
Current Coin elsewhere.....		35,733,507
Dominion Notes in Canada.....		118,823,635
Dominion Notes elsewhere.....		19,255
Deposits for Security of Note Circulation.....		6,856,837
Deposits Central Gold Reserve.....		43,300,000
Notes of other Banks.....		16,196,804
Cheques on other Banks.....		73,905,541
Loans to other Banks in Canada.....		6,079,847
Balance due from other Banks in Canada.....		27,268,638
Balance due from Banks in United Kingdom.....		48,423,944
Due from elsewhere.....		29,679,369
Dominion & Provincial Government Securities.....		165,470,146
Canadian Municipal Security.....		65,262,467
Bonds, Debentures, and Stocks.....		89,395,370
Call and Short Loans in Canada.....		183,260,389
Call and Short Loans elsewhere.....		813,791,947
Current Loans in Canada.....		76,087,370
Current Loans elsewhere.....		3,267,055
Loans to the Government of Canada.....		1,317,195
Loans to Provincial Governments.....		32,945,963
Loans to Municipalities.....		5,048,974
Overdue Debts.....		5,322,219
Real Estate other than Bank Premises.....		1,732,861
Mortgages on Real Estate.....		49,533,158
Bank Premises.....		

Liability of Customers.....	\$9,382,261
Other Assets.....	2,596,216
Total Assets.....	\$1,957,511,502
LIABILITIES	
Capital Authorized.....	\$188,866,666
Capital Subscribed.....	113,849,166
Capital Paid Up.....	113,305,244
Reserve Fund.....	113,293,018
Notes in Circulation.....	148,197,971
Balance due Dominion Government.....	44,369,145
Balance due Provincial Governments.....	18,901,887
Deposits on Demand.....	459,277,454
Deposits after Notice.....	836,593,269
Deposits elsewhere.....	162,207,247
Loans from other Banks in Canada.....	8,955,789
Balance due Banks in Canada.....	2,635,845
Balance due Banks in United Kingdom.....	16,115,183
Balance due Banks elsewhere.....	5,372,795
Bills payable.....	9,327,931
Acceptance under Letters of Credit.....	4,260,333
Other Liabilities.....	
Balances due to the Imperial Government.....	
Total Liabilities.....	\$1,716,214,920
Loans to Directors.....	8,321,668
Average Coin held.....	67,784,300
Average Dominion Notes held.....	135,519,072
Greatest Amount in Circulation.....	156,971,060

TORONTO STOCK EXCHANGE—UNLISTED SECURITIES

WEEK ENDED JANUARY 17TH, 1917

Latest Price	Sales	Latest Price	Sales	Latest Price	Sales	Latest Price	Sales
Asbestos.....	21	Dominion Prod.....	83	MacDonald..... pref.	71	Right of Way.....	4 1/2
Asbestos..... pref.	60	Gifford.....	6	McIntyre.....	196	Riordan.....	143
Beaver.....	39	Gould.....	5	McIntyre Ex.....	61	Seneca.....	3
Black Lake.....	31	Great Nor.....	14	Mining Corporation.....	69	Shaw..... rights	129 1/2
"..... pref.	7 1/2	Hargrave's.....	18	Moneta.....	15 1/2	Sherwin Williams bonds	56
"..... Bonds	28 1/2	Hollinger..... Cons.	7	Nat. S. Car.....	27	"..... pref.	99
Brompton.....	61	"..... new	7	Nat. S. Car..... pref.	82	Steel Prod.....	211
Chambers.....	21	Home Bank.....	61	New Ray.....		Steel Radiation.....	27 1/2
Civic Invest.....	81 1/2	Foster.....	11	North Amer. P. & P. Co.	8 1/2	Teck Hughes.....	52
C.P.R..... notes	102	Foley O'Brien Min. Co.	39 1/2	Ophir.....	14	Temiskaming.....	61
Davidson.....	46 1/2	Imp. Porcupine.....	4 1/2	Ottawa L. & P.....	92 1/2	Vacuum Oil and Gas.....	65
Dome Ex.....	30	Jupiter.....	31 1/2	Pennan.....	70	Vipond.....	53
Dome Lake.....	62	Kerr Lake.....	48 1/2	Peterson Lake.....	11	Wayagamack.....	96 1/2
Dome Rights.....	5	Loews.....	5 1/2	Plenaum.....	96	W. D. Cons.....	30 1/2
Dome Tex..... pref.	65	Lorraine.....	30	Porcupine Crown.....	76	War Loan..... new	98 1/2
Dominion Bridge.....	74 1/2	Laurentide.....	42	Porcupine Vipond.....	89	West Dome.....	36 1/2
Dom. Foundry.....	155	Lyall.....	195 1/2	Preston.....	4 1/2	Western Assn.....	7
"..... pref.	89 1/2	MacDonald.....	15	Providence Paper.....	89	W. C. Flour.....	119 1/2

Municipal Bond Sales For 1916

Compiled, Revised and Tabulated from Official Reports

A list of original purchasers, price and income basis of the Municipal Bonds sold in 1916, showing purpose, amount, interest rate and maturity of each issue. The names of the borrowing States, Counties, Cities, etc., are arranged alphabetically, by States.

PRICE \$5.00 PER COPY

THE BOND BUYER

The Authority on Municipal Bonds
25 West Broadway New York, N.Y.

DOMESTIC WAR LOANS

We are pleased to quote most favorable rates either for buying or selling the old or the new war loan.

(Telephone Main 3370).

R. A. DALY & Co.

BANK OF NOVA SCOTIA BUILDING
TORONTO, ONT.

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"



STANDARD RELIANCE MORTGAGE CORPORATION

Head Office 82-88 King St. E. Toronto

ROBINSON & BLACK

Real Estate, Insurance and Financial Agents

CENTRAL WINNIPEG PROPERTIES A SPECIALTY

Reference: DOMINION BANK

Office: 200 Garry Building, WINNIPEG

Trust & Loan Company of Canada

30 ST. JAMES STREET,
MONTREAL

GROUND FLOOR OFFICE
AT WAR RENTAL

JANUARY INVESTMENT

We have prepared a January Booklet descriptive of a number of Mortgage Bonds purchased by us, for our own account and offered as suitable for safe and profitable investment.

Information regarding the following bonds yielding from 5 $\frac{3}{4}$ % to 6 $\frac{3}{8}$ % is included:—

- Riordon Pulp & Paper 6% Bonds
- Price Brothers & Co. 5% Bonds
- Price Brothers & Co. 6% Notes
- Brompton Pulp & Paper 6% Bonds
- Wayagamack Pulp & Paper 6% Bonds
- Laurentide Power 5% Bonds
- Nova Scotia Steel & Coal 6% Debentures
- Ames Holden McCready 6% Bonds
- Calgary Power 5% Bonds

Copy sent on request

Royal Securities Corporation

Limited

164 St. James Street - - - Montreal
12 King Street East - - - Toronto

The London Mutual Fire Insurance Company

ESTABLISHED 1859

Assets	. . . . .	\$784,426.31
Surplus to Policyholders	. . . . .	\$404,046.07



DIRECTORS

- A. H. C. CARSON, Toronto.....President
- R. HOME SMITH, Toronto.....Vice-President
- F. D. WILLIAMS..... Managing Director
- A. C. McMASTER, K.C. W. T. KERNAHAN
- S. G. M. NESBITT H. N. COWAN
- G. H. WILLIAMS

Head Office, 33 Scott St., TORONTO

CANADIAN SECURITIES IN LONDON

The following record of transactions on the London Stock Exchange in Canadian securities during the week ended December 28th, is compiled by the Canadian Gazette from the Official Lists, and consists of the first and last "markings" and the highest and lowest intervening "markings" unless there is a re-notation. The asterisk implies the last recorded transaction where no business has taken place during the week.

GOVERNMENT SECURITIES.

Table of Government Securities including Dominion and Provincial bonds for various years and locations like Canada, Alberta, British Columbia, etc.

MUNICIPAL (Continued)

Table of Municipal Securities for various cities including Vancouver, Victoria, Winnipeg, and others, listing bond types and prices.

CANADIAN BANKS

Table listing Canadian Banks: Bank of British North America (£250) and Canadian Bank of Commerce (\$100).

RAILWAYS

Table of Railway Securities including Alberta & Gt. Waterways, Algoma Cent., Atlantic & North-West, etc.

Table of Miscellaneous Securities including Temiscouata, Toronto, Grey & Bruce, White Pass & Yukon, etc.

MISCELLANEOUS

Table of Miscellaneous Securities including Ames-Holden-McCready, Asbestos Corporation, Belding Paul & Corticelli, etc.

A Free Course In "Salesmanship"

We have thought about the young man who sees no prospects ahead. Would you like to be in a business that will give you

- A Good Living Wage
- A Profitable Future
- A Provision For Old Age

We teach a man the Insurance Business, which offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "The best paid hard work in the world."

This is done by a correspondence course and personal assistance, free of charge.

When he is fully prepared for the work, we place him in a position and help him to make good

The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay young men who desire to get on in the world to look into this

All correspondence strictly confidential.



CANADA LIFE ASSURANCE CO.
HEAD OFFICE, TORONTO.

Prosperous and Progressive

Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

To-day, the Company operates actively in forty-two countries and upon five continents.

In the past six years its assurances in force have nearly doubled; in the past eleven years they have more than trebled.

More than 166,000 of its policies are now in force for assurances totalling over \$265,000,000—much the largest amount carried by any Canadian life company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

WESTERN MONEY—WESTERN ENTERPRISE
WESTERN ENERGY

The Western Empire Life Assurance Company

Head Office: 701 Somerset Bldg., Winnipeg, Canada.

POLICIES SECOND TO NONE.
PLAIN BUSINESS CONTRACTS FOR BUSINESS MEN.

Vacancies for proven producers as District Managers. If you want to increase your earnings, see our latest Agency Contracts. Apply—

WILLIAM SMITH, Managing Director

WESTERN ASSURANCE COMPANY

INCORPORATED 1851.
Assets over \$4,000,000.00
Losses paid since organization .. 63,000,000.00

Fire, Explosion,
Ocean Marine and
Inland Marine
Insurance.

Head Office: TORONTO, Ont.

W. R. BROCK,
President

W. B. MEIKLE,
Vice-President and General Manager

C. C. FOSTER,
Secretary

BRITISH CROWN ASSURANCE OF GLASGOW, SCOTLAND

(FIRE)
The Right Hon. J. Parker Smith, Pres. D. W. MacLennan, Gen. Mgr.
Head Office Canadian Branch—TRADERS BANK BLDG., TORONTO
A. C. Stephenson, Manager
Liberal Contracts to Agents in Unrepresented Districts

Live OPPORTUNITIES are OPEN for AGENTS who CAN DELIVER

Men capable not only of writing applications but of collecting the premiums, are always welcome to our forces and can be advantageously placed.

Union Mutual Life Insurance Co. Portland, Maine

ARTHUR L. BATES, PRESIDENT. HENRI E. MORIN, SUPERVISOR
For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.
For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

CALEDONIAN INSURANCE COMPANY

The Oldest Scottish Fire Office
Head Office for Canada MONTREAL
J. G. BORTHWICK, Manager
MUNTZ & BEATTY, Resident Agents
Temple Bldg., Bay St., TORONTO Telephone Main 66 & 67

The Northern Assurance Company, Ltd. of London, Eng.

Accumulated Funds, 1914 \$41,615,000
E. P. PEARSON, District Agent, Toronto, Ont.
Head Office for Canada, 88 Notre Dame Street West, Montreal
G. E. MOBERLY, Manager

BUILDING PERMITS COMPARED

RETURNS FOR THIRTY-FIVE CITIES.

DEPARTMENT OF LABOUR FIGURES	September 1916	October 1916	October 1915	Oct., 1916, compared with Oct., 1915.	
				Increase + Decrease -	
				Amount	Per Cent.
CITIES	\$	\$	\$	\$	
NOVA SCOTIA.....	299,025	93,268	146,590	-53,222	-36.37
Halifax.....	284,235	87,368	135,045	-47,677	-35.23
Sydney.....	14,790	5,900	11,545	-5,645	-48.89
NEW BRUNSWICK.....	34,150	101,775	64,050	+37,725	+58.89
Moncton.....	12,900	18,675	27,700	+9,025	+32.57
St. John.....	21,250	83,100	36,350	+46,750	+128.61
QUEBEC.....	617,174	601,449	866,643	-265,194	-30.60
Maisonneuve.....	1,800	1,325	131,850	-130,525	-98.91
Montreal.....	205,456	352,924	493,268	-140,344	-28.45
Quebec.....	243,633	156,683	200,825	-44,142	-21.98
Sherbrooke.....	6,500	20,800	10,700	+10,100	+94.39
Three Rivers.....	140,235	27,225	25,350	+1,875	+73.96
Westmount.....	19,550	42,492	4,650	+37,842	+813.06
ONTARIO.....	1,528,376	2,268,551	1,138,736	+1,129,815	+99.22
Brantford.....	56,090	11,240	24,270	-13,030	-53.68
Fort William.....	101,600	1,350	5,150	-3,800	-73.77
Guelph.....	12,400	11,280	15,082	-3,802	-25.21
Hamilton.....	166,990	201,065	101,365	+99,700	+98.35
Kingston.....	6,071	12,910	12,910		
Kitchener.....	21,865	61,515	23,460	+38,055	+162.21
London.....	39,710	110,145	110,980	-835	-75
Ottawa.....	135,100	265,250	314,200	-48,950	-15.58
Peterborough.....	16,145	5,890	11,888	-5,998	-50.45
Port Arthur.....	93,035	857,859	3,180	+854,679	+26,876.69
Stratford.....	15,963	5,829	13,287	-7,458	-56.13
St. Catharines.....	54,110	46,315	37,793	+8,522	+22.55
St. Thomas.....	49,300	19,455	10,335	+9,120	+88.25
Toronto.....	643,372	496,148	413,756	+82,392	+19.91
Windsor.....	116,625	162,300	41,080	+121,220	+295.08
MANITOBA.....	237,548	96,350	44,680	+51,670	+115.64
Brandon.....	5,698	6,650	1,830	+4,820	+263.39
Winnipeg.....	231,850	89,700	42,850	+46,850	+109.33
SASKATCHEWAN.....	130,695	51,225	21,712	+29,513	+135.93
Moose Jaw.....	109,200	12,825	5,212	+7,613	+146.06
Regina.....	9,550	15,400	11,100	+4,300	+39.01
Saskatoon.....	11,945	23,000	5,400	+17,600	+325.92
ALBERTA.....	141,930	305,750	17,400	+288,350	+1,657.18
Calgary.....	101,400	302,500	12,000	+290,500	+2,420.83
Edmonton.....	40,530	3,250	5,400	-2,150	-39.81
BRITISH COLUMBIA.....	433,760	405,050	230,300	+174,750	+75.88
New Westminster.....	15,635	4,950	8,875	-1,925	-28.00
Vancouver.....	415,300	394,085	214,425	+179,660	+83.37
Victoria.....	2,775	6,015	9,000	-2,985	-33.17
Total.....	\$3,422,658	\$3,923,418	\$2,530,111	+1,393,307	+55.06

MONEY MARKETS

Messrs Glazebrook & Cronyn, exchange and bond brokers, Toronto, report exchange rates as follows:—

	Buyers.	Sellers.	Counter.
N.Y. funds.....	par	1-64 pm	3/8 to 1/2
Mont. funds.....	par	par	3/8 to 1/2
Sterling demand.....	4.75.70	4.75.90	4.78
Cable trans.....	4.76.40	4.76.60	4.79

Rates in New York—Sterling, demand, \$4.75 13-16 to \$4.75 1/2. Bank of England rate, 6 per cent.

INDEX NUMBERS OF COMMODITIES

(DEPARTMENT OF LABOUR FIGURES)	No. of Commodities	INDEX NUMBERS		
		Oct. 1916	Sept. 1916	Oct. 1915
I. GRAINS AND FODDERS:				
Grains, Ontario.....	6	252.8	230.3	165.9
Western.....	4	236.8	206.6	149.4
Fodder.....	5	171.6	161.8	166.6
All.....	15	237.3	201.1	161.1
II. ANIMALS AND MEATS:				
Cattle and beef.....	6	206.0	210.5	203.0
Hogs and hog products.....	6	216.6	212.8	177.6
Sheep and mutton.....	3	194.4	193.1	154.0
Poultry.....	2	241.6	241.6	218.6
All.....	17	211.8	211.9	187.3
III. DAIRY PRODUCTS.....	9	227.8	198.6	172.1
IV. FISH:				
Prepared fish.....	6	167.7	165.7	150.3
Fresh fish.....	3	173.2	192.3	154.9
All.....	9	169.5	174.6	151.9
V. OTHER FOODS:				
(a) Fruits and vegetables				
Fresh fruits, native.....	4	119.0	96.7	79.0
Fresh fruits, foreign.....	3	103.6	113.1	88.1
Dried fruits.....	4	180.7	167.0	143.0
Fresh vegetables.....	6	257.3	262.6	182.8
Canned vegetables.....	3	153.1	132.4	99.3
All.....	16	175.6	160.2	122.2
(b) Miscellaneous groceries and provisions				
Breadstuffs.....	10	188.7	178.7	133.5
Tea, coffee, etc.....	4	134.5	132.7	121.9
Sugar, etc.....	6	171.8	166.3	143.9
Condiments.....	5	144.4	141.7	132.5
All.....	25	166.8	160.9	133.9
VI. TEXTILES:				
Woolens.....	5	228.4	223.6	199.5
Cottons.....	4	178.9	168.0	137.0
Silks.....	3	109.6	108.8	86.3
Jutes.....	2	323.9	306.2	255.7
Flax products.....	4	227.7	224.8	165.6
Oilcloths.....	2	139.8	139.8	116.4
All.....	20	201.2	195.4	160.6
VII. HIDES, LEATHER, BOOTS AND SHOES:				
Hides and tallow.....	4	290.0	290.0	207.4
Leather.....	4	218.6	208.6	174.3
Boots and shoes.....	3	198.3	198.3	162.4
All.....	11	235.4	233.3	183.1
VIII. METALS AND IMPLEMENTS:				
Iron and steel.....	11	152.2	147.5	109.7
Other metals.....	12	219.3	228.2	198.4
Implements.....	10	144.0	141.9	114.2
All.....	33	177.2	175.1	143.3
IX. FUEL AND LIGHTING:				
Fuel.....	6	163.0	152.9	123.1
Lighting.....	4	91.4	91.4	90.0
All.....	10	134.4	134.4	109.8
X. BUILDING MATERIALS:				
Lumber.....	14	185.5	182.9	174.5
Miscellaneous materials.....	20	160.8	156.6	118.9
Paints, oils and glass.....	14	195.2	191.1	161.7
All.....	48	178.0	174.3	147.6
XI. HOUSE FURNISHINGS:				
Furniture.....	6	173.2	172.0	146.9
Crockery and glassware.....	4	189.9	189.9	170.3
Table cutlery.....	2	90.1	90.1	80.3
Kitchen furnishings.....	4	142.9	142.9	125.5
All.....	16	159.1	156.8	138.7
XII. DRUGS AND CHEMICALS.....	16	235.2	235.2	224.8
XIII. MISCELLANEOUS:				
Raw Furs.....	4	292.3	292.3	153.1
Liquors and tobacco.....	6	157.1	145.9	135.1
Sundries.....	7	147.4	143.3	120.9
All.....	17	184.9	179.0	133.4
All commodities.....	266*	187.2	180.7	152.4

* Five commodities off the market, fruits, vegetables, etc. One line of spelter was dropped in 1915.

MONTREAL STOCK EXCHANGE—UNLISTED SECURITIES

WEEK ENDED JANUARY 17TH, 1917

Mines	Par Value	Sellers	Buyers	Sales	Miscellaneous (Continued)	Par Value	Sellers	Buyers	Sales
Porcupine Crown Mines, Ltd.....	\$ 1	.....	.....	750	Frontenac Breweries Co.....	100	.....	.....	.....
Miscellaneous					"..... pref.	100	.....	.....	.....
British Can. Cannery, Ltd.....	100	.....	.....	.....	"..... bonds	100	.....	.....	.....
Brompton.....	500	.....	.....	.....	Howard Smith Paper Mills, Ltd.....	100	.....	.....	.....
Can., Felt.....	100	61 1/2	61 1/2	1382	Laurentide.....	100	.....	.....	.....
Can., Light & Power.....	100	.....	.....	.....	Mexican Northern Power.....	100	.....	.....	.....
Can., Coal & Coke.....	100	.....	.....	1000	Mexican Mahogany & Rubber Corp.....	100	.....	.....	.....
Canadian Pacific Notes.....	20	.....	.....	.....	Mont. Tramway & Power Co.....	100	40	39	382
Dominion Glass Co., Ltd.....	100	.....	.....	.....	National Brick.....	100	.....	.....	.....
Dominion Glass Co., Ltd.....	100	.....	.....	.....	Sherbrooke Railway & Power Co.....	100	.....	.....	.....
.....	100	.....	.....	.....	Western Can. Power.....	100	.....	71	.....
.....	100	.....	.....	.....	Wygmac.....	100	.....	.....	.....
.....	100	.....	.....	.....	War Loan (fully paid).....	100	.....	.....	.....
.....	100	.....	.....	.....	War Loan (40% paid).....	100	.....	.....	.....

BRITISH AMERICA
ASSURANCE COMPANY
 (Fire, Hail, Ocean Marine and Inland Marine Insurance)
 Incorporated 1833
 407-409 PARIS BUILDING (259 Portage Avenue), WINNIPEG

BOARD OF DIRECTORS :

W. R. BROCK, President	W. B. MEIKLE, Vice-President
JOHN AIRD	Z. A. LASH, K.C., LL.D.
ROBT. BICKERDIKE, M.P.	GEO. A. MORROW
ALFRED COOPER (London, Eng.)	AUGUSTUS MYERS
H. C. COX	Lt.-Col. FREDERIC NICHOLLS
D. B. HANNA	Col. SIR HENRY PELLATT,
JOHN HOSKIN, K.C., LL.D.	C.V.O.

E. R. WOOD
 W. B. MEIKLE, Managing Director E. F. GARROW, Secretary
 Assets, Over \$2,500,000.00


Losses paid since organization over \$33,000,000.00

THE FIDELITY PHENIX
 FIRE INSURANCE COMPANY OF N.Y.

FIRE TORNADO

ASSETS OVER \$18,000,000

FIREPROOF ABSOLUTELY



HEAD OFFICE FOR CANADA
 W. E. BALDWIN, MANAGER. MONTREAL J. ROWAT, ASST. MGR.

British Northwestern Fire Insurance Company

Head Office WINNIPEG, Can.

Subscribed Capital \$594,400 Capital Paid-up \$239,000
 Security for Policyholders \$665,000

EDWARD BROWN, President E. E. HALL, Vice-President
 F. K. FOSTER, Managing Director

ATLAS
Assurance Company, Limited
OF LONDON, ENGLAND

The Company commenced business in the REIGN OF GEORGE III. and the following figures show its record:—

At the Accession of	Income	Funds
KING GEORGE IV. ...	\$ 387,065 ...	\$ 800,605
KING WILLIAM IV. ...	657,115 ...	3,038,380
QUEEN VICTORIA ...	789,865 ...	4,575,410
KING EDWARD VII ...	3,500,670 ...	11,185,405
KING GEORGE V. ...	6,846,895 ...	15,186,090
and at		
31st DECEMBER, 1915 ...	7,757,140 ...	19,953,150

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up).
 Agents wanted in unrepresented districts.
 Head Office for Canada, 260 St. James St., MONTREAL
 MATTHEW C. HINSHAW, Branch Manager

THE DOMINION OF CANADA
GUARANTEE & ACCIDENT INS. CO.

Accident Insurance Sickness Insurance Plate Glass Insurance
 Burglary Insurance Automobile Insurance Guarantee Bonds
 The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

UNION
ASSURANCE SOCIETY
LIMITED
 (FIRE INSURANCE SINCE A.D. 1714)

Canada Branch Montreal
 T. L. MORRISEY, Resident Manager

North-West Branch Winnipeg
 THOS. BRUCE, Branch Manager

MARTIN N. MERRY, General Agent TORONTO
 Agencies throughout the Dominion

Waterloo Mutual Fire Insurance Company
 ESTABLISHED IN 1863
 Head Office, Waterloo, Ont.

Total Assets 31st December, 1915. \$908,244.00
 Policies in force in Western Ontario, over 30,000.00

GEORGE DIBBEL, President. ALLAN BOWMAN, Vice-President.
 L. W. SHUH, Manager. BYRON E. BECHTEL, Inspector.

THE LAW UNION & ROCK INSURANCE CO., Limited
 OF LONDON Founded in 1806

Assets exceed \$48,000,000.00 Over \$12,500,000.00 invested in Canada
 FIRE and ACCIDENT RISKS Accepted

Canadian Head Office: 57 Beaver Hall, Montreal
 Agents wanted in unrepresented towns in Canada.

W. D. Aiken, Superintendent J. E. E. DICKSON,
 Accident Department Canadian-Manager

SUN FIRE FOUNDED A.D. 1710
 THE OLDEST INSURANCE CO. IN THE WORLD

Canadian Branch Toronto
 LYMAN ROOT, Manager

Economical Mutual Fire Ins. Co. of Berlin
 HEAD OFFICE BERLIN, ONTARIO

CASH AND MUTUAL SYSTEMS
 TOTAL ASSETS, \$725,000 AMOUNT OF RISK, \$27,000,000
 GOVERNMENT DEPOSIT, \$50,000

JOHN FENNELL, President GEO. G. H. LANG, Vice-President W. H. SCHMALZ, Mgr.-Secretary

The LONDON ASSURANCE

Head Office, Canada Branch, MONTREAL
 Total Funds \$20,000,000

Established A.D. 1720. FIRE RISKS accepted at current rates
 Toronto Agents S. Bruce Harman, 19 Wellington St. East

TRADE OF CANADA BY COUNTRIES

(Figures of the Department of Trade and Commerce, Ottawa.)

COUNTRIES.	MONTH OF AUGUST				FIVE MONTHS ENDING AUGUST			
	1915		1916		1915		1916	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
<i>British Empire.</i>								
United Kingdom	6,315,225	20,051,013	24,348,760	60,579,534	28,446,271	110,820,846	59,956,032	294,244,441
Australia	76,132	405,281	23,552	326,524	550,866	2,477,368	270,002	2,959,401
Bermuda	212	31,205	271	35,847	7,279	153,042	3,591	215,313
<i>British Africa:—</i>								
East		792		2,193		35,630		4,601
South	721	765,039	26,054	625,889	21,996	2,488,963	84,808	1,579,842
West		12,388		79,776		54,229		175,449
<i>British East Indies.</i>	823,595	82,761	167,204	68,594	2,446,412	273,599	3,202,955	464,364
Guiana	517,100	91,069	282,964	145,208	1,412,561	375,713	1,088,445	602,572
Honduras		3	62,851	45	188,813	962	407,147	1,134
West Indies	915,400	280,649	1,567,180	355,069	3,394,082	1,455,537	7,391,406	1,881,220
Fiji	210,810	27,223	18,876	18,876	448,210	98,518	180,379	55,545
Gibraltar		8,870		255,680		380,644		2,467,383
Hong Kong	63,993	2,4047	87,649	20,780	491,310	143,710	524,966	239,675
Malta	35	128	245	6,020	312	1,891	705	7,279
Newfoundland	262,482	377,485	176,088	505,351	523,064	1,442,543	628,371	2,417,686
New Zealand	160,005	281,327	161,420	184,055	1,269,913	1,049,329	1,294,351	1,423,849
Other British Empire		2,675	1,869		1,528	15,297	1,869	4,068
Totals, British Empire	9,375,710	22,447,935	27,206,13	63,209,535	39,208,919	121,268,451	75,035,695	308,743,822
<i>Foreign Countries.</i>								
Argentine Republic	372,984	383,957		201,642	1,204,154	821,251	435,456	592,927
Austria-Hungary	12		112		1,970		1,285	
Azores and Madeira Is.	373	39	2,983	57	918	83	5,656	8,569
Belgium	2,891	6,511	2,483	10,214	27,644	102,085	6,517	305,259
Brazil	105,765	59,696	27,566	23,514	311,427	212,354	428,756	299,784
Central American States	23,413	4,911	92,703	6,074	50,038	22,261	254,517	39,623
China	46,304	23,990	136,860	26,743	246,086	203,728	452,755	105,146
Chile		2,152		143,641		12,499		190,085
Colombia	7,486	60	17,519	1,068	46,312	14,587	95,479	28,123
Cuba	179,232	56,734	53,369	177,630	498,526	348,713	199,454	629,811
Denmark	1,957	3,377	19	3,843	7,886	39,642	13,390	11,492
Dan. W. Indies	12		664		115		23	3,180
Dutch E. Indies	2,745	9,636	8,457	39,710	37,142	49,425	20,012	71,115
Dutch Guiana	45,209	5,444		4,811	120,673	21,569	4,549	18,543
Ecuador		700		277		89		1,612
Egypt	749	2,076	46	1,373	2,802	10,295	5,496	16,339
France	519,824	3,824,189	496,282	8,559,576	2,343,327	15,928,114	2,835,492	21,866,27
French Africa				6,879		210		1,321
French West Indies		5,915				21,302		38,532
Germany	4,761		229		64,461		7,183	
Greece	15,880	375	5,111		71,470	925	83,349	6,721
Hawaii	679	675	10,903	3,507	4,219	9,947	23,109	77,208
Hayti						857		3,807
Italy	80,170	640,635	139,628	688,160	383,831	755,502	544,044	7,873,466
Japan	344,040	94,035	978,637	40,157	1,081,601	254,233	2,983,751	426,920
Korea		47				265		106,820
Mexico	124,528	13,778	61,212		390,023	34,413	246,325	16,134
Miquelon and St. Pierre	820	23,791	52	13,930	2,445	60,667	1,818	60,690
Netherlands	85,662	351,808	83,803	11,662	410,690	1,542,495	412,442	978,150
Norway	36,821	1,126	8,695	27,398	110,615	10,303	34,544	543,570
Panama		8,941		8,928		61,157		206,242
Peru	21,788	941	220,193	39,448	227,086	18,893	1,191,219	123,627
Philippine Islands	3,201	4,980	81	500	9,532	5,193	665	4,894
Porto Rico		55,102	702	49,599		174,548		186,077
Portugal	27,232		32,822		81,230		2,811	81,778
Portuguese Africa		3,076		560		35,447		3,942
Roumania								
Russia	75,135	30,502		198,644	84,450	461,761	2,144	1,750,877
San Domingo	586,346	796	458,020	1,698	2,172,264	3,018	2,886,588	22,322
Siam	98	73	2,053	3	29,434	4,355	3,634	9,480
Spain	28,046	8,508	57,503	77,602	183,362	21,060	248,371	245,032
Sweden	10,279	503	3,561	2,177	89,657	31,896	29,267	5,618
Switzerland	362,559	50	437,248	101	1,363,100	4,502	1,830,896	651,002
Turkey	11,302			35,030				
United States	29,068,466	25,607,327	59,503,851	57,062,330	127,640,448	145,421,393	251,939,705	298,648,369
Alaska	495	32,212	2,102	67,429	1,047	136,875	2,137	222,475
Uruguay	34,299	751		705	64,265	7,393		9,347
Venezuela	11,343	3,636	1,855	6,117	58,190	24,157	54,262	63,411
Other foreign countries	800	31,663		46,777	7,355	34,955	6,864	62,174
Totals, foreign countries	32,244,046	31,304,947	62,846,611	67,456,246	139,507,623	166,970,052	266,774,918	336,537,026
Grand Totals	41,619,756	53,752,882	90,052,748	130,665,781	178,716,542	288,238,503	341,810,613	645,280,848
	\$95,372,638		\$220,718,529		\$466,955,045		\$87,091,461	

PRELIMINARY STATEMENT OF THE TRADE OF CANADA FOR NOVEMBER

	Month of November			Twelve Months ending November		
	1914	1915	1916	1914	1915	1916
	\$	\$	\$	\$	\$	\$
IMPORTS FOR CONSUMPTION.						
Dutiable Goods	18,697,737	26,079,686	38,083,134	313,838,365	254,518,282	408,802,394
Free Goods	12,854,453	19,137,873	34,607,657	182,097,583	180,731,684	335,600,951
Total imports (mdse.)	31,552,190	45,217,559	72,690,791	495,935,948	435,249,966	744,403,345
*Coin and bullion	48,328,727	4,705,933	1,411,478	139,369,894	12,908,570	46,170,398
Total imports	79,880,917	49,923,492	74,102,269	635,305,842	448,158,536	790,573,743
Duty Collected	5,113,062	9,440,315	12,116,329	84,663,903	87,618,645	136,159,221
EXPORTS.						
Canadian Produce—The mine	3,655,475	6,634,887	7,026,024	54,968,167	59,972,897	78,457,189
The fisheries	2,056,055	2,075,877	2,600,021	19,047,867	21,742,864	23,786,818
The forest	3,439,970	4,556,502	5,172,272	41,954,640	48,925,230	54,515,579
Animal produce	8,470,602	12,113,520	13,603,193	64,659,361	93,384,593	114,458,052
Agricultural produce	18,946,286	53,936,837	36,789,632	150,201,314	193,543,711	366,781,913
Manufactures	6,376,500	13,231,022	44,119,094	66,989,308	137,702,849	407,026,574
Miscellaneous	27,221	383,271	248,714	285,230	3,879,908	7,814,506
Total Canadian produce	42,872,109	92,931,916	109,558,950	397,905,886	559,152,552	1,053,840,631
Foreign produce	3,370,152	1,504,177	2,243,423	48,521,121	39,589,854	19,664,969
Total exports (mdse.)	46,242,261	94,436,093	111,802,373	446,427,007	598,742,406	1,073,505,600
*Coin and bullion	332,121	9,865,896	161,709	19,831,382	128,316,291	196,422,615
Total exports	46,574,382	104,301,989	111,964,082	466,258,389	727,058,197	1,269,928,215
AGGREGATE TRADE.						
Merchandise	77,794,451	139,653,652	184,483,164	942,362,956	1,033,991,872	1,817,908,945
Coin and bullion	48,660,848	14,571,829	1,573,187	159,201,276	141,224,861	242,593,013
Total trade	126,455,299	154,225,481	186,056,351	1,101,564,232	1,175,216,733	2,060,501,958

*NOTE.—It will be noted that the figures relating to the imports and exports of coin and bullion for the twelve months ending Nov., 1916, were: imports 1916 \$46,170,398; 1915, \$12,908,570, and exports 1916, \$196,422,615; 1915, \$128,316,291. 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.

CANADIAN BANKER SUGGESTS INCOME TAX

Two Years Ago Proposal Was Not Favored—Has the Situation Changed?

The probability of an income tax in Canada is being discussed again, in view of the fact that the finance minister will shortly place another war budget before the country. In his budget speech on February 11th, 1915, Sir Thomas White stated the government had for the present decided against a general income tax. The chief objection was the fact that the several provinces were likely to be obliged to resort to measures for raising additional revenue, and the minister considered that the Dominion should not enter upon the domain to which they are confined to a greater extent than is necessary in the national interest. He explained that in certain of the provinces income is subject to taxation by municipalities, and in two instances by the provinces themselves. Then, there was the consideration that in order to bring into force an income tax the Dominion government would be obliged to create machinery for assessment, revision and collection. It was stated that this would involve a heavy expense as compared with the amount that would be realized. "Taking the income tax of the United States as a basis," he said, "it would appear that Canada could hardly expect to derive from a similar tax a sum in excess of two million dollars, from which would have to be deducted the heavy expense connected with its administration."

Has Position Changed?

Discussing these obligations in a recent article, Mr. H. M. P. Eckardt, the well-known financial writer, said:—

"It appears to be the case that the machinery called into being to administer the business profits tax would be useful in connection with the administration of an income tax. Perhaps with some expansion or enlargement this machinery would be capable of dealing with an income tax.

"Next with reference to the estimate of a \$2,000,000 yield on a Canadian income tax framed on the United States model, it is to be observed that this was apparently based on the United States results in the first year, or rather ten months' period of its operation. The receipts from the United States tax in that first period were roundly \$28,000,000; and, taking Canada relatively according to population, a similar tax in Canada might be estimated to produce \$2,000,000. However, the United States income tax in the fiscal year ended June 30th, 1916, produced roundly \$120,000,000, viz., \$52,000,000 from corporations and \$68,000,000 from individuals. And in September, 1916, the rate of taxation was increased, it being estimated that in the fiscal year ending June, 1917, the 'corporations alone will pay \$125,000,000.' Now, if we take Canada pro rate, according to population, it would seem that \$120,000,000 as collected by the United States would indicate a Canadian revenue of \$10,000,000. And there is the further point that in the United States the exemption limit is \$3,000 per year. It would appear to be impracticable or undesirable, if an income tax were instituted here, to exempt all incomes up to \$3,000. In all probability our exemption limit would be placed lower; and this might be taken as pointing to a larger per capita revenue here.

Income from Investments.

"In his list of objections the minister also mentioned that in Britain taxable incomes are largely derived from investments. They have, therefore, a settled and permanent character, are ascertainable with fair accuracy, and are capable of being levied upon at their source. With us this is not the case. Circumstances have not greatly changed in this respect during the two years. While it is true that Canadian investors have meantime taken up the two domestic war loans, the \$200,000,000 of bonds so issued are expressly exempt from Dominion income tax. Should it be decided to put an income tax in force, the corporations would be required to shoulder increased responsibility and work. They would be obliged to take declarations from stockholders and holders of their bonds, and undertake other similar duties. It has seemed unfair that the tax on profits should be levied exclusively on business—large professional incomes escaping altogether."

This week, at the annual meeting of the Bank of Hamilton, Mr. J. P. Bell, general manager, suggested that in order to prevent unnecessary waste of money by the people

the government put on an income tax, graded to the circumstances of the people, and, in addition, a graded tax on consumption, which might take the form of a rising percentage on all expenditures, obtained by stamp tax or otherwise. "It must," he said, "be realized that there are many practical difficulties in collecting an income tax, but with the hearty co-operation of the people, who, it is believed, are ready for it as a war measure, it can be done, and would have most valuable social and economic results."

About Tax Dodgers.

In a carefully written article in the New York *Analyst* of December 18th, Mr. Carl Snyder concludes: "There is no escaping the conclusion that 75 per cent. of the people with taxable incomes under the law paid no taxes. The actual figure is probably above 80 per cent. And the amount of income which thus escaped taxation was, roughly speaking, above \$5,000,000,000."

In a reply to that article, in the issue of January 8th of the same journal by Mr. W. P. Malburn, assistant secretary of the United States treasury, it is stated that "investigation into the lowest classes of returns is limited, and consequently the result is what Mr. Snyder complains of—many of this class fail to make returns. But this is the necessary result of economical administration—not intentional injustice.

"I believe," says Mr. Malburn, "that the number who fail to make returns is very much less than his figures, and the amount of tax that is lost, while considerable, is nothing like Mr. Snyder's estimate. It is possible that some day a sufficiently large force of investigators will be provided to check up all returns and to investigate cases where no return is made, but even then when investigation fails to uncover enough tax to pay the cost of collection it should and will be discontinued. All of the tax, therefore, which could be collected will never be collected under any conditions, because a certain part of it will cost more to collect than the revenue derived therefrom, and as long as the force available for this purpose can more profitably work on larger than on smaller ones, a great many individuals with small incomes will escape taxation. And this will not be from any desire to favor the small taxpayer at the expense of the large, but because good administration demands that more profitable work be not neglected for less profitable."

Mr. H. G. Legg, Minneapolis, is an interesting policyholder of the Canada Life Assurance Company. He has been seven times golf champion of the State of Minnesota and five times champion of the Trans-Mississippi Golf Association. The application was secured by the company's Minnesota manager, Mr. J. A. Hunter, himself a golfer of repute.

Mr. H. H. Judah has been elected a director of the Montreal City and District Savings Bank, to fill the vacancy caused by the death of the late Hon. Robert Mackay. The new director is the eldest surviving son of the late Mr. Frederick T. Judah, K.C., and grand-nephew of the late Henry Haig Judah, one of the original founders of the bank.

Mr. A. E. Switzer, Great-West Life Company, has been elected president of the Ottawa Life Underwriters' Association. Other officials chosen were: Honorary president, Mr. A. S. Wickware; vice-president, Mr. George Doyon (Metropolitan Life); secretary-treasurer, Mr. P. S. Roberts; assistant secretary, Mr. W. A. Grant. Executive committee—Messrs. J. W. Mooney, J. A. Desautels, J. Whittaker, W. J. Phillips, J. D. McCallum; auditor, Mr. W. G. Keddie.

Mr. H. McCulloch, president of the Goldie and McCulloch Company, Limited, of Galt, Ont., died last week. He was one of Canada's best-known manufacturers. He served an apprenticeship in the shop of which his father, Mr. Hugh McCulloch, Sr., was then president. Practically his whole life has been spent in furthering the interests of the firm, of which he was a member, and the industrial interests of the community in which he lived. When the company was incorporated in 1891 and took over the business of the firm of Goldie and McCulloch, he was appointed secretary-treasurer, which position he held until he was elected vice-president in 1898, assuming the presidency on the death of his father in September, 1910. Mr. McCulloch was closely associated with various other manufacturing concerns in Galt, having been at the time of his death vice-president of the Galt Malleable Iron Company, Limited, also of the Galt Art Metal Company, Limited, and a director of the Gore Mutual Fire Insurance Company, and for many years a director of the Galt Gas Light Company.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Jan. 17th, 1917, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs. Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks		Asked	Bid	Sales
Ames-Holden.....com.	23	21	5	
Asbestos.....pref.	62	10	1	
Bell Telephone.....	145	144	113	
Brazilian.....	46 1/2	2196		
Canada Car.....com.	32 1/2	3780		
Canada Cement.....pref.	71	70	6193	
Canada Cottons.....com.	63 1/2	63	1560	
Canada Cottons.....pref.	95	94 1/2	221	
Canadian Foundry & Forgings.....pref.	79	60	10	
Canadian General Electric.....pref.	105	198	110	
Canadian Locomotive.....pref.	112 1/2	260	35	
Canadian Pacific Railway.....	161	159 1/2	15	
Canadian Rubber.....pref.	100	140		
Canada Steamship Lines.....com.	35 1/2	35	140	
Civic Invest.....	93	91 1/2	137	
Carriage Factories.....	82	81 1/2	2514	
Cons. Mining and Smelting.....	34	33 1/2	478	
Crown Reserve.....	5	42 1/2	3960	
Detroit Railway.....	125	124 1/2	452	
Dominion Cannery.....				
Dominion Coal.....pref.				
Dominion Iron.....pref.	5	9 1/2	51	
Dominion Bridge.....	165	164	705	
Dominion Steel Corporation.....com.	67 1/2	67 1/2	4188	
Dominion Textile.....	32	81	167	
Duluth.....				
Illinois.....pref.	88	22		
Lake or Woods Milling.....	130			
Laurentide Co.....	193	191	220	
Lyall Con. Co.....		65	40	
Macdonald.....	12 1/2	12	55	
Mackay.....com.			10	
Maple Leaf.....pref.			5	
Maple Leaf.....	102 1/2	75		
Montreal Cottons.....com.	59		85	
Montreal Telegraph.....		135		
Montreal Tramways.....			40	
Montreal Tram Debenture.....	76		13000	
Nova Scotia Steel.....pref.	117	115	1520	
Ogilvie Flour Mills.....	2	112		
Ontario Steel Products.....	143	141 1/2	25	
Ottawa L. H. & P.....			35	
Penmans.....	33	10		
Porto Rico.....pref.	71 1/2	70	57	
Riordan Paper.....		83	90	
Shawinigan Water and Power.....	121	119	180	
Sherwin-Williams.....		91	161	
Spanish River.....		31	818	
Steel Co. of Canada.....	31 1/2	31	200	
Toolke.....	129 1/2	128 1/2	125	
Toronto Railway.....	59	58 1/2	35	
Twin City.....			155	
Wayagamack.....	17	16 1/2	75	
Winnipeg Electric Railway.....	60	67	7575	
Bank of British North America.....	67 1/2	67	22	
Bank of Commerce.....			15	
Bank of Montreal.....	82	81	397	
Bank of Ottawa.....			1	
Bank of Toronto.....			93	
Bank d'Hochelega.....			445	
Banque Nationale.....			50	
Bank of Nova Scotia.....			185	
Dominion Bank.....			26	
Merchants Bank.....			52	
Molson Bank.....			65	
Quebec Bank.....			27	
Royal Bank.....			32	
Standard Bank.....			106	
Union Bank.....			137	
Ames-Holden.....			72	
Asbestos.....			72	
Bell Telephone.....			99	
Canada Cement.....			98 1/2	
Canadian Cottons.....			83	
Canadian Converters.....			81	
Canadian Con. Rubber.....			97	
Cedars Rapids.....			90	
Dominion Cannery.....			90	
Dominion Coal.....			94 1/2	
Dominion Cotton.....			90	
Dominion Iron and Steel.....			97	
Dominion Textile.....			97 1/2	
Dominion Textile.....			97	
Dominion Textile.....			97	
Dominion Textile.....			96 1/2	
Lake of Woods Milling.....			103	
Laurentide.....			101	
Montreal Light, Heat & Power.....			90 1/2	
Montreal Tramways.....			11	
Montreal Street Railway.....			97	
National Breweries.....			90	
Nova Scotia Steel.....			90	
Ogilvie.....			10	
Ogilvie.....			103 1/2	

Montreal Bonds (Continued)

	Asked	Bid	Sales
Penmans.....	84 1/2	84 1/2	
Quebec Railway, Light and Power.....	67	70	2500
Sherwin-Williams.....	99 1/2		500
Steel Co. of Canada.....	94 1/2	96	
First Dominion War Loan.....	98 1/2	95 1/2	67400
Second Dominion War Loan.....	98 1/2	98 1/2	316100
Winnipeg Street Railway.....	95		
Wygmkck.....	84		17600

Toronto Stocks

	Asked	Bid	Sales
Ames-Holden.....com.			
American Cynamid.....pref.	27	22	
Barcelona.....	54	49	2
Bell Telephone.....	13	12 1/2	1259
British Columbia Fishing & Packing.....	147	124	15
Brazilian.....	60		
Canada Bread.....	46 1/2	46	1374
Canadian Cannery.....	17	16	115
Canada Car & Foundry.....	90	86	12
Canadian General Electric.....	31 1/2	30 1/2	215
Canada Landed & National Investment.....	72	70	160
Canadian Locomotive.....	112 1/2	112	263
Canadian Pacific Railway.....	57 1/2	54	15
Canada Permanent.....	90	88	39
Canadian Salt.....	95		
Canada Steamship.....	162	161	10
Canada Steamship.....		170	
Canada Steamship.....	140	120	
Canada Steamship.....	36	35 1/2	643
Canada Steamship.....	92 1/2	92	185
Canada Steamship.....			
Cement.....	61	63 1/2	796
City Dairy.....	95	94	29
Colonial Loan.....		75	
Confederation Life.....	335	320	100
Coniagas.....	460	440	491
Consumers Gas.....	165	164 1/2	158
Crown Reserve Mines.....			250
Crow's Nest Pass.....	73		
Detroit.....	126	124	5
Dome.....			
Dominion Cannery.....	20	19 1/2	
Dominion Iron.....		93	
Dominion Steel Company.....	67 1/2	67	1250
Dominion Telegraph.....		90	42
Duluth Sup.....		46	188
F. N. Burt.....	79	75	
Hamilton Provident.....	92		
Huron & Brie.....		141	
Illinois.....		209	280
La Rose.....		53	
Landed B. & L.....		145	
Mackay Companies.....		89	88
Mackay Companies.....		68	67
Maple Leaf Milling.....		102 1/2	100
Maple Leaf Milling.....		95	93
Monarch.....		40	39
Nat. S. Car.....		82	
Nipissing.....		20	18
Nova Scotia Steel.....		73	70
Ontario Loan.....		8	825
Pacific Burt.....		117	116
Penman's.....		30	29
Petroleum.....		80	25
Porto Rico.....		11	100
Quebec Light & Power.....		35	130
Riordan.....		32	31
Rogers.....		125	122
Russell Motor.....		78	
Shredded Wheat.....		93	90
Spanish River.....		82	78
Smelters.....		110	108
Steel Company of Canada.....		139	
Toronto General Trust.....		17	16
Toronto Mortgage.....		58	56
Toronto Paper.....		34	33 1/2
Toronto Railway.....		67 1/2	67
Trethewey.....		96 1/2	95
Tucketts.....		211	211
Twin City.....		211 1/2	211 1/2
Bank of Commerce.....		185 1/2	184 1/2
Bank of Ottawa.....		202	
Bank of Hamilton.....		195	192
Bank of Montreal.....			
Bank of Nova Scotia.....			
Bank of Toronto.....			
Dominion Bank.....			
Imperial Bank.....			
Merchants Bank.....			
Molson Bank.....			
Royal Bank.....			
Standard Bank.....			
Union Bank.....			
Bell Telephone.....			1000
Canada Bread.....			1500
Electric Development.....			
Penmans.....			
Porto Rico.....			
Steel Company of Canada.....			
First War Loan.....			
Second War Loan.....			



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1895	581,478	105,712	2,300,518	15,779,385
1905	1,660,064	538,827	6,968,014	37,580,047
1915	2,749,951	1,386,025	15,716,889	56,245,318

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