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A Happy Christmas to You and Yours!



May the bright light and blessings shed by the Star of Bethlehem spread their
radiance around you throughout

A Prosperous New Year



Christmastide



Let any one sit down and consider thoughtfully the problem presented by the celebration of Christmas Day by all civilized nations and the probabilities are that, he will find no solution at all adequate for so vast and unique a phenomenon.

There is not, nor has there ever been, any festival observed by peoples of such diversified nationalities, races and creeds. No annual celebration of such purely human interest above and apart from some special form of religious faith, has such a record of observance for centuries. The Jews, it is true, for a much longer period have kept up their Passover rites and celebrations. But, to the people of different races, to the Hebrews that festival does not appeal. Christmas, on the other hand, has no element, or phase of an exclusive character, it touches into music the chords which are common to humanity. None are too poor or too rich, too obscure or too prominent, too afflicted or too vigorous, too young, or too aged to be outside the range of a Christmas blessing.

When every political potentate in Europe, with one exception, is celebrating Christmas in the family and the Court circle, the prisoners in durance vile, and paupers in their loneliness amid a crowd domiciled under one roof, will also be vibrating with the same pulse of happiness, as this "one touch of nature" furnished by Christmas, "makes the whole world kin."

A solution of the problem thus presented of a civilized world celebrating the birth of a child some nineteen centuries ago, demands the recognition of some power higher than nature. The origin and the inspiration of Christmas postulate a supernatural, divine influence. The association of joyousness, of "becoming mirth," with a religious celebration of the profoundest significance differentiates Christianity from all other forms of religion. A happy Christmas seems to imply family gatherings brightened by the joy of children. It appeals by its sacred memories to all who are living in alienation to become reconciled. Over the whole land Christmas sends a wave of charity, of good-will, of sympathy. Under the power of this divine solvent animosities dissolve.

Were Christmas properly observed in Russia, the turmoil would cease, for oppression, injustice, class hatred, racial antagonisms would come to an end.

How different would business conditions be were debtors and creditors alike, by the honest clearance of debts, enabled to enjoy a happy Christmas! Those who like old Scrooge are too saturnine in temper, or too deeply enslaved by mercantile cares and work to enter into the spirit of Christmas, make a woful mistake. Were all their fellow creatures to become as they are this world would be a pandemonium of misery and shame.

Let us all then thankfully acknowledge the crowning gift of God's goodness in the event celebrated on Christmas Day by rejoicing and giving a stimulus to the enjoyment of all within reach of our influence.

**We very cordially send our readers our best wishes of the
season of Christmastide.**



BANK OF OTTAWA.**ANNUAL MEETING. HIGHLY SATISFACTORY REPORT.**

The Bank of Ottawa has had a prosperous career from its commencement in 1874, but in no previous year was so large an increase made in the extent of its business.

At the 31st annual meeting held at Ottawa on 13th inst., Mr. George Hay, president, took the chair. There was a good attendance of prominent shareholders who expressed much gratification at the excellent statement presented and the interesting report.

The directors report announced that branches of the bank have been opened during the year at Stoughton, Saskatchewan, and at the following points in Ontario:—Ottawa, corner Bank St. and Gladstone Ave., Toronto, corner Gerard St. and Broadview Ave., Chesterville, Martintown, Richmond, Peterborough, and a sub-office to Viriden, Manitoba, has been opened at Lenore. It is the intention of the directors to open a branch at Rouleau, Saskatchewan, at an early date, and arrangements are also being made for the establishment of an office at Powassan, Ontario, to be, for the present, under the management of the manager at North Bay.

At the annual meeting of the shareholders in 1902, authority was given to increase the capital stock by \$1,000,000, of which \$500,000 was issued in February, 1903, and the directors have thought it advisable to issue the remaining \$500,000 at a premium of 100 p.c.

In moving the adoption of the report President Hay said, "At the time of our last annual meeting the general outlook was clouded by the disastrous war between Russia and Japan. The treaty of peace which was concluded at the close of that war was regarded as an omen of universal national concord, and an assurance of general financial prosperity. This "consummation, so devoutly to be wished," has, unhappily, not been realized; on the contrary, a condition of unrest and insecurity has prevailed in the great financial world-centres, and the captains of finance are confronted with a situation manifesting the wisdom of continued care in maintaining the security of their position.

Notwithstanding this condition of general financial affairs, Canada has enjoyed a year of remarkable prosperity.

He dwelt upon the prosperity of Canadian industries, the lumber trade, which is the leading one in the Ottawa district, he stated, had been carried on with successful results. While our neighbours were called on to pay up to 27 per cent. for loans, there had been no advance in Canada over the normal rate.

Mr. George Burn, general manager, stated the percentage of the earnings to be 14.40 of paid-up capital. The increase in deposits, in "quick assets," commercial loans, etc., were pointed out. He threw out a word of caution to those who are tempted to rely too much upon "good times" being permanent.

Mr. Burn said:

"It seems to me that so long as we have good crops throughout the country, and prices maintain a fair average, we may expect good times. At the same time, we realize that there must be no relaxing of vigilance. The temptations to overtrade, to lay in too heavy stocks of goods, and to speculate in lands, etc., are serious, and not every merchant can resist them. Those of us who have passed through some of what are known as "hard times," know full well that the foundation of many a loss has been laid in times of prosperity."

The net profits were \$360,187, which provided for one dividend of 4½ per cent. and a second at 5 per cent. Bank premises account was reduced by \$46,998 and \$5,000 transferred to Officer's Pension Fund. It will be of interest to contrast the principal items in the statement for 1905, with those for November 30, 1878, a few years after the bank was opened, and with last year.

	1878.	1904	1905.
	\$	\$	\$
Capital paid up	561,951	2,500,000	2,500,000
Reserve Fund .....	.....	2,500,000	2,500,000
Circulation	148,838	2,374,017	2,323,279
Deposits	403,412	15,126,229	17,889,267
Discounts	1,021,503	15,750,221	17,672,596
Total assets	1,192,964	23,077,084	23,562,389

The Northwest has added a considerable sum to the bank's business, its success there having been most satisfactory. The Montreal branch is developing a good business.

The increase of 2¼ millions in deposits and of 2 millions in current loans and discounts are decided evidences of popularity and public confidence which have been won for the bank by the sagacious and energetic management of Mr. George Burn, the general manager.

MONTREAL STREET RAILWAY.

The weather during November was unusually favourable for the business of the local Street Railway Company. Hence the passenger earnings rose considerably over those of same month 1904.

The total passenger earnings were \$228,601 which exceeded November last year by \$27,454, or 13.65 per cent. Against this advance, however, had to be set an increase of \$19,778 in operating expenses and of \$3,203 in fixed charges, the net result being an increase of \$5,098 in the surplus as compared with 1904, the amount of which at end of November, from that month's operation was \$56,933.

Taking October into account the passenger earnings for two months were \$475,206, which exceeded 1904 by the very large sum of \$54,427. When it is considered that from 3 to 4 cents is the average paid per trip by passengers, it is evident that the public are using the cars far more than they did a year ago. This is another evidence of a good article always commanding a large sale.

As the accommodation provided is improved, as the trips along the leading thoroughfares are increased, so, in proportion, will the receipts enlarge. At present the company is giving an excellent service, though we hear complaints about the same cars being very defectively warmed.

THE MERCHANTS BANK OF CANADA.

BRIEF SKETCH OF ITS HISTORY.

A disconnected collection of independent provinces were moving towards confederation. This was finally consummated under the British North America Act that created the Dominion of Canada.

One of the factors which materially aided in this consolidation was the shipping enterprise of the Allan firm. Their line of steamers running from Canada to England testified to the fact of there being capital available for developing and promoting the trade of this country, and which fact was further demonstrated by the organization of the Merchants Bank of Canada in the designing and carrying forward of which work the late Sir Hugh Allan did a great service to this country. It is quite amusing to hear of the jealousy manifested at the opening of the new bank and the pessimistic prognostications that there would not be enough deposits and trade business to sustain it.

The following statement of the banks of Canada in the year when the Merchants Bank was founded is an interesting curiosity. The figures are compared with those of the same month 1905, as far as is feasible, the classification of the items being now so different to that adopted in earlier years as to render exactitude in the comparisons impracticable:

ALL BANKS RETURNS 1864 and 1905 COMPARED.

Assets.	1864. \$	1905. \$	Increase. \$
Specie.....	5,129,994	20,157,280	15,027,286
Landed or other property.....	2,671,682	652,566	Decrease.
Government securities	5,773,032	8,356,672	2,583,650
Notes of other Banks..	1,494,909	27,478,519	26,083,610
Due from other Banks.	2,667,727	8,431,852	5,764,125
Notes discounted.....	46,056,173	450,413,017	404,356,844
Other assets.....	3,225,160	296,290,133	292,984,973
Total assets.....	\$67,018,681	\$811,800,039	\$744,781,358
Liabilities.			
Capital paid up.....	26,482,917	83,864,828	57,381,911
Circulation.....	9,748,820	76,890,863	67,142,043
Due other Banks.....	1,371,564	14,179,464	12,807,900
Deposits without inter	9,098,332	150,868,116	141,769,784
Deposits bearing inter.	15,477,596	349,822,859	334,345,263
Total deposits.....	24,575,928	500,690,975	476,115,047

The above presents an impressive exhibit of the development of Canada since the Merchants Bank was founded. The bank has now 4 millions more deposits than all the banks in Canada then had. Its total assets amount to 70 per cent. of those of all the banks in 1864.

Since the revival of trade in 1897 the Merchants Bank has had its share of the enlarged business which was created by the improved conditions. In October last the circulation rose to \$5,644,644, which came as near the legal limit as is desirable.

THE MERCHANTS BANK OF CANADA.

APPOINTMENT OF MR. E. F. HEBDEN, AS GENERAL MANAGER.

On the retirement of Mr. Fyshe, last May, from the position of General Manager of the Merchants Bank of Canada, Mr. E. F. Hebden was temporarily appointed to that office.

At a recent meeting of the directors Mr. Hebden was formally elected as general manager.

This promotion has given much gratification to all those directly associated with the bank, and to a very large section of the public in this city, in Toronto, and in other parts of Canada.

Mr. Hebden commenced his business career as junior in the Hamilton branch of the Merchants Bank of Canada. His father was the late Rev. Canon Hebden. He was educated at Hellmuth College, London, Ont., and studied also at Heidelberg, Germany. While associated with the management of Toronto office he won the highest esteem and confidence of Mr. George Hague, who was general manager, by whom he was promoted to a highly confidential and responsible position at the Head Office, Montreal. He was appointed superintendent of branches and chief inspector, in which offices he served also under Mr. Fyshe, being, for a length of time, practically, assistant general manager, the duties of which office he discharged with eminent satisfaction and showed that all the firmness and prudence of a trained banker may be displayed in combination with unwavering suavity and courtesy.

In presenting a portrait of Mr. Hebden in this issue we congratulate the Merchants Bank of Canada on having secured so capable and so highly respected a general manager, one who has had very wide experience of its business throughout Canada and is thoroughly imbued with the principles and familiar with the methods to the application and carrying out of which the bank owes its eminent rank, prosperity and strength.

We are informed that Mr. J. S. Wallace, Provincial Manager Imperial Life Assurance Co., Winnipeg, closed and delivered a policy for \$75,000, collecting the premium in cash at the time.

THE NORTH BRITISH AND MERCANTILE INSURANCE COMPANY.—Since the announcement published in the N. Y. "Commercial Bulletin" of the promotions in the North British and Mercantile Insurance Company, it is learned from the United States branch of the company that the dual system of management which existed from the time of the appointment of W. T. Price and the late J. M. C. Johnston has been abolished, and Mr. Price has been appointed as sole manager by the London board. His entire business experience of more than thirty-five years has been with the North British and Mercantile, and the remarkable success which he has achieved has placed him in the front rank of British underwriters. The recognition thus given by the directors is well deserved.

AMERICAN LIFE INSURANCE.

A RECORD OF 25 YEARS.

In these days when expenses are being made of the reprehensible irregularities of a few life assurance officials, which have had a tendency to disturb public confidence in these institutions that are engaged in that business, it is advisable for attention to be drawn to the record for the last 25 years of the American life companies.

A table reproduced with additions, in this issue from our esteemed contemporary "The Insurance Age" is a very remarkable exhibit in all its features.

The growth of life assurance business, more especially in the last 8 years, has been so great as to

have doubled the amount in force, as well as the premiums received, and the assets.

The amount in force in 1896 was \$,967,576,418, and in 1904, \$10,028,090,981, showing an increase of \$5,060,514,563, which is \$92,938,145 in excess of 100 per cent. The premiums received in 1896 were \$223,714,321, and in 1904, \$469,542,922, the increase being \$245,828,601. The assets in 1896 were \$1,228,324,342, as against \$2,454,669,486, the addition made after 1896 having been \$1,226,345,144.

The assets have been, naturally, growing at a greater rate than the amount of insurance in force. In 1894 the ratio of assets to amount in force was 22.6 per cent. whereas in 1904 the ratio was 24.5 per

RECORD OF AMERICAN LIFE INSURANCE FOR TWENTY-FIVE YEARS.

From "The Insurance Age."

Year.	Premiums Received.	Paid to Policy-holders.	Total Taxes Paid.	Insurance Issued.	In Force.	Assets at End of Year.	*Per cent. of Assets to amount in force.
1880.....	\$51,096,948	\$52,190,404	\$1,364,650	\$187,504,256	\$1,475,995,172	\$417,951,009	28.3%
1881.....	54,318,054	52,144,050	1,532,637	222,518,483	1,539,848,581	429,277,459	.....
1882.....	58,739,758	52,944,763	1,295,229	257,517,216	1,637,648,872	449,602,317	27.4%
1883.....	65,459,295	55,381,712	1,310,412	308,064,893	1,763,730,015	471,805,920	.....
1884.....	72,016,264	58,450,968	1,384,263	321,310,170	1,870,728,059	491,487,719	26.2%
1885.....	78,513,171	60,045,079	1,524,924	378,214,523	2,023,527,488	523,664,678	.....
1886.....	88,726,915	64,401,302	1,607,180	448,514,242	2,222,414,050	560,125,359	25.2%
1887.....	100,584,162	68,947,469	1,656,022	531,170,783	2,474,507,120	595,679,477	.....
1888.....	114,359,530	75,224,254	1,919,543	631,731,701	2,761,577,128	641,747,870	23.2%
1889.....	133,162,864	80,594,990	2,044,374	786,096,741	3,144,677,311	696,943,724	.....
1890.....	149,553,949	88,412,460	2,303,047	880,711,283	3,542,955,751	753,228,759	21.2%
1891.....	162,624,444	95,140,903	2,455,257	928,256,338	3,861,585,383	819,402,852	.....
1892.....	180,608,156	102,625,119	2,700,406	947,804,283	4,199,441,397	903,734,537	21.5%
1893.....	192,706,839	108,570,612	3,092,625	1,052,403,648	4,511,036,550	971,857,224	.....
1894.....	205,132,044	116,054,708	3,366,814	985,520,033	4,657,583,046	1,056,331,683	22.7%
1895.....	215,195,302	122,278,718	3,663,244	864,815,534	4,818,170,945	1,142,419,926	.....
1896.....	223,714,321	134,219,514	4,093,472	796,124,326	4,967,576,418	1,228,324,342	24.7%
1897.....	239,394,411	137,554,812	4,308,444	923,804,876	5,255,725,545	1,334,051,344	.....
1898.....	252,717,034	145,406,247	5,109,428	1,018,366,027	5,701,167,754	1,451,116,914	25.4%
1899.....	283,038,362	153,786,769	5,971,600	1,304,306,028	6,355,288,339	1,576,334,673	.....
1900.....	316,846,293	164,623,856	6,772,622	1,356,768,653	6,947,096,609	1,723,737,723	24.8%
1901.....	349,186,052	183,393,525	6,966,687	1,470,317,087	7,572,802,805	1,879,624,564	.....
1902.....	393,832,410	198,712,637	8,087,579	1,537,948,826	8,440,713,352	2,062,430,804	24.4%
1903.....	431,839,693	220,144,990	8,758,467	1,694,701,189	9,241,273,431	2,226,423,202	.....
1904.....	469,542,922	241,048,309	9,569,500	1,810,222,799	10,028,090,981	2,454,669,486	24.5%
Totals.....	\$4,882,912,593	\$2,834,298,170	\$92,828,426	\$21,664,715,738	.....	.....	.....

Total Premiums Received from Policy-holders in 25 Years - - - - - \$4,882,912,593
 Total Paid to Policy-holders, Plus Assets Now Held for Their Benefit - - - - - 5,288,967,666

* This column has been added to the table in "The Insurance Age."

cent. Had only the same ratio been maintained in 1904 as in 1894, the assets would have been \$178,290,800 less than they are recorded.

The percentage of amount, the premiums received paid to policy-holders was, in 1894, 56.5 per cent. and in 1904 51.4 per cent.

The taxation levied in the United States on life insurance companies is excessive. In 1904 they paid \$9,569,500 in taxes, and since 1880 the aggregate payments for tax imports reached the enormous sum of \$92,828,426, which was drawn indirectly from the pockets of the policy-holders. Practically, this was a fine by the State for being thrifty and regardful of the welfare of the policy-holder's family. Had the State not intervened the sum of close upon 93 millions of dollars would have been available for bonuses, dividends, or reductions in premiums. This large sum would have provided more life insurance for the people and added a certain proportion to the strength of the companies. Were the whole sum of the charges made for taxes, license fees, expenses of the State insurance departments made known which the life insurance companies have to pay, but for which they are recouped sooner or later by their policy-holders, there would probably be an effort made to lighten this burden and the true attitude of the State to life insurance be assumed which is that of encouragement not of restriction, of stimulus not of repression.

The American life company's record for the last 25 years is a most impressive exhibit. It manifests how utterly insignificant, as compared with their aggregate income and asset resources, are the sums alleged to have been improperly appropriated.

PROPOSED NEW CURRENCY SYSTEMS FOR THE UNITED STATES.

There have been two systems of currency recently submitted for the consideration of the people of the United States. One of these was formulated by Mr. Shaw, secretary of the treasury, the other by Mr. G. W. Garrels, president of the Franklin Bank, St. Louis.

The Secretary's plan seems to be part of a scheme of taxation for it provides for the imposition of a tax of 5 per cent. on bank note issues in excess of a certain amount. There seems in the Secretary's mind an impression that there is some inherent evil in the circulation of notes which ought to be restrained from developing by the imposition of a tax on circulation. The situation his scheme would create would be highly irrational, eccentric and disturbing to the money market.

When the time came for the banks requiring to issue more currency than usual, say, during the harvest season, and while crops were being moved to market they would be confronted with this dilemma, either, to issue the notes needed and pay the 5 per cent. tax thereon which would cause such extra

issues to be most unprofitable, indeed, a source of loss, or, to decline such business as demanded an extra issue of notes and so cause embarrassment which might generate conditions favourable to a panic.

Why the expansion of note issues to meet the periodic needs of trade should be hampered by special taxation is beyond reasonable explanation. One would suppose it to be rather the function of Government to afford all the facilities possible within the bounds of safety for banks to meet the financial needs of the country. That is not the opinion of the Secretary of the United States Treasury.

If the expansion of the currency under the demand for crop moving purposes is a legitimate business movement then the tax upon notes issued under this pressure is an effort to restrain such movement which is manifestly arbitrary, untimely and irrational. If, on the contrary, it is adverse to the public interests for the banks to be empowered to provide the additional currency needed for the country's business, the issue of such additional currency ought to be absolutely prohibited.

One feature in the Secretary's scheme is commendable and hopeful. The extra currency he would permit the National banks to issue would be equal to 50 per cent. of their present bond-secured circulation, but this extra circulation he would not require to be based on United States bonds as are the present American notes issues. So far, so good, this would be a step in the right direction. At present the basis of the national bank's circulation is a diminishing quantity, while the circulation itself is an increasing quantity. The United States debt, which provides the bonds for the National banks as a basis of note issues, might be wholly paid off were it not for the bonds being utilized for the currency. The situation is becoming ludicrous, the United States are perpetuating the national debt solely to provide a bond basis for bank note issues, the nation's debt supporting the bank's credit.

The other scheme for a reformed currency shows a clear conception of the object of currency, the methods for its being secured and adapted to the business requirements of the country. The promoter of this plan condemns the present currency system as:

"An artificial way for the Government to borrow money cheaply. The National bank note is forced into circulation after the Government has been in the market to sell bonds, without regard to a reserve of gold, of which good paper money is a representative, and in which it must be easily redeemable to remain good. The National bank note is issued without regard to the needs of trade, for the benefit of which bank notes were invented. It does not go out of circulation until it has done all possible harm by congesting the money market and demoralizing interest rates. Abnormally low interest rates promote non-dividend paying enterprises, in-

flate prices of securities, cause relaxation of the rules for doing a safe banking business, induce merchants and manufacturers to spread out beyond the safety limit, cause them to allow their assets to become slow and fixed and promote gambling on the exchanges of the country."

This truthful indictment comprises all the charges that can be laid against a currency system.

Mr. Garrels, who drew up this accusation, has evidently been a student of the Canadian currency. His plan, in its main features, as set forth in the New York Banker's Magazine, is identical with the system of Canada, as the following synopsis shows:

1. The notes to be issued are to be based on the general assets of the issuing bank, against which they are (would be) a preferred lien.
2. They are secured further by a district safety fund and a general guarantee fund, created out of a tax on circulation and also by a gold reserve of 30 per cent., which each bank is required to hold for redemption of its circulation.
4. In case of a bank failure, the outstanding bank notes of the bank that failed are at once redeemable out of the general guarantee fund, which is later reimbursed as a first preferred creditor out of the assets of the bank that failed up to the full amount of the outstanding bank notes. In case the assets of the bank that failed are not sufficient to cover its circulation, one quarter of the loss is made good by the district safety fund and three quarters by the general guarantee fund.
3. Each bank is to be allowed to issue notes to an amount equal to 1.50 per cent. of its capital.

The similarity of the provisions of, basing note issues on a bank's general assets, with a certain ratio to the capital and the establishment of a guarantee fund, to the Canadian currency system is obvious.

The other features relate to a complicated arrangement of what are styled "redemption cities," which seem too elaborate to us, who have made all bank notes issued in Canada current and practically redeemable all over the country. The proposed system would tend to localize the circulation and would give the Deputy Controller such functions as would be liable to become embarrassing and irritating to bank managers.

Mr. Garrel's proposals are practical and practicable as they have been suggested by the Canadian system which, whenever put to the test, demonstrates its soundness, its elasticity and its capacity of rendering services commensurate with the country's needs.

The sooner the United States currency is modelled on the Canadian plan, with such variations as are needed by the special geographical and other conditions of that country, the better it will be for all our neighbour's business interests. One notion particularly needs to be got rid of, the idea that

bank notes are a legitimate prey of taxation. The machinery of finance works for the public advantage, it ought, therefore, to be left untrammelled by taxation.

THE STANDARD BANK OF CANADA.

The directors of the Standard Bank, Toronto, decided on 10th inst., to increase the capital from \$1,000,000 to \$2,000,000 subject to the approval of the shareholders.

It is proposed to make an issue of \$250,000 at an early date, on which the premium will be 100 p.c. The reserve fund at present is the same amount as the paid-up capital, a proportion that will be maintained when the new stock is taken up.

The Standard has been noted for the good dividends it has never failed to pay. For some years the rate was 8 per cent., then a 9 per cent. dividend was paid with a bonus of 1 per cent. and since 1901 the rate has been maintained at 10 per cent.

This puts the new stock on a 5 per cent. basis when a premium of 100 per cent. has been paid.

The October bank statement gives the circulation as \$750,446, which is close to the legal limit. The new stock will enable so much more notes to be issued. The deposits on 31st October last were \$12,581,321, and the current loans and discounts \$11,715,402. The immediately available assets stand at a high figure. The policy of the Standard Bank from the first has been very conservative. In branching out this policy will, no doubt, be maintained.

The resources of the bank have evidently been well utilized.

The vice-president made an interesting statement describing a trip made by a party of the directors through the Northwest to British Columbia, as a result of which the bank is likely to take steps for enlarging its Winnipeg interests and opening at other points.

FIRE IN PREMISES OF BRITISH-AMERICAN IMPORT CO., MONTREAL.

By the fire which occurred on the 14th inst., on the premises of the British American Import Company, the following companies are interested:

Aetna	\$82,500
British America	2,500
German American	2,500
Guardian	5,000
Home	2,500
Liverpool & London & Globe	3,000
Northern	10,000
Norwich Union	5,000
Scottish U. & N.	2,500
Union	15,500
Western	2,500
Richmond D. & Y.	1,500
Equity	2,500
London Mutual	4,000
Ottawa	2,500
Traders	4,000
	\$68,000

Loss about 65 per cent.

QUERIES' COLUMN.

In order to furnish our readers with information we propose to devote this column to replies to correspondents. Letters should be addressed to "THE CHRONICLE, Enquiry Department, Montreal."

Answers will only be given to such communications as bear the writer's name, not for publication, but as evidence of good faith, and only to questions referring to matters of general interest in regard to which the Editor of Queries' Column will exercise his own discretion.

1510.—W. J. B., Ottawa.—The estimated acreage in cotton in the United States for is about 27,000,000 acres. The yield of cotton last year was about 14,000,000. The cotton-boll weevil is germinated from a worm and lives and grows within the cotton buds or balls. They appear about 1st May, sometimes as early as 15th April, and five broods or generations of weevils are incubated between then and December.

1511.—H. J. McD., Cobourg.—The day a stock sells ex-dividend the price usually declines the equivalent of the dividend. If you sell your stock ex-dividend you will obtain the price stated, plus the amount of the dividend when it is paid.

PROMINENT TOPICS.

MR. PAUL MORTON, PRESIDENT OF THE EQUITABLE LIFE ASSURANCE SOCIETY, has addressed a letter to the policy-holders in regard to the financial condition of the institution as revealed by a full investigation made by eminent experts. These were, Messrs. Price, Waterhouse & Company, the well-known chartered accountants of London, and Messrs. Haskins & Sells, certified public accountants of New York. These firms arranged for a more elaborate and thorough investigation than had ever before been applied to an American insurance company. This work occupied a large force of professional accountants and valuers for five months.

THE RESULT OF THE AUDIT is given in a joint letter signed by the above firms in which they say:

"The assets of the society as claimed were all found to be on hand and amounted in value to \$416,166,500.10.

"The surplus over and above all liabilities amounted to \$67,142,865.42.

"A conservative re-valuation of the assets, including a re-appraisal of all the real estate owned by the society or covered by mortgages held by the society, has resulted in a reduction of the values adopted in the society's last annual report, principally in real estate and in stocks of certain financial institutions."

This statement will be highly gratifying to the policy-holders and to all, indeed, who are interested in life assurance. It should be sufficient to establish the fullest confidence in the absolute stability of this great institution.

THE EQUITABLE TO BE MORE ECONOMICALLY MANAGED.—The President announces that economies amounting to over \$600,000 a year have been introduced which capitalized at 4 per cent. equals an addition to the funds of over \$15,000,000, which more than covers the marking down of assets.

Owing to certain irregularities the liabilities disavowed by the society and amounts restored approximate \$1,000,000, and legal proceedings have been instituted to recover other large sums. In future a thorough annual audit will be made by independent experts.

ADVANCES TO AGENTS. A NEW PLAN ADOPTED.—The advances to agents secured by their unpaid commissions, which were carried by certain trust companies under special contracts with the society were found to constitute at least a moral obligation of the society and one it would be profitable to take over. This has been done and accounts to amount of \$5,813,184 have been taken over, which will increase the society's income by \$150,000 per year.

* * * *

THE GENERAL POLICY OF THE NEW PRESIDENT.—Mr. Morton is evidently a "root and branch" reformer. He will not allow contributions to be made to political campaigns. He looks to the policy-holders to see that no unreasonable legislation is enacted adverse to their interests. No effort will be made to improperly influence legislators. All investments will be made with the strictest regard only to the policy-holder's welfare.

There will be no effort to have the *biggest* company in the world; the effort will be to make it the *best and safest*.

* * * *

POLICY-HOLDERS ADVISED to maintain their policies as by allowing them to lapse they will do themselves injustice. Their contracts with the Equitable Life Assurance Society are as safe and sound as anything earthly can be.

Since January 1, 1905, the policy-holders, or their representatives, have been paid over \$118,000 every working day! This has been going on while a large section of the Press has been representing life insurance to be unworthy of confidence.

* * * *

THE QUEBEC STAMP TAX.—In his chapter on taxes on contracts John Stuart Mill very clearly implies that such imposts are only worthy of semi-barbarous governments. He speaks of a tax on purchases and sales as "absurd," and, if enforced enhances the cost of what is bought and sold. One feature of injustice in a tax on the transfer of a property is that it usually falls on those least able to bear it. A tax on the transfer of shares in joint stock companies, bonds and other securities is equivalent to a tax on interest. This great authority condemns "all taxes

which throw obstacles in the way of the sale of land or other instruments of production." If a tax on land transfers is so objectionable how much more so must a tax be on a class of property which is continually passing from one owner to another, when, on each transaction, a tax has to be paid. The penalizing of transactions in securities by taxing them at every turn is a distinct discouragement of a form of business which is necessary to the development of financial and industrial enterprises. This is the age of joint stock efforts, by combining the capital of a number of shareholders' enterprises have been, are indeed being continually established. Yet, the Quebec Government steps in and shows its disapproval, or non-appreciation of these efforts by imposing a tax on each transfer of shares, a form of business most conducive to the economic development of the province.

We could understand a tax on the gross amount of a company's capital, this would be a form of property tax, and would be imposed only once every year. But, to impose a tax on each change of ownership of some portion of a company's paid-up capital, is clearly most inequitable as the very same portion of the stock may be taxed over and over again in the course of the year. To tax the total year's profits of a business is one thing, but, to tax the individual transactions out of which the total profits are built up is manifestly most arbitrary and unfair. Besides, it is discriminating against the best interests of financial transactions in this province and if this stamp tax is not repealed it will drive the business elsewhere.

PREFERENTIAL TRADE.—The change of Government in England and the winding up of the Tariff Commission's enquiries in Canada put the question of preferential trade again in the front rank.

As regards the effect produced by the concession given to British manufacturers, by which their goods enter Canada at a duty one-third less than similar goods from foreign countries, there is an opening for a difference of opinion.

Tariff problems are generally viewed through partisan political spectacles. These differ widely in their powers of definition so that, what appears quite clear to some seems blurred, confused and very uncertain to others. In Canada there is a preponderating weight of opinion in favour of the protection of native industries. There is also a universal desire to strengthen the bonds which bind us to the mother country and the whole British Empire. How to reconcile these opinions and sentiments is not so easy a task as some imagine. Any plan of preference in favour of British goods that operates against the industrial development of Canada, naturally, will not be approved by the manufacturing interests of this country, nor by those who regard those interests with a jealous eye.

It is probable that in the next Session of Parliament there will be an extended debate on the tariff changes which are likely to be introduced by the Government. In the course of this debate the Preferential Tariff question will be thoroughly discussed, and incidental thereto there will be attention given to the very wide, very complicated, but highly important question of Inter-Imperial tariff arrangements.

Sudden action is to be deprecated, "the more haste the worst speed" applies especially to matters so far reaching and so intricate. The autonomy of each of the self-governing colonies will have to be strictly respected. Trade sacrifices should not be expected, but, whatever policy is adopted the supreme effort should be to deepen the sense of Imperial unity out of which, in good time, there will be evolved such a fiscal policy as will be acceptable to all sections and strengthen the Empire as a political unit.

THE YORK COUNTY LOAN COMPANY is to be wound up by order of the Courts. Hopes are entertained that the properties owned by the company will eventually realize sufficient to meet the liabilities, but a length of time is likely to elapse before those in the extreme western part of Toronto will be in demand.

UNHAPPY RUSSIA.—The civilized world is looking with anxiety and distress on the conditions existing in Russia. The necessity is most urgent for a strong man of commanding ability and firmness who will propose and inaugurate a definite policy leading to some form of constitutional government that will satisfy the political aspirations of the people and pacify the peasantry and small farmers. This has to come as a prelude to the restoration of order. It is painful to observe how wavering is the policy being pursued. The darkest hour is that which precedes the dawn. Russia, we trust, is passing through this period and gleams of daylight may come any hour. The lesson that some power higher than brute force is needful for governing a nation it has taken Russia centuries to learn, but the lesson will not be forgotten.

COLUMBIA UNIVERSITY AUTHORITIES have decided to prohibit football, or what is very wrongly termed "football," as far as their power reaches. This drastic course, if followed by all colleges, would be in the best interests of athletes and athletics.

THE NEW BRITISH GOVERNMENT.—Already there are rumblings in England which are usually held to foretell a coming storm. Strange to say the more radical papers do not enthuse over Mr. John Burn being given a Cabinet office. He is said to have "betrayed the cause of labour," and, "sold himself to the Philistines." It is certain, that John Burn, the labour agitator, will be wholly obscured by the Right Hon.

John Burn, M.P. As the old saying is, "Bees alighting cease to hum," so, having alighted in Downing street in receipt of an income thirty times larger than the highest wages earned by men of his class, we can hardly expect this remarkably able mechanic to talk socialism to his colleagues in the Council Chamber or any more in Trade's Union circles.

* * *

MR. WINSTON CHURCHILL, assistant secretary for the colonies, with his youthful impetuosity, was no sooner appointed than he laid down the line of policy that would be pursued by the Colonial office. He would have been wiser had he waited for the responsible minister to have done this. As a subordinate he was rather "fresh" in preceding his chief.

* * *

THE POLITICAL SITUATION IS VERY MIXED IN ENGLAND.—Several of the leading English papers strongly advised Sir Campbell-Bannerman, premier, to retire to the House of Lords, where the Government is remarkably weak, the leader, Lord Tweedmouth, being a peer of no weight any way.

The election cry is to be, "Free Trade," which is somewhat peculiar, as this system has not been assailed by the opposite party. It would cause no surprise in the old land were the new Government to fail in securing a working majority as a result of the elections, in which case Mr. Balfour might be recalled, or, more likely the elections may point to Mr. Chamberlain being the people's choice.

* * *

REPORT ON GAS PRODUCTION AND SALE IN MONTREAL.—Professor Bemis, of Cleveland, Ohio, under instruction from the City Council, has been investigating the cost of illuminating gas in this city and of its distribution. He has reported on these questions also as to the cost of building a gas plant equal to the needs of this city, which he fixes at \$4,171,000, and \$5,056,819 if made large enough for several years to come. He estimates the worth of the plant of the Montreal Gas Company as \$2,919,750. This low figure is accounted for by its having depreciated in value and having become inadequate for the services required. He points out, what is quite well known to those who have been observers of gas company reports, that a large increase in the consumption of gas may occur without any increase in the expenses of distribution.

Indeed, experience shows that when gas is made more popular and the consumption largely increases it is not only made for a less outlay but the percentage of distribution charges are much reduced in proportion to the total cost.

Mr. Bemis considers that gas could be delivered to consumers in this city for 87 cents per 1,000 feet, or if separate prices were charged, they should be, 90 cents for lighting and 80 cents for fuel gas.

As the same kind of gas is used for both purposes,

as it all comes through the same mains and pipes, the allowance for "fuel gas" can only be made to encourage the use of gas for cooking and heating. It is, however, alleged that, the supply of "fuel gas" utilizes the mains in the day time when, otherwise they would be out of use. It must be borne in mind that the climatic conditions in Montreal are not familiar to Mr. Bemis.

An arrangement by which the city would participate in the profits of the lighting and power system is the most desirable as well as the most likely plan to be accomplished.

THE CHRONICLE some time ago outlined such a scheme and has on several occasions shown its feasibility and advantages.

* * *

A FINANCIAL SCANDAL IN CHICAGO has occurred by the collapse of three of the largest financial institutions in the western States which are, the Chicago National Bank, the Home Savings Bank and the Equitable Trust Company. These companies were under the control of John R. Walsh, who was president of the National Bank and the Trust Company.

The collapse was caused by a large portion of the funds of the three institutions being locked up in the private enterprises of Walsh, chiefly in the bonds of the Southern Indiana Railway and the Bedford Quarries Company. The comptroller, the State auditor, and committee of the Chicago Clearing House on inspecting the securities on which heavy advances had been made valued them at one half what Walsh had estimated for advances. It has been made known that the comptroller, who acts as inspector of banks, has had a dispute for some time with the National Bank regarding its business proceedings, especial objection having been taken to the loans made to the private enterprises of Walsh. The Comptroller now states that the promises made that these loans would be materially reduced were never observed.

* * *

THE AMERICAN BANK INSPECTION SYSTEM SERIOUSLY DEFECTIVE.—This is no new phase of the bank inspection system in the United States. The Comptroller's officials make representations to him when they discover something objectionable in a banks condition, he calls on the bank to have this something removed, or put in better shape, and there the matter ends unless the bank is desirous of complying with the Comptroller's instructions, if not, those instructions are ignored.

* * *

ANOTHER DEFECT in the American bank inspection system is this: Banks act in concert to deceive the inspector by lending each other securities when his visits are made. Thus, a batch of bonds, etc., not infrequently passes to and fro doing duty as part of the assets of several banks. This had been done in the three institutions which have failed. Then, the

State examiner had a "tip" given him and a simultaneous examination was commenced which revealed that an enormous proportion, some \$15,000,000, of the banks and trust companies' assets had been advanced on the securities of railroads that were owned almost wholly by Mr. Walsh.

The National Bank also suffered seriously by becoming mixed up with politics. Altogether the affair reveals a deplorable weakness in the United States system of banking.

MR. BENJAMIN F. CROUSE has been appointed insurance commissioner of Maryland, succeeding Mr. Frank J. Duncan, resigned.

INSURANCE COMMISSIONERS ON THE SITUATION.—A majority of the United States Insurance Commissioners have given their judgment on the evidence adduced before the insurance investigation committee. All of them express most decidedly their conviction that the absolute soundness of the companies under review has not been shaken to the slightest extent by whatever regularities have been exposed.

AN ENGLISH VIEW OF FOOTBALL.—"The Review," which has always spoken in favour of athletic sports says in a recent issue:

"They appear to be having quite a lively time in football circles in America. Those who take part in this sport have a very pleasant way of mutilating one another, which can only be compared with the methods of savages. Over here there are quite a number of accidents in the football field during the season, and not a few deaths, but so far our players have not cultivated the loving characteristics of the American University student in playing the game (!). By-the-bye, what have accident insurance companies to say to all this."

THE COUNTY OF LONDON'S FINANCES.—The figures of the London County Council's returns read more like those of a State Government than a municipality. The assessable value available is stated to be \$208,236,000, a rate on which at 2 cents in the £ amounts to \$867,600. The stock and loan debt of the council is given on the "Economist" as consisting of Consolidated stock \$328,088,000, London County Bills, \$7,315,000, and other liabilities, \$13,061,000.

The Council owns assets consisting of amounts due by other municipal bodies, surplus lands and moneys, amounting to about \$119,453,000. This leaves the net liability of the council as, approximately, \$229,010,000. On 12th inst. the council issued a further amount of consolidated stock for \$7,500,000 at 3 per cent., the minimum price being fixed at 92.

ENGLAND'S FOREIGN TRADE.—The gloomy reports so persistently published in a certain class of British and foreign journals makes the returns of imports and ex-

ports of more than usual interest. Up to the end of last month the imports into the United Kingdom were \$2,560,800,000, against \$2,492,610,000 in same period 1904, showing an increase of \$68,190,000. This does not support the alleged decadence of trade as there have been large increases in raw materials. The imports of wool into England in November last were 60 per cent. more than a year ago, and for the 11 months of this year, these imports were over 11 per cent. in excess of 1904. The cotton imports this year were much larger than in 1904.

The total exports to end of November were valued at \$1,506,800,000, as compared with \$1,363,720,000 in 1904, the increase being \$143,080,000. These returns show that the total foreign trade of the United Kingdom this year, up to 1st inst., was \$211,270,000 greater than in the same period last year.

The imports of cotton and wool pass out of the country, to a very large extent, as manufactured goods. The exports of woollen goods appear in the returns as valued at \$225,600,000, of linen goods \$28,567,000, cotton goods, \$790,000,000. These are all in advance of the figures for 1904.

Notes and Items.

AT HOME AND ABROAD.

MONTREAL CLEARING HOUSE.—Total for week ending December 21, 1905—Clearings, \$28,463,149; corresponding week 1904, \$29,432,804; corresponding week 1903, \$19,060,206.

THE BANK OF BRITISH NORTH America has opened a Branch at Duncans, B.C.

OTTAWA CLEARING HOUSE.—Total for week ending December 14, 1905—Clearings, \$2,336,489; corresponding week last year, \$2,020,276.

COMPLIMENT TO MR. McCURDY.—The London "Review" pays the following tribute to the ex-president of the Mutual of New York:

"The announcement has been made that Mr. R. A. McCurdy has resigned the presidency of the Mutual Life of New York, and that his resignation has been accepted. This terse information means that a remarkable strenuous business career has come to an end. That Mr. McCurdy devoted the whole of his life to the advancement of the Mutual Life of New York, or the G.O.M. as it is familiarly called in America, is unquestionable. The place the Company now occupies in the insurance world is one that indicates indomitable courage and business perspicacity of a very high order on the part of the man who occupied the Presidential chair for 20 years.

"It is absolutely indisputable that since the time Mr. McCurdy assumed the reins of government, the Mutual has advanced at express speed, for in 1886 the assets were £23,787,909, and the premium income £4,478,407; while last year these items were £89,936,996, and £12,176,117 respectively. By his devoted attention to the Company, Mr. McCurdy has added dignity and honour to the operation of the Company the world over. *Sic transit gloria mundi.*"

THE BANK OF MONTREAL opened a branch at St. Henri on 18th inst. in temporary premises, No. 1995 St. James street, pending the erection of the bank's own building, 3927-9 Notre Dame street, which will be proceeded with at once.

MUNICIPAL INSURANCE.—We have already dealt more or less fully with the above subject in this column and elsewhere in this journal. The position, however, from time to time develops new aspects. We understand from a contemporary, which has lately devoted considerable attention to the matter generally, that the Local Government Board are by no means unaware of the dangers of municipal "self-insurance," and are maintaining an increasingly watchful attitude in regard thereto. The various buildings and works in which municipalities are interested are, as is well-known, in very many cases erected by means of loans sanctioned by the Local Government Board, and consequently this body has a very considerable interest in seeing that adequate protection from fire, and the consequences thereof, is secured—in other words, that the insurance of the property is affected in responsible quarters.

It is pointed out that the Worcester County Council recently desired to become their own insurers for a large portion of their property; but, the property of such a course being questioned, the Local Government Board was applied to for its views on the matter. The result shows the wisdom of the Board, and was, in fact, what might have been expected. The opinion expressed was that the County Council occupy the position of trustees of public property, and that the Council should consequently take all usual and proper precautions in insuring.

To further quote our contemporary: "There appeared to be no statutory authority empowering a county council to create and administer a fund for the purpose, and the Board doubted the Council's power to carry out their purpose. In the event of school buildings on which there was an outstanding debt being destroyed by fire, and a loan being proposed for replacing them, the Board would exclude from any new loan a sum equal to the outstanding debt, so that, unless insurance monies were available, the cost would have to be borne out of current rates. Furthermore, under the Education Act of 1902, at least one-half the sum required to liquidate a loan must be borne by the parish or parishes served by the school, and if no insurances are effected this would be a very serious and unequal imposition in the event of fire."

We are not surprised, therefore, to learn that the Worcester County Council adopted the recommendation of their Finance Committee to let the matter drop.—"Local Government Journal."

RATES COMPARED.—At the beginning of the present life insurance investigation several articles were published in which it was made to appear that the policy-holders in British life insurance companies had a decided advantage in rates, etc. Actual publication of the facts, however, shows that the English rates average higher than American. On a participating life policy at age 35 seven English companies, one French company, and one German company show decidedly higher rates, the London Life being the highest of all at \$34.25—"Insurance age."

AN EXPERT'S VIEWS.—In an address to the Boston Life Underwriters, President Holcombe of the Phoenix Mutual said: "I believe that life insurance is a good thing for the individual and for the state. I believe that legitimate life insurance is not only not over-done, but that it would be for the best good of the public if a vastly greater amount

should be carried than is now in force. The census of 1900 shows that there were 385,610 persons in Connecticut engaged in all occupations. Of this number 186,675, or somewhat less than one-half, were engaged in manufacturing, and the amount paid by these establishments in wages and salaries during that year was \$95,053,775. The grand list of Connecticut in the year 1900 amounted to \$694,000,000. The present value of the future surplus earnings of those engaged in the manufacturing alone was undoubtedly greater than the grand list. The report of the insurance commissioner of Connecticut for the year 1900 shows that there were at the close of that year life insurance policies outstanding on the lives of citizens of the state representing \$149,970,752 of insurance. The crop is small compared with the size of the field and the richness of the soil.

I believe that the benefits of life insurance cannot be generally spread over the country excepting through the efforts of agents. I believe that the policy-holder should be given to understand with the utmost frankness that he cannot get his insurance for the actual mortality cost, any more than he can buy his barrel of flour for the cost of the wheat which goes into it, or his fire insurance for his share of the actual losses. I believe that the home office employee, whether he be an officer or a clerk, is entitled to reasonable compensation for his service, and no more. I believe that the general agent and the solicitor should be fairly paid. I believe that there are faults in the business which should be corrected, and that there is a better prospect of reformation now than there ever was before.

I do not believe that any ratio of expense to income necessarily proves economy, efficiency, usefulness or the opposite. I do not believe that laws can transform dishonest men into honest ones. I do not believe that the acts of a legislature can produce confidence where it is not deserved.

I believe that public opinion is stronger than statutes and that can be secured and retained only by fair and honest practices and absolute frankness in all things. And I believe above all that we have it in our power at this time, by fair dealing toward each other and the public, to win the confidence of thoughtful people, to the end that our business shall be better and greater than it ever has been.

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

LONDON LETTER.

FINANCE.

London, 8th December, 1905.

A very heated meeting of the shareholders of the LeRoi mining company was held here yesterday and for the next fortnight the company appears to be likely to have its fate hanging in the balance. The meeting was called to discuss mainly whether the LeRoi is to continue as a separate company or whether it shall be included in a new company to be formed by the amalgamation of several neighboring concerns.

For three solid hours tumult ruled and the feeling manifested was practically wholly against the Board and its proposed amalgamation scheme. Sir Henry Tyler, the chairman of the company, was successful mainly in arousing

ing the indignation of the shareholders by the belittling way in which he spoke of the company's property and the Northport smelter. His statement that without amalgamation the prospects of the company were almost hopeless was held to be exaggerated in view of the fact that the Le-Roi made \$250,000 profit last year and that it is to have a full quarter interest in the amalgamated company.

Beyond this the British shareholders are absolutely unwilling to surrender the control of their property into Canadian hands despite a perception that amalgamation might in the end make for the benefit of all concerned. A poll is being taken and a fortnight should decide the question altogether.

INSURANCE.

The holiday-making feeling grows stronger in this country every year. The Stock Exchange will be closed this year from the Friday evening before Christmas day to the Wednesday morning after and the Marine and other Insurance Companies may be expected to follow this example. The Committee of Lloyds has already decided to do this. This was expected. Holidays are rapidly multiplying in the Room. Usually nowadays the Committee closes the Room for the Saturday preceding each Bank holiday, thus going one better than the banks and the Stock Exchange. It is obvious that business is not so exigent as it once was.

A meeting of the Alliance Marine and General was held on Thursday when the shareholders conformed the resolution passed the previous meeting for effecting an amalgamation with the Parent Alliance.

Gradually a more equitable system of treating endowment assurance in the matter of interim bonuses is growing up here. The improvement is slow, however, and the unfairness is still seen of penalizing the holder of a \$5,000 endowment a matter of \$100 or \$125 because he happens to reach 60 in November whereas he would have escaped this had his birth been delayed to January. Smart business men of course get round the trouble by ignoring the tabulated years and insisting upon their endowment running until at least a day after a valuation date.

London's beggar population.—The average income of the 4,000 professional beggars in London is officially estimated to be \$7.50 per week. Some are living in great comfort, have considerable money on deposit, but they are not above taking doles of bread and victuals given out as charity.

STOCK EXCHANGE NOTES.

Wednesday, p.m., December 20, 1905.

The movement in Dominion Iron securities culminated on Saturday last when Common touched 28½, Preferred 75¼ and the Bonds 86¼. From this point the stock declined, but it seems likely that another upward movement will be seen after this reaction. Very active trading took place last week and over 26,000 shares of Common stock were dealt in. The market as a whole is strong, and a general advance has only been checked by the financial troubles in Chicago which became public on Monday last. Had it not been for this disaster, which seems to have

been judiciously handled by the other Chicago banks, some new high levels would probably have been established in the local market this week. Montreal Power continues unaccountably heavy, and it is difficult to understand why it should be selling at its present level. The decision by the Privy Council in the Robert case, even if adverse to the Company, should be well discounted, and apparently this is the only clog on the advance of the stock. For a patient holder Montreal Power is a safe purchase and one likely to show satisfactory profits within the next few months. Mackay Common became prominent this week, and had an advance of over 6 points. The Preferred is also higher in price. It is expected, in what should be well informed circles, that the Common stock will go on a quarterly 1 per cent. basis in April. There is likely to be some irregularity in the market during the next few days in sympathy with foreign markets, and as is usual at this holiday season.

There will be no session of the Montreal Stock Exchange on Saturday nor on Christmas Day. The Exchange will, therefore, be closed from Friday to Tuesday morning. It is thought likely that the New York market will also close on Saturday as well as on Monday.

Money conditions remain unchanged in Montreal with the bank rate for call money at 5½ per cent. In New York the ruling rate to-day was 7½ per cent., while in London money was loaning to-day at 3 per cent.

The quotations for money at continental points are as follows:—

	Market.	Bank.
Paris.....	3	3
Berlin.....	5½	6
Amsterdam.....	27	3
Brussels.....	3¼	4
Vienna.....	4½	4½

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C.P.R. on limited trading of 488 shares closed with 175¼ bid equivalent to a decline of ¼ point from last week's closing quotation. The earnings for the second week of December show an increase of \$237,000.

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The Grand Trunk Railway Company's earnings for the second week of December show an increase of \$74,362. The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day
First Preference.....	.....	.....
Second Preference.....	.....	.....
Third Preference.....	58½	58½

* * * *

Montreal Street Railway closed with 233 bid, and 455 shares were dealt in during the week. The closing quotation is at an advance of ¼ of a point over last week's closing bid. The earnings for the week ending 16th inst. show an increase of \$6,007.04 as follows:—

		Increase.
Sunday.....	\$5,432.71	\$ 768.66
Monday.....	7,808.12	786.29
Tuesday.....	7,551.02	850.42
Wednesday.....	7,425.64	893.19
Thursday.....	7,598.84	794.08
Friday.....	7,550.82	736.68
Saturday.....	8,664.74	1,177.72

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Toronto Railway which is now selling ex-dividend of 1¼ per cent. closed decidedly strong with 106 X. D. bid.

equivalent to an advance of 1 3/4 points for the week and 515 shares changed hands. The earnings for the week ending 16th inst. shown an increase of \$6,397.69 as follows:—

		Increase.
Sunday.....	\$3,737.64	\$691.81
Monday.....	7,955.02	1,226.87
Tuesday.....	7,971.97	910.11
Wednesday.....	7,987.20	916.15
Thursday.....	7,973.31	759.75
Friday.....	8,124.36	803.15
Saturday.....	9,771.95	1,089.85

Twin City on sales of 220 shares for the week closed with 116 1/2 bid, an advance of 1 3/8 points. The earnings for the first week of December show an increase of \$13,981.65.

Detroit Railway was also stronger and more active, and during the week 3,070 shares were dealt in. The stock advanced to 96 1/2, reacting and closing with 92 1/2 bid, a net gain of 1 1/4 points for the week. The earnings for the second week of December show an increase of \$10,943.

Halifax Tram was not dealt in during the week, and closed with 101 X. D. bid, equivalent to an advance of 1/2 point on quotation for the week.

Toledo Railway was traded in to the extent of 660 shares, most of the sales being made at 33, and the stock closed unchanged from a week ago with 32 3/4 bid.

In Havana Common only 75 shares were traded in, and the closing bid was unchanged from last week with 34 bid. The Preferred stock is 1/2 point stronger on quotation, closing with 77 bid, but only 11 shares were traded in during the week.

R. & O. is firmer and 629 shares were involved in the week's business. The stock closed with 70 bid, a gain of 3/4 of a point for the week.

Montreal Power sold as low as 89 for 50 shares, and closed with 89 1/2 bid, a net gain of 1 1/4 points for the week, but a decline of 3/4 of a point from this week's highest. The stock was fairly active and 2,442 shares figured in the week's business.

Mackay Common on the advance was traded in to the extent of 2,965 shares, and the stock sold up to 56 X. D. closing with 55 X. D. bid, equivalent to a gain of 5 1/2 points for the week. In the Preferred stock 646 shares came out, and the closing bid was 72 1/2 X. D. equivalent to an advance of 1 3/8 points from last week's closing quotation.

Dominion Iron Common was far and away the most active stock, and 26,601 shares were dealt in. The highest point touched was 28 3/4, and the closing bid was 26, a net advance of 2 full points over last week's closing quotation. The Preferred stock after touching 75 3/4, reacted to 74, and closed with 74 bid, a net gain of 2 1/4 points on sales of 1,871 shares. The Bonds advanced to 86 1/2, and closed with 86 bid, a net gain of 1/2 point for the week on transactions totalling \$118,000.

Dominion Coal Common sold as high as 81 1/2 for 50 shares, and closed with 80 1/2 bid, a net gain of 5 full points for the week on total transaction of an even 2,000 shares. The Preferred stock closed with 117 3/4 bid, a gain on quotation of 1 3/4 points for the week on sales of 140 shares. One Bond figured in the week's business, the sale being made at 101, and the closing quotation was unchanged from a week ago with 102 asked and 100 bid.

Only 27 shares of Montreal Cotton were dealt in during the week, and the closing bid was 128 as compared with 130 a week ago.

Textile Preferred touched 104 and closed with 103 1/2 bid, a net advance of 2 1/2 points on sales for the week of 992 shares. The closing quotations for the Bonds were as follows:—Series "A" 96 1/4, Series "B" 96 1/2, Series "C" 96 1/4, Series "D" 97.

In Lake of the Woods Common 320 shares changed hands during the week, the last transactions being 50 shares at 91, and the stock closed unchanged on quotation with 90 bid. In the Preferred stock 240 shares were dealt in, the last sales being made at 112 1/2, and the closing bid was 112. The Bonds closed unchanged offered at 110 1/2 ex-coupon.

	Per cent.
Call money in Montreal.....	5 1/2
Call money in New York.....	7 1/2
Call money in London.....	3
Bank of England rate.....	4
Consols.....	89 11-16
Demand Sterling.....	9 1/2
60 days' Sight Sterling.....	8 1/2

Thursday, p.m., December 21, 1905.

A fair business was done to-day, but there was somewhat of a holiday appearance to the trading, and apart from Mackay Common, the business was uninteresting. This stock continues strong and touched 56 1/4 this afternoon, a new high level for this market. Detroit Railway reacted to 95 1/2 and closed with 95 1/4 bid. There were no sales in C. P. R., and Dominion Coal was easier at 79. A complete list of the day's transactions will be found below.

MONTREAL STOCK EXCHANGE SALES

THURSDAY, DECEMBER 21, 1905.

MORNING BOARD.

No. of Shares.	Price	No. of Shares.	Price.
75 R. & O.....	70	50 Iron Pfd.....	74 1/2
100 ".....	70 1/2	80 ".....	74 3/4
100 Detroit.....	95 1/4	25 Textile Pfd.....	104
100 Havana Com.....	35 1/4	130 Merchants Bank.....	160
300 ".....	35	3 Mont. Telegraph.....	166
110 Toledo Ry.....	33	15 Power.....	89 1/2
50 ".....	32 1/4	12 ".....	89 1/2
25 Mackay Com.....	55 3/4	25 Coal Com.....	79 3/4
25 ".....	56	500 War Eagle.....	25
50 ".....	56 3/4	100 Windsor Hotel.....	105
50 ".....	56	3 Toronto Bank.....	230 1/2
50 ".....	55 3/4	100 Royal Bank.....	230
50 ".....	55 1/2	\$35.00 Mexican L.P.Bds	84 3/4
25 ".....	26 1/2	\$1,000 Iron Bonds.....	86
25 Iron Com.....	26 1/2	\$4,000 Textile Bonds (C)	86 1/2
200 ".....	26	\$4,000 Mexican Elec. Bds	81 1/4
175 ".....	26	\$17,000 Mont. St. Bonds	103 1/4

AFTERNOON BOARD.

150 Detroit.....	95 1/4	25 R & O.....	70 1/2
120 Iron Pfd.....	75	100 ".....	71
50 Toledo.....	33	75 Mackay Com.....	55 1/4
5 Switch Com.....	104 1/2	50 ".....	55
10 Switch Pfd.....	113	150 ".....	56 1/4
50 Coal Com.....	79	55 Hochelaga Bank.....	143
75 Havana Com.....	35	100 Royal Bk.....	220
50 Woods Com.....	90	25 Iron Com.....	25 1/2
2000 War Eagle.....	24 1/2	150 ".....	26
7 Sovereign Bk.....	132 1/2	20 Textile Pfd.....	104
2 Power.....	89 1/2	25 ".....	103 1/4
1 Toronto Bank.....	236 1/4		

The gross traffic earnings of the Grand Trunk Canadian Pacific, Canadian Northern, Duluth South Shore & Atlantic railways, and the Montreal, Toronto, Halifax, Twin City, Detroit United and Havana street railways, up to the most recent date obtainable, compared with the corresponding period for 1903 and 1904, were as follows:

GRAND TRUNK RAILWAY.				
Year to date.	1903.	1904.	1905.	Increase
Nov. 30.....	\$32,159,515	\$31,379,834	\$33,168,501	1,788,667
Week ending.	1903.	1904.	1905.	Increase
Dec. 7.....	659,353	722,130	729,053	6,923
14.....	640,141	672,356	746,718	74,362

CANADIAN PACIFIC RAILWAY				
Year to date.	1903.	1904.	1905.	Increase
Nov. 30.....	\$41,586,000	\$43,638,000	\$48,502,000	\$4,924,000

GROSS TRAFFIC EARNINGS				
Week ending	1903.	1904.	1905.	Increase
Dec. 7.....	944,000	979,000	1,260,000	281,000
14.....	922,000	1,024,000	1,261,000	237,000

NET TRAFFIC EARNINGS.				
Month.	1903.	1904.	1905.	Inc.
January.....	\$916,771	\$357,652	\$422,668	\$65,010
February.....	742,741	82,541	302,171	219,666
March.....	1,258,564	850,854	1,182,827	331,973
April.....	1,493,173	412,533	531,806	119,273
May.....	1,383,357	1,391,565	1,387,935	3,630
June.....	1,246,055	1,449,911	.....	.....
July.....	1,318,527	1,449,652	1,637,778	188,126
August.....	1,434,102	1,527,930	1,791,646	263,716
September.....	1,202,266	1,268,808	1,776,910	507,202
October.....	1,654,027	1,566,114	2,274,071	767,957
November.....	1,477,981	1,669,575	.....	.....
December.....	1,581,145	1,662,660	.....	.....
Total.....	15,708,709	13,689,804	.....	.....

CANADIAN NORTHERN RAILWAY.				
GROSS TRAFFIC EARNINGS.				
July 1st, 1903 to	July 1st, 1904 to	Increase		
June 30, 1904	June 30, 1905	\$747,000		
\$3,124,800	\$3,871,800			
Week ending.	1904.	1905.	Increase	
Dec. 7.....	85,900	97,700	11,800	
14.....	89,700	106,200	16,500	

DULUTH, SOUTH SHORE & ATLANTIC.				
Week ending.	1903.	1904.	1905.	Increase
Dec. 7.....	40,419	45,703	52,225	6,502

MONTREAL STREET RAILWAY.				
Month.	1903.	1904.	1905.	Increase
January...	\$ 168,883	\$ 182,386	\$ 201,096	18,710
February...	130,065	167,023	184,132	17,109
March.....	168,987	183,689	206,725	23,036
April.....	170,050	184,905	200,910	16,005
May.....	170,773*	217,341	232,999	15,658
June.....	205,454	229,565	244,436	14,871
July.....	212,337	223,137	254,097	30,960
August...	208,586	226,764	257,403	30,699
September.	212,156	216,205	244,585	28,290
October...	204,452	219,633	246,606	26,973
November..	187,930	201,147	228,601	27,454
December.	187,780	208,428	.....	.....
Week ending.	1903.	1904.	1905.	Increase
Dec. 7.....	42,161	46,753	52,060	5,307
14.....	39,223	45,566	51,809	6,243

TORONTO STREET RAILWAY.				
Month.	1903.	1904.	1905.	Increase.
January..	\$ 161,938	\$ 179,360	\$ 196,970	\$17,610
February..	146,539	168,904	185,377	16,473
March....	159,943	83,643	207,014	23,371
April.....	162,276	183,763	201,317	17,554
May.....	174,519	198,337	225,768	27,431
June.....	177,593	207,482	231,140	23,658
July.....	192,629	211,356	238,895	27,539
August...	185,822	217,887	250,880	32,943
September.	237,010	246,862	282,572	35,710
October...	183,810	202,344	230,295	27,951
November.	174,039	198,150	220,804	22,654
December.	199,115	213,662	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Dec. 7.....	43,947	44,605	52,664	7,995
14.....	44,292	45,961	53,146	7,185

TWIN CITY RAPID TRANSIT COMPANY.				
Month.	1903.	1904.	1905.	Inc.
January..	\$310,084	\$329,354	\$349,469	20,111
February.	280,947	310,180	319,811	9,634
March.....	317,839	338,580	359,884	21,304
April.....	315,465	332,615	352,729	20,114
May.....	337,699	358,344	387,645	29,301
June.....	346,018	365,897	389,126	23,229
July.....	362,702	383,224	432,239	49,015
August...	363,579	386,629	420,231	33,662
September.	370,349	371,476	452,284	80,808
October...	346,673	365,938	419,039	53,101
November.	333,424	352,433	415,461	63,028
December.	357,452	374,738	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Dec. 7.....	78,473	81,943	95,925	13,982

HALIFAX ELECTRIC TRAMWAY CO., LTD.				
Railway Receipts.				
Month.	1903.	1904.	1905.	Inc.
January..	\$10,867	10,677	\$10,256	Dec. 421
February.	9,322	9,894	7,186	" 2,705
March....	10,195	11,152	9,322	" 1,830
April.....	10,533	11,145	10,516	" 629
May.....	10,768	12,074	.....	.....
June.....	11,844	14,051	12,796	" 1,255
July.....	15,942	17,528	17,284	" 244
August...	16,786	17,402	17,754	352
September.	18,494	17,862	18,669	807
October...	12,055	12,434	12,833	399
November	11,220	11,085	11,414	319
December	12,160	12,163	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Dec. 7.....	2,607	2,522	2,569	47
14.....	2,560	2,553	2,647	94

Lighting Receipts.				
Month.	1903.	1904.	1905.	Inc.
January..	\$13,863	\$ 16,317	\$ 15,667	Dec. 650
February.	11,924	14,227	14,180	" 47
March....	10,523	12,718	12,719	" 2
April.....	10,156	12,116	11,964	" 151
May.....	9,020	9,756	.....	.....
June.....	8,368	8,998	8,905	" 93
July.....	8,351	8,953	8,653	" 300
August...	8,826	9,596	9,619	21
September.	10,781	11,720	11,986	266
October...	13,186	14,209	14,220	81
November	14,200	16,273	16,509	236
December	16,611	17,684	.....	.....

DETROIT UNITED RAILWAY.				
Week ending	1904	1905	Increase	
Dec. 7.....	80,010	90,564	10,554	
14.....	79,819	90,762	10,943	

HAVANA ELECTRIC RAILWAY Co.				
Week ending	1904	1905.	Increase.	
Dec. 5.....	32,792	35,120	2,328	
12.....	34,671	36,211	1,540	

STOCK LIST

Reported for THE CHRONICLE by R. Wilson-Smith & Co., 160 St. James Street, Montreal.

Corrected to December 20th, 1905, P.M.

BANKS.	Closing prices of Last sale.		Par value of one share.	Revenue per cent. on investment at present prices.	Capital subscribed	Capital paid up.	Reserve Fund.	Per centage of Rent to paid up Capital.	Dividend for last half year	When Dividend payable.	
	Asked.	Bid.									
British North America	112	140	242	4 21	4,866,666	4,866,666	2,044,000	42.50	3	April	November
Canadian Bank of Commerce	170	169 1/2	100	4 11	10,000,000	10,000,000	3,500,000	45.00	3 1/2	June	December
Crown Bank of Canada	.....	.....	50	.....	781,200	713,143	.....	.....	.....	.....	.....
Donation	278	.....	50	3 72	3,000,000	3,000,000	3,500,000	110.66	2 1/2	Jan. April	July October
Eastern Townships X.D.	170	160	100	4 70	2,500,000	2,500,000	1,500,000	60.00	4	January	July
Hamilton	.....	.....	100	.....	2,462,960	2,428,850	2,428,850	100.00	5	June	December
Hochelaga	143	140	100	4 89	2,000,000	2,000,000	1,501,000	60.00	3 1/2	.....	.....
Home Bank of Canada	.....	.....	100	.....	564,200	352,540	.....	.....	.....	.....	.....
Imperial	227	225	100	4 40	3,700,200	3,627,866	3,627,866	100.00	5	June	December
La Banque Nationale	.....	.....	30	.....	1,500,000	1,500,000	500,000	33.33	3	May	November
Merchants Bank of P. K. I.	.....	.....	32 1/4	.....	344,073	344,073	296,000	86.02	4	January	July
Merchants Bank of Canada	163	160	100	4 29	6,000,000	6,000,000	3,400,000	56.66	3 1/2	June	December
Metropolitan Bank	.....	.....	100	.....	1,000,000	1,000,000	1,000,000	100.00	4	June	December
Maisons X.D.	230	225	1 0	4 34	3,000,000	3,000,000	3,000,000	100.00	5	April	October
Montreal	258	256	100	3 87	14,400,000	14,400,000	10,000,000	71.42	5	June	December
New Brunswick	.....	.....	100	.....	500,000	500,000	800,000	160.00	6	January	July
Nova Scotia	285	275	100	3 50	2,241,000	2,236,100	3,787,700	160.00	5	February	August
Ontario	131	128 1/2	100	.....	1,500,000	1,900,000	650,000	43.33	3	June	December
Ottawa	282	280	100	3 87	2,500,000	2,500,000	2,500,000	100.00	4 1/2	June	December
People's Bank of N. B.	.....	.....	150	.....	180,000	180,000	175,000	97.22	4	January	July
Provincial Bank of Canada	.....	.....	100	.....	846,587	828,224	.....	.....	.....	.....	.....
Quebec	145	140	100	4 82	2,500,000	2,500,000	1,050,000	42.50	1 1/2	June	December
Royal X.D.	222	220	100	3 69	3,000,000	3,000,000	3,000,000	100.00	4	February	August
Sovereign Bank	152 1/2	151 1/2	100	4 54	1,625,000	1,604,332	476,068	32.50	1 1/2	February	May August
Standard	.....	.....	50	.....	1,000,000	1,000,000	1,000,000	100.00	5	June	December
St. Stephen	.....	.....	100	.....	200,000	200,000	45,000	22.50	2 1/2	April	October
St. Hyacinthe	.....	.....	100	.....	320,000	320,000	75,000	23.75	3	February	August
St. Johns	.....	.....	100	.....	500,200	296,270	.....	3.60	3	June	December
Toronto	236 1/2	235	100	4 23	3,460,500	3,421,865	3,721,865	110.00	5	June	December
Traders	.....	.....	100	.....	3,000,000	3,000,000	1,100,000	36.66	3 1/2	June	December
Union Bank of Halifax	.....	.....	50	.....	1,536,150	1,536,150	970,000	74.17	3 1/2	February	August
Union Bank of Canada	144 1/2	140	100	4 82	2,800,000	2,800,000	1,100,000	39.28	3 1/2	February	August
Western	.....	.....	100	.....	550,000	550,000	250,000	45.45	2 1/2	April	October
MISCELLANEOUS STOCKS.											
Hell Telephone	160	158	100	5 00	7,975,100	7,916,980	135,607	25.53	2*	Jan. April	July Oct
Can. Colored Cotton Mills Co.	50	45	100	.....	2,700,000	2,700,000	.....	.....	.....	.....	.....
Canada General Electric	.....	.....	100	.....	1,475,000	1,475,000	300,000	.....	.....	.....	.....
Canadian Pacific	174	173 1/2	100	3 44	101,430,000	101,430,000	75,000	.....	.....	.....	.....
Commercial Cable	.....	.....	100	.....	15,000,000	15,000,000	4,928,121	34.76	1 1/2 & 1	Jan. April	July Oct
Detroit Electric St.	96	95 1/2	100	5 20	12,500,000	12,500,000	.....	.....	.....	.....	.....
Dominion Coal Preferred	119 1/2	117	100	5 88	3,000,000	3,000,000	.....	.....	.....	.....	.....
do Common	80 1/2	80 1/2	100	.....	15,000,000	15,000,000	.....	.....	.....	.....	.....
Dominion Textile Co Com	.....	.....	100	.....	7,500,000	7,500,000	.....	.....	.....	.....	.....
do do Pfd.	104 1/2	103 1/2	100	6 73	2,500,000	1,949,000	.....	.....	.....	.....	.....
Dom. Iron & Steel Com.	26 1/2	26	100	.....	20,000,000	20,000,000	.....	.....	.....	.....	.....
do do Pfd.	15 1/2	14	100	.....	5,000,000	5,000,000	.....	.....	.....	.....	.....
Duluth S. S. & Atlantic	21	19 1/2	100	.....	12,000,000	12,000,000	.....	.....	.....	.....	.....
do do Pfd.	41	39	100	.....	10,000,000	10,000,000	.....	.....	.....	.....	.....
Halifax Tramway Co. X.D.	106	101	100	5 66	1,350,000	1,350,000	.....	.....	.....	.....	.....
Intercolonial Coal Co	.....	.....	100	.....	500,000	500,000	90,474	.....	.....	.....	.....
do do Preferred	.....	.....	100	.....	219,700	219,700	.....	12.06	7 1/2	January	.....
Laurentide Paper Co.	90	83	100	6 66	1,800,000	1,800,000	.....	.....	.....	.....	.....
Laurentide Paper, Pfd.	105	100	100	6 66	1,200,000	1,200,000	.....	.....	.....	.....	.....
Lake of the Woods Mill Co, Com	94	90	100	6 38	2,000,000	2,000,000	.....	.....	.....	.....	.....
do do Pfd.	113	112	100	6 19	1,500,000	1,500,000	.....	.....	.....	.....	.....
MacKay Companies Com X.D.	55 1/2	55	100	3 77	50,000,000	41,380,406	.....	.....	.....	.....	.....
do do Pfd. X.D.	73	72 1/2	100	5 40	60,000,000	36,968,700	.....	.....	.....	.....	.....
Mexican Light & Power Co	68	67 1/2	100	.....	12,000,000	12,000,000	.....	.....	.....	.....	.....
Miss. St. Paul & S.S.M	140	137	100	2 85	14,000,000	14,000,000	.....	.....	.....	.....	.....
do do Pfd.	.....	.....	100	.....	7,000,000	7,000,000	.....	.....	.....	.....	.....
Montreal Cotton Co.	136	128	100	5 14	3,000,000	3,000,000	.....	.....	.....	.....	.....
Montreal Light, Ht. & Pwr. Co.	80 1/2	81 1/2	100	4 49	17,000,000	17,000,000	.....	.....	.....	.....	.....
Montreal Steel Work, Pfd	116	113	100	5 17	800,000	800,000	.....	.....	.....	.....	.....
do do Com.	110	105	100	6 35	700,000	400,000	.....	.....	.....	.....	.....
Montreal Street Railway	235	233	50	4 25	7,000,000	7,000,000	698,379	13.31	2 1/2	Feb. May	August Nov.
Montreal Telegraph	170	166	40	4 78	2,000,000	2,000,000	.....	.....	.....	.....	.....
North-West Land, Com	.....	.....	25	.....	1,487,681	1,487,681	.....	.....	.....	.....	.....
do do Pfd	.....	.....	100	.....	3,000,625	3,000,625	.....	.....	.....	.....	.....
N. Scotia Steel & Coal Co, Com.	68	67 1/2	100	.....	4,130,000	5,500,000	750,000	18.60	6 1/2	March	.....
do do Pfd.	.....	.....	100	.....	1,030,000	1,030,000	.....	.....	.....	.....	.....
Ogilvie Flour Mills Co.	.....	.....	100	.....	1,250,000	1,250,000	.....	.....	.....	.....	.....
do do Pfd.	130	127	100	5 38	2,000,000	2,000,000	.....	.....	.....	.....	.....
Richelles & Ont. Nav. Co	70 1/2	70	100	.....	3,122,000	3,122,000	.....	.....	.....	.....	.....
St. John Street Railway	113	110	100	5 20	707,860	707,860	.....	.....	.....	.....	.....
Toledo Ky & Light Co.	33	32 1/2	100	6 06	12,000,000	12,000,000	.....	.....	.....	.....	.....
Toronto Street Railway X.D.	107	106	100	4 67	6,900,000	6,900,000	1,424,136	8.10	1 1/2	Jan. April	July October
Trinidad Electric Ry	92 1/2	.....	4 80	5 26	1,200,000	1,032,000	.....	.....	.....	.....	.....
Twin City Rapid Transit Co.	118	116 1/2	100	4 23	16,511,400	16,511,400	2,163,507	14.41	1 1/2	Jan. April	July October
do do Preferred	.....	.....	100	.....	3,000,000	3,000,000	.....	.....	.....	.....	.....
Windsor Hotel	105	95	100	7 61	800,000	800,000	.....	.....	.....	.....	.....
Winnipeg Electric Railway Co	200	180	130	2 50	4,000,000	4,000,000	.....	.....	.....	.....	.....

*Quarterly. †Bonus of per cent. *Price per Share. ‡Annual. §These figures are corrected from last Govt. Bank Statement, † SEPTEMBER 30th, 1905.

STOCK LIST Continued.

BONDS.	Lat-est quotations.	Rate of Interest per annum	Amount outstanding	When Interest due	Where Interest payable.	Date of Redemption.	REMARKS
Commercial Cable Coupon	96	4	\$18,000,000	1 Jan. 1 Apl.	New York or London	1 Jan., 1907	
Registered	96	4		1 July 1 Oct.			
Can. Colored Cotton Co.	98	6	2,000,000	2 Apl. 2 Oct.	Bank of Montreal, Montreal	2 Apl. 1902	
Canada Paper Co.	5	5	200,000	1 May 1 Nov.	Merchants Bank of Can., Montreal	1 May, 1917	
Bell Telephone Co.	5	5	2,090,000	1 Apl. 1 Oct.	Bank of Montreal, Montreal	1 Apl. 1925	Redeemable at 110
Dominion Coal Co.	101	6	2,433,000	1 Meh. 1 Sep.	Bank of Montreal, Montreal	1 Meh. 1913	Redeemable at 110
Dominion Cotton Co.	44	4	\$ 308,200	1 Jan 1 July		1 Jan. 1916	Redeemable at 110
do	56	6	758,500				do 105 after 5 yrs
do	96	6	1,167,000				Redeemable at 105
do	96	6	1,000,000				Redeemable at 110
do	97	6	450,000				Redeemable at 110
Dominion Iron & Steel Co.	96	6	\$ 7,876,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 July, 1928	& accrued interest
do	5	5					Redeemable at 105
Dalhousie Tramway Co.	5	5	\$ 600,000	1 Jan. 1 July	Bk. of N. Scotia, Hal. or Montreal	1 Jan., 1916	
International Coal Co.	106 1/2	5	344,000	1 Apl. 1 Oct.		1 Apl. 1918.	
Laurentide Pulp	108	5	1,112,000				
Montmorency Cotton	4	4	1,800,000				
Montreal Gas Co.	4	4	880,674	1 Jan. 1 July	Dominy's Office, Montreal	1 July, 1921	Redeemable at 105
Montreal Light, Heat and Power	100	4	7,500,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 July, 1932	after Jan. 1st, 191
440000 Street Ry. Co.	5	5	292,000	1 Meh. 1 Sep.	Bank of Montreal, London, Eng.	1 Meh. 1908	
do	44	4	681,333	1 Feb. 1 Aug.	" Montreal	1 Aug. 1922	
do	103	4	1,500,000	1 May 1 Nov.	" "	1 May, 1922	
Nova Scotia Steel & Coal Co.	107	6	2,500,000	1 Jan. 1 July	Union Bank, Halifax, or Bank of Nova Scotia, Mont'lor Tr'nto	1 July, 1931	Redeemable at 110
Ogilvie Flour Mill Co.	116	6	1,000,000	1 June 1 Dec	Bank of Montreal, Montreal	1 June, 1932	after June
Rehellen & Ont. Nav. Co.	103	5	471,580	1 Meh. 1 Sep.	Montreal and London	1 Meh. 1915	Redeemable at 110
Royal Electric Co.	44	4	\$ 130,000	1 Apl. 1 Oct.	Bk. of Montreal, Mont'lor London	Oct., 1914	Redeemable at 110
St. John Railway	5	5	\$ 675,000	1 May 1 Nov.	Bank of Montreal, St. John, N.B.	1 May, 1925	5 p.c. redemption
Toronto Railway	5	5	690,000	1 Jan. 1 July	Bank of Scotland, London	1 July, 1914	yearly after 190
do	106 1/2	4	2,609,963	28 Feb. 31 Aug.		31 Aug. 1921	
Windsor Hotel	44	4	340,000	1 Jan. 1 July	Windsor Hotel, Montreal	2 July, 1912	
Winnipeg Elec Street Railway	107	5	3,900,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 Jan., 1927	
Colorado Ry. & Light Co.	5	5	700,000	1 Jan. 1 July		1 July, 1912	
do	5	5	5,185,000	1 Jan. 1 July		1 July, 1920	
do	5	5	1,000,000	1 Jan. 1 July		1 July 1920	

[FIRE]

**German American
Insurance Company
New York**

CAPITAL
\$1,500,000
NET SURPLUS
5,841,907
ASSETS
12,980,705

AGENCIES THROUGHOUT CANADA.

BANK OF OTTAWA

REPORT AND STATEMENT PRESENTED AT 31ST ANNUAL MEETING HELD ON 13TH DECEMBER, 1905.

The 31st annual meeting of the Shareholders of the Bank of Ottawa was held on Wednesday the 13th inst. in their banking house in Ottawa.

The president, Mr. Geo. Hay, was in the chair, the general manager, Mr. George Burn, acting as secretary. The secretary then read the

REPORT OF THE DIRECTORS.

The directors beg to submit to the shareholders the thirty-first annual report, showing the result of business for the year ended 30th November, 1905, together with the balance sheet as on that date.

The balance at credit of profit and loss accounts on the 30th November, 1904, was... \$73,332.26
 Net profits for the year ending 30th November, 1905, after deducting expenses of management, and making necessary provision for interest due to depositors, unearned interest on current discounts, and for all bad and doubtful debts... 360,187.57

\$433,519.83

Appropriated as follows:—

Dividend No. 58, 4 1-2 per cent., paid first June, 1905... \$112,500.00
 Dividend No. 59, 5 per cent. payable 1st Dec., 1905... 125,000.00
 Applied in reduction of Bank premises and furniture... 46,998.86
 Transferred to Officers' Pension Fund... 5,000.00

\$289,498.86

Balance carried forward credit of Profit and Loss Account... **\$144,020.97**

Branches of the Bank have been opened during the year at Stoughton, Saskatchewan, and at the following points in Ontario:—Ottawa, corner Bank St. and Gladstone Ave., Toronto, corner Gerrard St and Broadview Ave., Chesterville, Martintown, Richmond, Peterborough and a sub-office to Virden, Manitoba, has been opened at Lenore. It is the intention of the Directors to open a Branch at Rouleau Saskatchewan, at an early date, and arrangements are also being made for the establishment of an office at Powassan, Ontario, to be, for the present, under the Management of the Manager at North Bay.

At the annual meeting of the Shareholders in 1902, authority was given to increase the Capital Stock by \$1,000,000, of which \$500,000 was issued in February, 1903, and your Directors have thought it advisable to issue the remaining \$500,000 at a premium of 100 per cent.

The usual inspections of the offices of the Bank have been made during the year.

The officers of the Bank continue to perform their respective duties to the satisfaction of the Directors.

All of which is respectfully submitted.

GEORGE HAY, President.

GENERAL STATEMENT OF LIABILITIES AND ASSETS.

As on 30th November.

LIABILITIES.

	1904.	1905.
Notes in circulation...	\$2,374,017 00	\$2,323,279 00
Deposits bearing interest...	\$12,839,579 45	\$15,224,291 86
Deposits not bearing interest...	2,286,650 41	2,664,975 61
	15,126,229 86	17,889,267 47
Deposits made by, and balances due to other Banks in Canada...	3,048 69	90 00
Balances due to Agencies of the Bank, or to other Banks or Agencies in the United Kingdom...	314,689 97	
	\$17,817,985 52	\$20,212,636 47
Capital (paid up)...	2,500,000 00	2,500,000 00
Reserve...	2,500,000 00	2,500,000 00
Dividend 5 per cent., (payable 1st December)...	112,413 14	125,000 00
Reserved for interest and exchange...	12,450 00	14,010 00
Rebate on current discounts...	60,904 00	66,722 00
Balance of Profit and Loss Account carried forward...	73,332 26	144,020 97
	\$5,259,099 40	\$5,349,752 97
	\$23,077,084 92	\$25,562,389 44

ASSETS.

	1904.	1905.
Specie...	\$ 517,942 33	\$ 610,982 96
Dominion Notes...	1,185,199 50	1,528,939 00
Deposits with Dominion Government for security of note circulation...	125,000 00	125,000 00
Notes of, and Cheques on other Banks...	663,970 95	601,303 89
Deposits made with, and balances due from, other banks in Can...	600,439 41	752,005 25
Balances due from Agencies of the bank, or from other banks or Agencies elsewhere than in Canada and the United Kingdom...	507,530 93	454,453 73
Balances due by Agencies of the Bank or by other Banks or Agencies in the United Kingdom...		112,614 23
Dominion and Provincial Government securities...	545,981 83	600,816 93
British National War Loan and Consols...	631,616 67	634,135 67
Canadian Municipal Securities, or Foreign or Colonial Public Securities other than Canadian...	520,537 33	310,800 37
Railway and other Bonds, Debentures and Stocks...	482,095 64	480,183 64
Call and Short Loans on Stocks and Bonds, in Canada...	1,023,083 97	1,084,886 38
	\$6,803,398 56	\$7,296,185 05
Current Loans...	15,750,221 43	17,672,596 48
Overdue Debts (estimated loss provided for)...	42,522 11	36,516 92
Real Estate, other than Bank premises...	12,749 59	32,501 05
Mortgages on Real Estate sold by the Bank...	24,886 23	23,129 70
Bank Premises...	440,000 00	500,000 00
Other Assets not included under foregoing heads...	3,307 00	1,463 25
	\$23,077,084 92	\$25,562,389 44

GEORGE BURN,
General Manager.