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# The Monetary Times

Trade Review and Insurance Chronicle  
OF CANADA

ESTABLISHED  
1867

TORONTO, JUNE 28, 1918

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The Monetary Times  
Printing Company  
of Canada, Limited

Publishers also of  
"The Canadian Engineer"

# Monetary Times

Trade Review and Insurance Chronicle

of Canada

Established 1867

Old as Confederation

JAS. J. SALMOND  
President and General Manager

A. E. JENNINGS  
Assistant General Manager

## Half Billion Loan For Canada

*Victory Loan Record Must be Surpassed—General Opinion Regarding Success of Loan is Optimistic—An All-Canadian Loan for the Canadian Government—Actual Terms Not Yet Announced—Importance of Small Investor is Greater Than Ever—Some Questions Under Discussion*

WIDESPREAD attention throughout the Dominion is already directed to the coming war loan. Some questions have arisen which must now be viewed in a light different from the previous loans. It is safe to say, however, that this loan will be opened under more favorable auspices than was the Victory Loan, which had for the most part to break new ground. There were twenty times as many subscribers for the Victory Loan as for any other of the previous Canadian war loans. The total was much greater, and many of the purchasers had never bought a security of any kind before. The educational process is not by any means completed, for 800,000 subscribers in Canada is just about one out of nine in the population. This might easily be doubled.

It seems, moreover, that the small subscriber will be even more important in the coming loan than in the previous one. The large corporations, banks, insurance, trust and industrial concerns will, of course, be able to subscribe for substantial amounts. Probably many of them will surpass their former subscriptions, but there is not the same elasticity in corporation finances as there is, generally speaking, in the finances of the individual.

There is much evidence that not only corporations, but also individuals have been preparing for the coming loan ever since the previous one was closed. It is realized that the Canadian Government must be financed by the Canadian people, and this point cannot be too strongly impressed. It gives a meaning and purpose to the thrift campaign which would not apply otherwise. With few exceptions, Canadian institutions have experienced prosperous years, and in a great many cases have made new levels of profits. Agriculturists have prospered as never before in the history of Canada, and plenty of employment and high wages have fairly well kept pace with the high cost of living in industry. The markets, moreover, as was pointed out to *The Monetary Times* by a prominent Toronto broker, have been extraordinarily clear of provincial, municipal and corporation issues. What few issues have been made have been eagerly purchased within a very short time. There are, moreover, no more issues of size in sight, and there are yet several months to elapse until the books for the loan will be opened.

Considering, therefore, the large number of purchases of municipal and other securities which would ordinarily be made during this period, there is every reason to believe that large sums have been set aside for war investments. The fact that very few of the purchasers by in-

stalment of the Victory Loan could not meet their payments, is also encouraging, as there is much more likelihood of intentional preparation for the next loan.

On account of the exchange situation between Canada and the United States a loan or credit in New York has been considered as an adjustment of trade relations. A small credit or loan might be justified, but there would be no necessity or advantage in resorting to New York for a considerable loan to finance our war requirements. Every dollar raised abroad requires the repayment in some form or other of, say, two dollars in principal and interest, and in the meantime our own income would be to a certain degree wasted, or savings invested in forms which would very probably not yield the 6 per cent. or more, which we would require to pay on the debt abroad. There are, in fact, very few new enterprises which could promise a return of 6 per cent. on the investment, and a fair degree of security.

Sir Thomas White was recently in Washington and New York on financial business, and upon his return stated that a large issue of Canadian Government bonds could only be made upon a  $6\frac{1}{4}$  or  $6\frac{1}{2}$  per cent. basis, with flotation charges of 3 per cent. This is, of course, on account of the heavy demand for funds in New York, and more especially for subscriptions for Liberty Loan issues. There may, of course, seem to be much disparity between the yield upon the Liberty Loan bonds and an interest return of 6 per cent. on Canadian Government bonds, but this difference is to a large extent cancelled by the substantial income tax to which issues other than United States government issues are subject. The finance minister also stated that the market for the higher grade of corporation securities was practically upon a 7 per cent. basis. Canadian bonds can be sold in United States, and arrangements have been made with the capital issues committee for this purpose. Considering the state of the market, however, it is not probable that very many sales will be made.

It is generally supposed that the interest rate will be a little higher than the rate on the Victory Loan. The latter bonds are selling upon the market at  $99\frac{1}{2}$  per cent., which is slightly above the issue price, and the holder who desires to sell his victory bond could secure practically his cost price. The other Canadian Government issues are also selling around the same level, namely, a  $5\frac{3}{8}$  per cent. basis. Particular strength has been shown in the transactions on the stock market during the past two or

three days, which is to some extent accounted for by the Austrian reverse in Italy, and partly by the scarcity of high-grade investments. In fact, two or three successes such as the recent Italian achievement, might permit of the loan being offered upon a much less favorable basis. In any case, it is clear that on grounds of economy and expediency the loan must be raised in Canada. The actual price will be one of the last points to be settled.

#### Tax Exempt versus Taxable Bonds.

Another question which has come up for more discussion in connection with this issue than with any of the previous ones, is that of whether the bonds should be exempt from income tax or subject to it. General opinion is that they should be exempt just as were the previous loans. It is thought that two kinds of bonds with two price levels would not be wise. Moreover, as one leading bond dealer in Toronto pointed out to *The Monetary Times*, two price levels would mean two classes of bond holders. The taxable bonds selling on a higher interest basis would appeal to the man of small means and income who would pay no income tax or whose tax would be negligible. On the other hand, the man of large income would prefer the tax-free bonds. The result would be, therefore, that very little revenue would accrue to the Dominion Government as the taxable bonds would gradually find their way into the hands of those not subject to the taxation.

#### Definitive Bonds to be Prepared Beforehand.

One of the weak points of the Victory Loan is generally admitted to be the procedure of exchange that had to be gone through. In fact, all of the temporary certificates have not yet been exchanged for the definitive bonds and it has been necessary to make interest payments upon presentation of the interim certificates.

To have the definitive bonds ready for delivery upon completion of payment in full would mean an enormous saving of time and expense not only on the part of the public and of the finance department, but also of the banks which are at present very short of help.

It has been practically settled that the total issue will be for \$250,000,000, with an objective of \$500,000,000. No doubt total subscriptions up to the latter sum will be accepted, as in the case of the Victory Loan. A similar organization will be used, but the system of remuneration is receiving considerable attention and criticism. It is thought by many that those who devote weeks and months of effort in the planning and organizing of the campaign do not fare as well as those who merely canvass during the actual period of selling and pocket the commissions.

#### Plans Being Discussed at Ottawa.

On Tuesday, the 25th instant, the Dominion Executive which had charge of the Victory Loan met at Ottawa in conference with the finance minister regarding these and other questions relative to the loan. Many of the points will unquestionably be settled although official announcement of the actual terms, etc., will, it is understood, not be made for some time yet. It will probably be November before the loan is launched, so that full preparation can be made. The Victory Loan funds are almost exhausted, and in the meantime the government is being financed by the banks, which will have to be reimbursed from the proceeds of the war loan.

Two gold shipments of \$5,000,000 each were made recently to the Federal Reserve Bank of New York. These came from the Bank of England's reserve at Ottawa. The total for the present movement is \$25,000,000.

## CROP PROSPECTS IN SASKATCHEWAN

### Increased Acreage Should More Than Compensate for Damage

The Department of Agriculture, of Regina, has issued the following report on crop conditions in the province:—

Saskatchewan has approximately 9,222,000 acres sown to wheat this year, according to the preliminary estimate made by the provincial department of agriculture. The estimate made by the department is one of the acreage of all grain crops for the present season in the province. In issuing this statement, it is a matter for congratulation to the farmers on their endeavor to materially increase the acreage sown to wheat and other grains.

The increase as shown by the preliminary estimate will add nearly a million acres to the wheat crop and some eighty thousand acres to the oat crop. Taking as a basis the average yield of wheat for the past ten years at 17½ bushels, Saskatchewan, with seasonable weather and a good harvest, should add to the world's depleted wheat stocks some one hundred and sixty odd million bushels of wheat.

The details of the preliminary estimate of the grain crops are as follows:—

	1917. Acres.	1918. Acres.
Wheat .....	8,273,253	9,222,000
Oats .....	4,521,642	4,602,000
Barley .....	669,927	663,500
Rye .....	53,250	70,000
Peas .....	2,605	2,500
Mixed grains .....	39,500	40,000
Hay, clover .....	260,275	260,300
Alfalfa .....	9,500	8,700

No estimate has been made of the acreage for flax.

#### Damage by Winds and Cutworms.

While the terrific winds of last Monday did a great deal of damage in some sections of the province, this damage would not appear to have been general, judging from the reports received during the week-end by the department.

Local showers are reported from some quarters, while other sections report no damage from either wind or lack of rain. Cutworms are reported in the Shellbrook district.

## YORK COUNTY LOAN AND SAVINGS COMPANY

The liquidation of the York County Loan and Savings Company was completed on Monday, the 24th instant, in Toronto. The total receipts were \$2,371,056, and disbursements other than dividends amounted to \$690,470.

## TAXING INCOMES

It is clear that incomes will come in for a heavy burden in the new financing for war purposes, and thus the question of any changes in the tax laws is of interest. If the laws were rewritten in toto, as they should be, our legislators might well rectify the discrimination against earned incomes in favor of those that are not.

The present law opens one door to unearned incomes, through which they pass upon payment of normal and super-taxes. But earned incomes above a certain figure are headed through another doorway, where after payment of the same taxes as non-working incomes, a flat penalty is laid upon them, as if in punishment for being the fruits of ability and usefulness.

Also, when disposed to add to excess profits and other taxes on industry and production, will it not be advisable first to consider the incomes that neither work nor fight? A case in point is revealed in a proceeding in the Surrogate's court. A ward, a young schoolgirl boarder, with a yearly allowance of \$12,000, files a petition to have it increased to \$20,000. Limousines, party dresses, dancing robes, theatres and other "necessities" are mentioned as reasons for this extra allowance. Doubtless all this may be proper in her station in normal times, but not now, when we are wondering if the net liquid income of the nation is sufficient to meet the war's demands.—"Wall Street Journal."

CITY OF CALGARY FINANCES

System Has Been Thoroughly Revised—Provision for Arrears of Taxes

In presenting the financial statements of the city of Calgary, Macintosh and Hyde, chartered accountants, comment as follows on the condition of the city's affairs:—

"After commencing the year with an adverse balance of \$12,208.51 there is, at December 31st, 1917, a debit balance of only \$294.42, or a gain of \$11,914.09. This is despite the fact that the annual estimate allowed for the contribution to taxation by the light department of \$15,000 which, not being earned, has not been taken to the credit of general revenue; also, there has been reserved against arrears of taxes the sum of \$40,000. This latter amount is available because of an underestimate of the sum accruing during 1917 for penalties on arrears.

"We welcome this reserve as a commencement towards providing for the doubtful taxes which have been separated from arrears for some time past, which amount to \$81,931.81, and concerning which we have asked the city commissioners to make provision in the 1918 levy. It is also probable that the taxes on certain outlying districts may prove to be irrecoverable, and the setting up of an adequate reserve should be a matter for the immediate attention of the council.

Utilities Revenue.

"The 1917 results of the operations of the city's utilities are as follows:—

	Inc. or dec.
Electric light department .....	— \$ 61
Street railway department .....	+ 21,492
Waterworks department .....	— 16,182
Market and scales department .....	— 7,437
Paving plant department .....	— 13,138

"The satisfactory result shown by the street railway is almost entirely accounted for by the large amount of bank interest earned on its depreciation fund and on the substantial balance owed to the street railway by the general fund. There is also a remarkable rise in the value of the inventory of material, which was certified to by the assistant superintendent in the absence of the superintendent.

"Some three years ago it was decided by the city to reduce the charge of street railway revenue for depreciation until such time as traffic conditions became normal. We have looked into the comparative figures of car earnings, which are:—

1913 .....	\$755,459.79
1914 .....	690,197.71
1917 .....	556,374.33

"From which it is evident the time has not yet arrived for a return of previous rates of depreciation, under the ruling then made.

Sinking Fund.

"Last year we called attention to the shortage arising from the non-payment of taxes and to the consequent loss of interest earning power. We have now to report that the substantial surplus earnings had practically disappeared at December 31st last, as shown by the following figures:—

Sinking fund reserve .....	\$3,649,439.72
Present value of sinking fund .....	3,649,242.16

Surplus earnings at December 31st, 1917... \$ 197.56

"The actual shortage in the fund is:—

Present value of sinking fund .....	3,649,242.16
Sinking fund .....	2,241,363.38

Shortage at December 31st, 1917 .....

"Prior to 1917 the utilities contributions had been kept fairly well up to date but, during the past year, only small contributions by the electric light and street railway department have been made, and any balance of sinking fund earned by utilities have become factors in the general financing. The shortage applies to the various departments to the following extent:—

General, present value .....	\$2,395,530.39	
Sinking fund .....	1,224,212.85	\$1,171,317.54
Electric light, present value .....	\$ 279,017.36	
Sinking fund .....	239,563.49	39,453.87
Street railway, present value .....	\$ 302,236.51	
Sinking fund .....	258,910.86	43,325.65
Waterworks, present value .....	\$ 631,129.59	
Sinking fund .....	508,255.31	122,874.28
Market, present value .....	\$ 14,654.76	
Sinking fund .....	10,420.87	4,233.89
Paving plant, present value .....	\$ 26,673.55	
Sinking fund .....	.....	26,673.55
		\$1,407,878.78

"The debenture debt of the city is now \$20,477,518, in addition to which there are \$2,000,000 of treasury bills outstanding."

SILK IMPORTS INCREASE

In *The Monetary Times* of June 7th there was an error in the article "Luxuries in War Time." Figures were given to show the decrease in imports of silk into Canada, whereas the opposite has been the case. Silk is, in fact, one of the few "luxuries," the import of which is now greater than in 1913, and this is undoubtedly due to a large extent to the scarcity of woollens and cottons, and the comparative plenty of silk supplies. From the year 1913 the imports of silk and manufactures of silk was \$9,723,797, while for 1917 the figure was \$13,854,906.

NEXT BEST CUSTOMER

Next to Great Britain, Canada is our best customer. We have not been exporting as much to Canada as to France, but the trade has been nearer to a cash basis, with imports of raw materials gathering in indispensable importance each succeeding year.

In ten months ending with April, 1918, our exports to Canada were valued at \$616,422,000, exceeded only by war trade with France and England. These exports were three-fifths of all our sales in North America, a group taking in Cuba. Imports amounted to \$356,430,000, or \$120,000,000 greater than from British East Indies, which is next in quantity of imports. Japan sold us \$228,026,000 of goods. In considering future trade conditions, we can hardly be indifferent to the fact that nearly half our raw imports from North America already come from Canada.

A well-posted western banker estimates that Canada every year spends with us \$1,000,000,000 for manufactured goods, raw materials, interest and travel. At the same time we lack much in understanding of what this means, has meant for years past, and must signify hereafter.

In Canada's fiscal year just ended, trade rose to \$2,502,000,000 from \$1,050,000,000 in the last pre-war year. Canada has at last reached a high plane in the marketplace of the world. It has felt the stimulus of a trade balance of \$500,000,000 net in its favor against the world.

It has been troubled with the wastage of an adverse exchange rate with us, as much as 2 per cent at one time. Circumstances have mitigated this evil and the rate now stands a little over 1 per cent. Sales to us have gained steadily for some time. They were \$7,000,000 more this April than last and for ten months increased \$120,000,000. Gold shipments in the current movement from Ottawa run \$4,000,000, with another \$1,000,000, at least, to come.

Then, perhaps, a British-Canadian credit will be arranged here during the summer to cover British purchases of Canadian wheat. Meanwhile substantial orders for war material and supplies have been executed by Canada for the United States, easing the cost of funds, arousing a new feeling of fellowship and quickening the understanding of what is so obviously true, that there is an identity of interest now between Great Britain, Canada and the United States which, to all appearances, will be permanent.—"Wall Street Journal."



## PERSONAL NOTES

Mr. J. COOPER MASON, formerly acting manager of the Home Bank of Canada, has been made general manager.

Mr. CHARLES HEATH, of Portage La Prairie, has been appointed superintendent of insurance for Manitoba, following the resignation of Mr. A. E. Ham.

Mr. GEORGE H. THOMSON, of Quebec, vice-president of the Union Bank, was recently elected director of the Bell Telephone Company, replacing the late Mr. Sise.

Mr. J. C. O'DONNELL, superintendent of the western lines of the Canadian Northern Railway, becomes acting general superintendent of the western divisions of that company temporarily.

Mr. FRED. A. BURGESS, manager of the insurance department of Waghorne, Gwynne and Company, Vancouver, has been appointed president of the Mainland Board of Fire Underwriters, Vancouver, B.C.

Mr. B. H. PENNY, formerly connected with the British Colonial Fire Insurance Company, at Winnipeg, has become associated with the General Fire Insurance Company of Paris, with headquarters at Winnipeg.

Mr. W. LEROY SHAW has become manager of the life and accident department of the Travellers Insurance Company, of Hartford, with headquarters in Montreal. He will have charge of Montreal and the province of Quebec.

Mr. R. A. STINSON, vice-president of the Canadian Crocker-Wheeler Company, was appointed to the public utilities commission of St. Catharines, succeeding Mr. H. McAvoy, whose resignation was accepted recently.

Mr. JAMES SIMPSON, the well-known Canadian labor leader, will visit New Zealand for six months on a lecture tour in the interests of temperance. He will also study industrial legislation and labor conditions in New Zealand.

Mr. L. G. HUNTLEY, lecturer at the University at Pittsburg, has become president of the Oil and Transport Corporation. Mr. Huntley is well known in Canada, having been employed by the Canadian government. He is also the author of several works on the oil industry.

Mr. S. CASEY WOOD, of the firm of Rowell, Reid, Wood and Wright, Toronto, has been elected a director of the Home Bank of Canada to fill the vacancy created by the retirement of Hon. T. A. Crerar, who accepted the portfolio of minister of agriculture in the Dominion Cabinet.

Mr. WM. J. CAMERON, formerly deputy commissioner and actuary of the North Carolina Insurance Department, has become assistant actuary of the Home Life Insurance Company of America. Mr. Cameron is a graduate of Toronto University and a Fellow of the Actuarial Society of America.

Mr. CHARLES BAUCKHAM, who has for some years been secretary-treasurer of the Standard Reliance Mortgage Corporation, has been appointed manager of the Sterling Trusts Corporation. Mr. Herbert Waddington, the former manager of the Trusts Corporation, has been elected vice-president.

Mr. E. I. OMELTCHENKO, foreign trade agent of the Central War Industrial Committee of Russia, was in Toronto on Monday. He was also in Ottawa recently. The object of his trip here was to discuss matters of trade and industry with the Canadian government and the Manufacturers' Association.

Mr. FREDERICK LAMPLOUGH, for several years trainmaster for the Ottawa division of the Grand Trunk Railway, has been made president, succeeding Mr. L. J. Coleman, who was recently appointed superintendent of the New England lines of the Grand Trunk Railway under the United States railway administration.

Mr. E. YAMADA, an importer and exporter of Tokyo, is in Canada on business. In crossing the Pacific he was accompanied by Mr. Tang Hua Lung, late minister of home affairs in the Chinese government, and by Mr. Ho Te Hui, secretary of the National Council of the Chinese Republic. Both of the latter are here for the transaction of official business at Ottawa and Washington.

Dr. F. MIYAOKA, of Japan, one of the world's authorities on international law, will visit Toronto shortly, when he will speak at the Empire Club. He recently arrived at Victoria, B.C. Dr. Miyaoka was formerly chief law officer in the Japanese foreign office. He represented the government of Tokyo

at the International Tribunal at The Hague, and from 1905 to 1908 was chancellor of the Japanese embassy at Washington.

Mr. HARRY T. RAMSDELL, president of the Manufacturers and Traders National Bank of Buffalo, and Mr. George H. Prince, chairman of the Merchants National Bank of St. Paul, have been elected to the directorate of the American Foreign Banking Corporation. The directorate now consists of twenty-three and is representative of eighteen different banks in as many important cities of the United States and Canada.

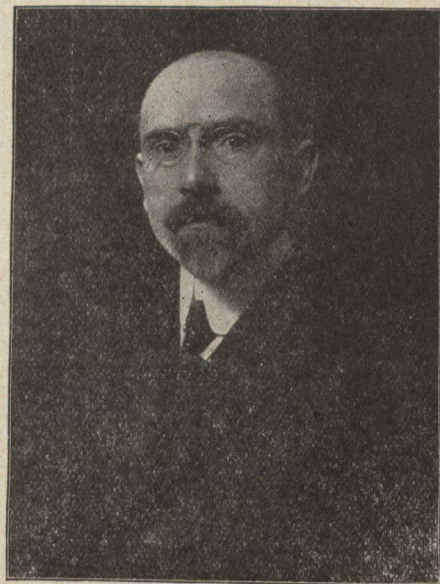
Mr. F. W. ASHE, manager-in-chief of the London, England, office of the Union Bank of Canada, has been transferred to Toronto as assistant manager. His place in London will be taken by Mr. John Geddes, manager of the Vancouver branch of the bank. Mr. George S. Harrison will become manager of the Vancouver bank. Mr. J. W. Hamilton, who recently was moved from Toronto to Winnipeg, is assistant general manager there.

Dr. THOMAS DOUGLAS, chairman of the board of directors, of the Phelps Dodge Corporation, died at his home in New York on Tuesday, the 25th inst. He had been president of the corporation for many years until 1917, when he resigned on account of ill-health. Dr. Douglas was a Canadian and was born in Quebec in 1837. He was educated in Canada and in Europe, and in 1875 went to Phoenixville, Pa., to take charge of the metallurgical operations of the Chemical Copper Company. He was also well known as a philanthropist, contributing to the support of a number of hospitals.

Mr. J. H. KERR, secretary of the Canadian Westinghouse Company, of Hamilton, died on Monday, the 24th inst. Mr. Kerr was a native of Pittsburg, and had been engaged with the Westinghouse enterprise for many years. He began with the parent company and also assisted in the organization of the English Linotype Company and the French Westinghouse Company. In 1901, when the British Westinghouse was organized, he went to Manchester to organize the factory system. In 1903, on the formation of the Canadian company, he came to Hamilton and for the last 15 years served as secretary.

## CHAIRMAN WAR LOAN COMMITTEE

Mr. E. R. Wood, of Toronto, has been appointed chairman of the Dominion executive in charge of the coming war



E. R. WOOD.

loan. Mr. Wood is president of the Central Canada Loan and Savings Company, of the Dominion Securities Corporation, Limited, vice-president National Trust Company, Limited and of the Brazilian Traction, Light and Power Company, Limited. He is also director of many other enterprises. He was born in Peterborough, Ontario, in 1866. Mr. Wood is chairman of the Board of Governors of Grace Hospital, Toronto, and Regent of Victoria University. In the last loan he acted as chairman of the committee in charge of special subscriptions.

# Monetary Times

Trade Review and Insurance Chronicle  
of Canada

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Telephone: Main 7404, Branch Exchange connecting all departments.  
Cable Address: "Montimes, Toronto."  
Winnipeg Office: 1208 McArthur Building. Telephone Main 2663.  
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## TAXATION AND WAR FINANCE

A new scale of war taxation was forecasted in recent announcements of the President of the United States. On May 27th, President Wilson appeared at a joint session of the two houses of Congress and delivered a special message on revenue taxation, urging serious consideration to the importance of immediate changes in the existing federal revenue laws. Secretary McAdoo, on June 5th, in a letter to Chairman Kitchin of the Ways and Means Committee, indicated how drastic the increases in taxation must be.

It is first proposed that one-third of the cash expenditures to be made during the fiscal year ending June 30th, 1919, be provided by taxation. According to his estimates, this would involve raising \$8,000,000,000 through taxation. The existing laws are expected to produce about \$4,000,000,000.

Second, that a real war profits tax at a high rate be levied upon all war profits. This tax should be superimposed upon the existing profits tax in such a way that the taxpayer should be required to pay whichever tax is the greater. The existing excess profits tax should be amended in certain important particulars, so as to improve inequalities.

Third, that there should be a substantial increase in the amount of normal income tax upon so-called unearned incomes. Under existing law, earned incomes above certain exemptions are taxed 4 per cent. as an income tax and 8 per cent. as an excess profits tax, making a total of 12 per cent., while unearned incomes derived from securities, etc., are taxed only 4 per cent. The 8 per cent. should be recognized as an income tax, and the rate of 12 per cent. should be retained in respect to earned incomes, while a higher rate than 12 per cent. should be imposed on unearned incomes.

Fourth, that heavy taxation be imposed upon all luxuries.

The committee on ways and means, which will have charge of the framing of this, the most stupendous tax-levying measure ever formulated by any nation, has already commenced its deliberations. Public hearings are being held, and in due course a bill will be submitted for the early consideration of Congress.

These reforms in the public finances are thoroughly in accord with best current thought on the subject. Benefiting by the experience of the other belligerent nations, the United States government is endeavoring to pay an unusually large proportion of the cost of the war out of current revenue. Last year Canada paid only one-tenth out of revenue. England has also been pursuing a similar policy, only in a lesser degree. The other nations are paying practically all of the cost out of funds raised by loan.

While it is generally admitted that no matter how the money is raised, it must come out of present income, there is an important difference between confiscating this income in the form of taxation and borrowing it at an advantageous rate of interest. The latter method necessitates the imposition of extra taxation to provide for the interest at least, and securities of corporations subject to this taxation are correspondingly depreciated in value. Those who have saved in the past, and purchased securities with their savings, therefore, stand to lose more in the long run than in the case of the former method, which would absorb a larger portion of their income so long as the war lasted, but would not reduce their capital worth in so great a degree.

The discrimination against unearned incomes is also a reform which has been much recommended in many quarters. It is essential, of course, to exempt a minimum in this case, just as in the case of earned incomes, as many individuals rely entirely on revenue from investments which represent the accumulations of years of labor. Heavy taxation of luxuries is an accepted part of modern finance, particularly war finance.

### THE FUEL SITUATION IN THE WEST

Although some United States coal is now assured for Western Canada, the fact remains that local supplies will be increasingly relied upon. Without doubt, the mines in operation in Alberta and British Columbia can meet all requirements, for domestic and steam coal, of the whole country to the head of the lakes; but the question remains, will they? It will not soon be forgotten that the West, outside of Alberta, was in serious danger of a coal famine last winter, owing to labor troubles at the mines during the summer of 1917, and the car shortage during the winter months. Manitoba certainly needed all the anthracite in hand during the extreme and long winter of 1917.

Nevertheless, Alberta alone could meet the entire demands of the West were its mines adequately operated and the danger of a car shortage overcome. Saskatchewan has immense deposits of lignite; and the recent Dominion grant of \$400,000 for carrying on experiments in briquetting this coal, may make it largely self-dependent in the near future. It is interesting to know, in this connection, that Professor McLaurin, of the University of Saskatchewan, has for some time been engaged on the problem of furnishing light, heat and power to farmers in that province through the utilization of straw which is now largely wasted. While this work is still in the experimental stage sufficient is known of probable results to raise high hopes that ultimate success will be achieved. This will mean even more to the prairie provinces than the hydro-electric enterprise to Ontario.

A few weeks since the Edmonton "Bulletin" issued a special supplement covering the coal problem in Alberta, in particular, and in the prairie provinces in general. One feature of this supplement is the material and data furnished on the coal resources of Alberta, so far as these have been developed, and their relation to the economic life of the West. The "Bulletin" takes umbrage, and with a certain amount of justice, at a recent statement of the Commission of Conservation on the western fuel problem; and particularly at the commission's observation that "it is inconceivable what would happen if the importation of hard and soft coal from the United States were prohibited." In 1916, 533,000 tons of anthracite and 2,376,000 tons of bituminous coal were imported from the United States into the Canadian West. Especially during the stress of war there would be no hardship either with respect to prices or supplies, through the cutting off of these imports, provided Alberta and British Columbia grappled whole-heartedly with the problem. In a word, Will Alberta mine-owners guarantee to supply the fuel needs of Manitoba and Saskatchewan under these conditions?

However that may be, a distinct service has been performed in impressing the situation on the public. Naturally enough, Canadians east of the lakes know little of western resources. Westerners hold the advantage, so many of them having come from the older Canadian provinces. One rooted belief in the East is that the prairies are devoid of fuel supplies, both of coal and wood. The truth is, the prairies have both—of coal especially there are, in Alberta, inexhaustible supplies. The lignite and sub-bituminous areas of that province are sufficient to fill the requirements of the West for decades and generations to come.

Alberta coal has been found admirably adapted for all domestic purposes—for cookstoves, fireplaces and raising steam, although Crow's Nest coal is better for steam uses.

Many westerners who have used both anthracite and Alberta coal for domestic purposes prefer the latter, as it holds the fire longer and gives off less gas. It is greater in bulk and produces more ashes than anthracite; but on the other hand, there is less of cinders and clinkers. Of course, furnaces built to burn anthracite will not give satisfactory results in burning Alberta coal; but that is the fault of the furnace, not the coal. And just here it may be mentioned that valuable experimental work is being carried on to perfect a furnace that will give good results in burning the lower grades of bituminous coal and lignite.

Alberta mines have splendid railroad connections with both Saskatchewan and Manitoba. Anthracite is normally carried from Fort William as far west as Moose Jaw; and the transportation problem in distributing Alberta coal throughout the prairie provinces involves no greater difficulties. The Edmonton "Bulletin" argues that imports of coal from the United States should be permanently cut off; as it is unfair to expect the Albertan mines to rise to the demands of emergencies, and meet them without friction and loss of time. That is a big question which must be decided, in the future, on its merits. What Moose Jaw, Regina, Brandon, Winnipeg and other western cities—not to mention the hundreds of thousands of consumers on the farms—want to know here and now is simply this: Will the Alberta mine-owners deliver the goods?

### POSITION OF BANKS IN ENGLAND

Among the oldest and strongest of the great banks of the world must be numbered Lloyds Bank, Limited, of England, which has completed its 60th year of business. Since its commencement the bank has grown until at present it occupies a position among the leading financial institutions of the world. Since 1865 no less than 48 other banking corporations have been acquired, some of them joint stock banks and some of them private banks. In 1884, entrance into London business was obtained by the acquisition of the businesses of Messrs. Barnetts, Hoares & Company, who had been established about 1677 and Bosanquet Salt & Company, who had been established in 1796. Following this year, rapid expansion characterized the bank's activities. In 1865 the number of offices was 14, by 1880 it had increased to 45, and by 1884 to 53. Within sixteen years from that date the number mounted up to no less than 312 and in 1903 to 411, while at present the number is over 600. Correspondents are maintained throughout the world. The Canadian agents and correspondents are the Imperial Bank of Canada, the Canadian Bank of Commerce, the Bank of British North America, the Bank of Montreal, the Dominion Express Company and the Royal Bank of Canada. An ordinary banking business, as we know it, is transacted. The bank and its branches also executes purchases and sales of stocks and bonds, and is prepared to act as executor and trustee of wills, etc.

The report presented at the 60th ordinary general meeting, held in Birmingham, on the 5th of February, indicates the sound position in which banking is at present in England. The profits for the year, after payment of salaries, pensions, contributions to the provident and insurance fund, and making full provision for rebate, income tax, bad debts, contingencies, etc., was £1,463,125. The sum of £107,204 was brought forward from the previous year, making a total of £1,570,330. Dividends at the rate of 18½ per cent. less income tax.

# BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up - - - - \$16,000,000  
 Rest - - - - \$16,000,000  
 Undivided Profits \$1,784,979  
 Total Assets - - - - \$426,322,096

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General Manager—Sir Frederick Williams-Taylor.

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A GENERAL BANKING BUSINESS TRANSACTED

# THE CANADIAN BANK OF COMMERCE

Established 1867

Head Office .... TORONTO

Paid-up Capital . . . \$15,000,000  
 Reserve Fund . . . . \$13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., *President*  
 SIR JOHN AIRD ... .. *General Manager*  
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 C. CAMBIE, Manager

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 D. MUIRHEAD, Manager

ST. JOHN'S, NEWFOUNDLAND  
 H. M. STEWART, Manager

The large number of branches of this Bank in all parts of Canada enables it to place at the disposal of its correspondents unexcelled facilities for every kind of banking business with Canada, and especially for collections.

Savings Bank Department at every Branch  
 (Yukon Territory excepted).

INCORPORATED  
 1855

# THE BANK OF TORONTO

HEAD OFFICE, TORONTO, CANADA

Capital ..... \$ 5,000,000  
 Reserved Funds.. \$ 6,555,306

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W. G. GOODERHAM, President.	J. HENDERSON, Vice-President
WILLIAM STONE, JOHN MACDONALD, L. ENGLEHART	
LT.-COL. A. E. GOODERHAM, BRIG.-GEN. F. S. MEIGHEN,	
WM. I. GEAR, PAUL J. MYLER, A. H. CAMPBELL.	
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 NEW YORK—NATIONAL BANK OF COMMERCE  
 CHICAGO—FIRST NATIONAL BANK.

ESTABLISHED 1875

# IMPERIAL BANK OF CANADA

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

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HEAD OFFICE . . . TORONTO

GOVERNMENT, MUNICIPAL and other  
 HIGH-CLASS SECURITIES  
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Correspondence Invited

ADDRESS:

THE MANAGER, BOND DEPARTMENT,  
 TORONTO

were paid. £400,000 was transferred to reserve, £100,000 to the bank premises account and £100,000 to the staff bonuses account. This left a balance carried forward of £289,464. The total assets are now close to \$1,000,000,000, of which over \$150,000,000 are invested in British Government securities. The capital stock is £5,008,672, and the profit and loss account has a balance of £629,897. A reserve of £4,000,000 has also been accumulated.

During the year, arrangements were made under which the National Provincial Bank of England, Limited, has become joint proprietor, with Lloyds Bank, of Lloyds Bank of France, Limited.

### COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended June 21, 1918:—

Aladdin Cobalt, 65,500; Kerr Lake, 59,658; Hudson Bay, 65,473; Coniagas, 176,000; Nipissing, 152,565; Mining Corporation, 130,818; total, 650,014.

The total shipments since January 1st, now amount to 13,806,187.8 pounds, or 6,903.1 tons.

### FUEL SAVING SUGGESTED

At the afternoon session on June 25th, of the annual meeting of the Canadian Association of Stationary Engineers, at London, Ont., discussion took place regarding the fuel situation and conservation of electrical energy. An effort will be made to secure closer co-operation between the Manufacturers' Association and the Canadian Association of Stationary Engineers with a view to saving fuel. A resolution was passed urging that manufacturers who have electrical generating plants, and who have some power to spare, offer their surplus energy to the central stations, where the proper connections can be readily made.

### BANK CLEARINGS

The following are the bank clearings for the weeks ended June 21st, 1917, and June 20th, 1918, respectively, with changes:—

	Week ended June 20, '18.	Week ended June 21, '17.	Changes.
Montreal	\$ 99,955,573	\$ 92,632,110	+ \$ 7,323,463
Toronto	74,780,655	58,958,448	+ 15,822,207
Winnipeg	38,981,969	48,249,350	— 9,267,381
Vancouver	10,720,809	7,825,825	+ 2,894,984
Ottawa	8,316,184	6,562,212	+ 1,753,972
Calgary	5,502,463	6,332,209	— 829,746
Hamilton	5,250,423	6,041,949	— 791,526
Quebec	4,359,993	4,280,504	+ 79,489
Edmonton	2,999,481	2,487,656	+ 511,825
Halifax	4,470,053	2,989,185	+ 1,480,868
London	2,432,156	2,030,903	+ 401,253
Regina	3,463,310	3,077,999	+ 385,311
St. John	2,308,830	1,996,517	+ 312,313
Victoria	1,892,221	1,538,160	+ 354,061
Saskatoon	1,684,688	1,716,545	+ 31,857
Windsor	1,275,809	.....	.....
Moose Jaw	1,193,443	1,057,613	+ 135,830
Brandon	583,899	487,155	+ 96,744
Brantford	923,057	838,049	+ 85,008
Fort William	734,769	1,027,126	— 292,357
Lethbridge	767,684	909,116	— 141,432
Medicine Hat	456,068	637,382	— 181,314
New Westminster	391,260	371,255	+ 20,005
Peterboro	602,825	807,833	— 205,008
Sherbrooke	756,512	733,812	+ 22,700
Kitchener	635,717	592,943	+ 42,774
Totals	\$275,439,851	\$254,181,856	+ \$19,982,186

The Toronto bank clearings for the current week are \$75,376,722, compared with \$59,644,143 for the same week in 1917, and \$56,320,154 in 1916.

### SASKATCHEWAN FOOD BOARD EXECUTIVE RESIGNS

Hon. G. W. Brown, L. E. Mutton, G. A. Mantle, F. H. Auld and W. A. Wilson, the executive of the Saskatchewan Food Control Committee, have resigned in a body, and have asked to be relieved of their work. In resigning the executive expressed their view that they could no longer carry on the work because of the conditions created in Saskatchewan by certain of the regulations of the Canada Food Board.

### NEW OCEAN TRANSPORTATION COMPANY

Cumulative preference shares in the British Colonies Transportation Company, Limited, are at present being offered on the market. This company was formed recently to acquire and operate a fleet of vessels on the Atlantic Ocean to trade between Canadian and American ports. The company has contracted for three new ships, two of which should be delivered in August, and the other in the following month. They are worth over \$450,000 and are built to Lloyd's highest classification, having a rating for 13 years. The British Colonies Transportation Company, whose head office is in St. John, N.B., has a capitalization of \$250,000 8 per cent. cumulative preference stock, and \$500,000 of common stock. The par value of the shares is \$100 each. The amounts being issued at present are \$230,000 and \$400,000, respectively, and the preference stock, which is redeemable at 110 is being offered at par with a bonus of 30 per cent. in the common stock. Goldman and Company, Royal Bank Building, Toronto, who are handling the issues, report that practically all of it has been placed.

### HOME BANK'S ANNUAL REPORT

One of the most satisfactory statements so far received was presented at the annual meeting of the Home Bank of Canada held on Tuesday, the 25th inst. The profits for the year ending May 31st, 1918, were \$228,963. When the balance at the credit of profit and loss was added to this, the total available was \$369,201. Dividends at the rate of 5 per cent. per annum absorbed \$97,362. A reserve for depreciation of securities and for contingencies to the amount of \$90,000 was set aside; \$19,316 was required for the government war tax on note circulation, \$10,000 was written off the bank premises account and \$2,000 was donated to the patriotic fund. The total assets of the bank are now \$23,675,733.68.

In addressing the shareholders, Mr. J. C. Mason, the acting general manager, spoke as follows: "The 13th annual report of the bank shows it to be in a strong liquid position. Our actual cash position is the strongest we have ever occupied, and our liquid assets represent 52.10 per cent. of our total liabilities to the public. Notwithstanding the heavy withdrawals for investment in government and attractive securities, a very substantial increase is shown in the deposits. Our deposits by the public, exclusive of deposits and balances due to the Dominion government, amount to \$15,680,000, an increase of over \$6,000,000, or 64.12 per cent. in the past three years. The net earnings for the year were larger than last year, being about 10.18 per cent. of the paid-up capital and rest.

"The staff situation, due to the large number of enlistments, is a serious one, but all are working together, early and late, giving faithful war service. Since 1914 the volume of business has increased at least 50 per cent."

Mr. Mason stated that at the outbreak of the war the bank employed 254 men and 15 girls, whereas now the numbers were 165 and 102 respectively.

The head office of the Stuyvesant Fire Insurance Company has been moved to No. 2 Court Street, Toronto, and Mr. H. Begg, of Messrs. Shaw and Begg, has been appointed branch manager for Canada.

Winnipeg will have to raise \$606,173 this year as its share of the first levy of \$764,178 for Greater Winnipeg Water District. The Winnipeg rate is 3.68 mills on an "equalized" land assessment of \$164,836,000. The total assessment for all municipalities is \$207,836,000—that of St. Boniface being \$14,401,000 and its levy \$52,950, or a rate of 4.42 mills.

# 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

**HEAD OFFICE**

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**Head Office in Canada**

**ST. JAMES ST., MONTREAL**

H. B. MACKENZIE, General Manager

**ADVISORY COMMITTEE IN MONTREAL:**

SIR HERBERT B. AMES, M.P.

W. R. MILLER, Esq. W. R. MACINNES, Esq.

This Bank has Branches in all the principal cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

**Savings Department at All Branches**



# THE BANK OF NOVA SCOTIA

Capital paid-up - \$ 6,500,000  
Reserve Fund - 12,000,000  
Total Assets over 130,000,000

**HEAD OFFICE - HALIFAX, N.S.**

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G. S. CAMPBELL and J. WALTER ALLISON  
Vice-Presidents

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H. A. RICHARDSON, General Manager.  
J. A. McLEOD, Asst. General Manager.

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30 in Nova Scotia      33 in New Brunswick  
7 in Prince Edward Island      9 in Quebec  
62 in Ontario      14 in Western Provinces

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

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Havana, Cuba,      San Juan, Porto Rico.  
Jamaica—Black River, Kingston, Mandeville, Montego Bay,  
Morant Bay, Port Antonio, Port Maria, Spanish Town,  
St. Ann's Bay, Savanna-la-Mar.

**IN UNITED STATES**

BOSTON      CHICAGO      NEW YORK (AGENCY)

**CORRESPONDENTS**

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.  
France—Credit Lyonnais.  
United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

# 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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Geo. E. Drummond      Wm. M. Birks      F. W. Molson  
W. A. Black      E. J. Chamberlin  
EDWARD C. PRATT, General Manager

**BRANCHES**

<b>ALBERTA</b>	Hamilton	Toronto	Montreal—Cont.
Calgary	Market	Queen St. W.	Market & Harbor
Camrose	James & Barton	West Toronto	St. Henri
Edmonton	Hensall	Trenton	Maisonneuve
Lethbridge	Highgate	Wales   Waterloo	Cote des Neiges
<b>BRITISH COL- UMBIA</b>	Iroquois	Williamsburg	St. Lawrence
Revelstoke	Kingsville	Woodstock	Boulevard
Vancouver	Kirkton	Zurich	Cote St. Paul
East End	Kitchener	<b>QUEBEC</b>	Park & Bernard
<b>MANITOBA</b>	Lambton Mills	Arthabaska	Montreal, West
Winnipeg	London	Bedford	Tetraulville
Portage Av.	Lucknow	Chicoutimi	Pierreville
<b>ONTARIO</b>	Meaford	Cowansville	Quebec
Alvinston	Merlin	Drummondville	Upper Town
Amherstburg	Morrisburg	Foster	Richmond
Aylmer	Norwich	Fraserville	Roberval   Sorel
Belleville	Ottawa	and Riviere du	Sutton   St. Cesaire
Brockville	Owen Sound	Loup Station	St. Flavie Stn.
Brucefield	Port Arthur	Knowlton	St. Ours
Chesterville	Ridgetown	Lachine	St. Therese de
Clinton   Delhi	Simcoe	Lachute   Matane	Blainville
Dutton   Drumbo	Smith's Falls	Mont Joli	Trois Pistoles
Exeter   Forest	St. Mary's	Montreal	Three Rivers
Formosa	St. Thomas	St. James St.	Victoriaville
Frankford	East End	St. Catherine Ville St. Pierre	Waterloo
	Teeswater	St.	

AGENTS IN GREAT BRITAIN AND COLONIES—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

FOREIGN AGENTS—France—Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

**Collections** made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

## INVESTMENTS AND THE MARKET

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

**Laurentide Company, Limited.**—A regular quarterly dividend of 2½ per cent. has been declared, payable July 10th, to holders of record June 25th.

**P. Lyall & Sons Construction Company.**—A regular quarterly dividend of 2 per cent. has been declared, payable July 10th to holders of record June 30th.

**West Kootenay Power & Light Company.**—Quarterly dividends of 2 per cent. have been declared on the common stock and 1¼ per cent. on the preferred, both payable July 2nd to holders of record June 26th.

**Pacific-Burt Company, Limited.**—Profits of \$101,551 were earned during the fiscal year ended 31st March, by the Pacific-Burt Company, Limited. This is more than for the year 1916, but less than for the year 1917. Dividends were paid on the preferred stock at the rate of 7 per cent., and on the common stock at the rate of 2 per cent.

**North American Pulp Company.**—The annual statement of the company and its subsidiaries for 1917, shows the total income to have been \$1,318,740, an increase of \$510,479 over the previous year. The surplus was \$105,164, compared with a deficit of \$309,360 for 1916. The net available for bond interest, etc., was \$1,061,400, an increase of \$531,278.

**Atlantic Sugar Refineries, Limited.**—Very satisfactory profits for the year ending 30th April, 1918, are shown in the annual reports of the Atlantic Sugar Refineries, Limited. Profits for the year amounted to \$462,676, compared with \$304,423 in 1917. After deducting interest, depreciation, etc., the balance of \$246,782 is equal to almost 10 per cent. on the preferred stock. The surplus carried forward is \$323,430.

**Southern Canada Power Company.**—Gross earnings of the company for the month of May aggregated \$40,612, an increase of \$4,784, leaving net, after operating expenses and purchased power, of \$18,222, an increase of \$2,311. For the eight months ending with May, the gross earnings of the company amounted to \$313,865, an increase of \$56,798, but an increase of \$37,450 in operating expenses reduced the net increase to \$19,348.

**Ticonderoga Paper Company.**—The directors of the company declared two quarterly dividends of 10 per cent. each on June 19th, putting the shares on a 40 per cent. basis, and, in addition, declared a bonus of 120 per cent. Both are payable June 29th to stock of record June 27th. The two additional quarterly payments of 10 per cent. will be paid September 30th and December 31st. The Ticonderoga Company is controlled by the Riordon Pulp & Paper Company.

**Porto Rico Railways Company, Limited.**—The following is a comparative statement of earnings for May, 1918, and for the five months ended May 31st:—

	May, 1917.	1918.	Increase.
Gross .....	\$ 77,541.62	\$ 86,829.37	\$ 9,287.75
Net .....	37,043.96	38,776.84	1,732.88
For five months:—			
Gross .....	\$370,402.98	\$421,954.20	\$51,551.22
Net .....	162,797.45	190,201.21	27,403.76

**Ames-Holden & Company.**—The annual statement of the company will be ready for the shareholders next week. It will show earnings of approximately \$300,000 applicable to the preferred shares after charges, depreciation, deductions, etc. This would represent 12 per cent. on the 25,000 preferred shares and leave nearly 4 per cent. on the 35,000 shares of common stock. This is a decided improvement over the previous year, when the surplus applicable to the preferred amounted to \$197,304, or 7.80 per cent. on the preferred and about two-thirds of 1 per cent. on the common.

**Kerr Lake Mines.**—The output of the company for May totalled 268,000 ounces, which works out at a rate of about 8,645 ounces per day. This is the largest month's output in the history of the company. As the price of the white metal at the present time is 99½ cents per ounce, it will be seen that the earnings of the company are approximately \$270,000 for the month. With the cost of production being maintained around 25 cents per ounce, the company

made a net profit during the past month of around \$200,000, or about \$6,000 per day. The May production compared with that of April shows an increase of about 67,000 ounces.

**Montreal Light, Heat and Power Company.**—The company's return for May shows an increase of \$19,246 in net surplus after deducting operating expenses, interest charges and the month's proportion of the dividend on the capital stock. Net income for the month, after operating expenses and fixed charges had been allowed for, amounted to \$374,645. The month's proportion of the quarterly dividend of 1 per cent. was \$213,334, leaving a net surplus of \$161,310. On that basis the company would be earning at the rate of about 7 per cent. on its capital stock before reserve appropriations. A monthly average of \$161,310, however, is low on the basis of the company's previous performances.

**Mining Corporation of Canada.**—Net profits of the company for the year ending December 31st last were \$2,557,091, compared with \$1,895,583 in the preceding year, which result is arrived at after writing off proper amounts for depreciation and special expenditure. There was paid out of these profits \$1,556,296.86 in dividends, ordinary and extra, leaving a surplus for the year of \$1,000,795 to be added to profit and loss surplus, which now stands at \$3,448,377. Silver production during the year was larger than in 1916 and totalled 4,485,541.56 ounces, as against 4,457,440.80 ounces in 1916.

The balance sheet of the company shows cash in banks totalling \$1,032,815 on December 31st last, as against \$846,367 the previous year. War loans and treasury bills total \$1,154,815, and demand loans \$104,940. Ore in transit is placed at 798,869, as against 430,534. Fixed assets (buildings and equipment) are written down from \$329,777 to \$275,021. The total assets are placed at \$11,919,933, as against \$4,803,425. The largest increase is in valuation of mining rights, which are placed at \$7,553,123, as against \$1,327,873 at the end of 1916.

**J. G. White Companies.**—In submitting the annual report for the year ended 31st December, 1917, the directors referred to the important work being carried on under contract with the government. More contracts of this kind are in view. This work accounts for a considerable increase in both sides of the balance sheet, but the credits will be self-liquidating, as the contracts are completed.

Depreciation of securities has made necessary the writing down of many of the investments, but the underlying situation is felt to be sound. Regarding the prospect for public utility securities the report says:—Electric light and power services, gas and street railway facilities have become such absolute necessities in the daily life of practically all cities and towns throughout the country that it is quite certain that the people who are now enjoying the benefits of these utilities will want to continue their use. To do this it will be necessary in the long run that the companies furnishing the service shall be paid the total actual cost of the service, including adequate depreciation and sufficient profit to permit them to raise the capital necessary to maintain good service. This leads the officers of your companies to hope that the values fixed by special committees of directors, as December 31st, 1917, will within a reasonable time show a substantial excess in market over inventory values of securities held by your companies. As the president, the secretary of the treasury, the comptroller of the currency, and other government and state officials have urged that utility companies should be treated with consideration and increased rates allowed, it is to be expected that the necessity of such increase will gradually be recognized by state and municipal authorities throughout the country, and adequate revenues for the utility companies provided. There is accumulating evidence that public opinion is rapidly appreciating the necessity and justice of this. When this is accomplished higher revenues and a better market and higher prices for utility securities should follow.

### GREATER WINNIPEG WATER DISTRICT

One million dollars of Greater Winnipeg Water District 6 per cent. gold bonds are being offered by a syndicate at 96.86 and interest yielding 6¾ per cent. The bonds are dated July 1st, 1918, and are due July 1st, 1923. The district is a municipal corporation, constituted by special act of the Manitoba legislature, and serves the city of Winnipeg and some of its suburbs.

## THE BANK OF OTTAWA

Established 1874  
94 Branches in Canada

Capital paid up - \$4,000,000  
Rest - \$4,750,000

A BANK WELL EQUIPPED  
TO SERVE THE PUBLIC

There is a universal call for saving **NOW**.

Start a Savings Account at any Branch with  
a Dollar or more.

4

## The Dominion Bank

**HEAD OFFICE .. TORONTO**

Sir EDMUND B. OSLER - President  
W. D. MATTHEWS - Vice-President  
C. A. BOGERT - General Manager

### The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange  
Business, and has ample facilities for handling collections  
and remittances from Canada. 347

## The Home Bank of Canada



**Head Office and Eight  
Branches in Toronto**

8-10 King Street West, Head Office and  
Toronto Branch.  
78 Church Street.  
Cor. Queen West and Bathurst.  
Cor. Queen East and Ontario.  
1220 Yonge Street Subway, Cor. Alcorn Ave.  
Cor. Bloor West and Bathurst.  
236 Broadview, Cor. Dundas St. East.  
1871 Dundas St., Cor. High Park Ave.

**BRANCHES AND CONNECTIONS  
THROUGHOUT CANADA**

## The Standard Bank of Canada

Quarterly Dividend Notice No. 111

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 of July, 1918, and that the same will  
be payable at the Head Office in this City and at its Branches  
on and after Thursday, the 1st day of August, to Share-  
holders of record of the 22nd of July, 1918.

By order of the Board,  
**C. H. EASSON,**  
General Manager

Toronto, June 22nd, 1918.



# THE MERCHANTS BANK

Head Office: Montreal. **OF CANADA** Established 1864.

Paid-up Capital, \$7,000,000 Total Deposits (Dec. 1917), \$103,000,000  
Reserve Funds, 7,421,292 Total Assets (Dec. 1917), 136,000,000

*Board of Directors:*

President	SIR H. MONTAGU ALLAN	Vice-President	K. W. BLACKWELL
THOMAS LONG	LT.-COL. C. C. BALLANTYNE	FARQUHAR ROBERTSON	E. F. HEBDEN
F. ORR LEWIS	A. J. DAWES	GEO. L. CAINS	THOS. AHEARN
ANDREW A. ALLAN	F. HOWARD WILSON	ALFRED B. EVANS	LT.-COL. J. R. MOODIE
Managing Director	E. F. HEBDEN	General Manager	D. C. MACAROW
	Supt. of Branches and Chief Inspector: T. E. MERRETT		



## AN ALLIANCE FOR LIFE

Many of the large Corporations and  
Business Houses who bank exclus-  
ively with this institution, have done  
so since their beginning.

Their banking connection is for life—  
yet the only bonds that bind them to  
this bank are the ties of service, pro-  
gressiveness, promptness and sound advice.

236 Branches in Canada, extending from the Atlantic to the Pacific

New York Agency: 63 and 65 Wall Street

Bankers in Great Britain: The London Joint Stock Bank, Limited; The Royal Bank of Scotland

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## BANK STATEMENT FOR MAY

The bank statement for the month of May shows still further increases in circulation, in savings deposits and in total assets. The total deposits in Canada are \$8,740,801 more than at the end of the month of April and \$147,010,584 more than for the month of May, 1917. Savings deposits increased \$14,112,669 during the month. Demand deposits, on the other hand, have fallen off considerably. A large increase in current loans indicates business activity throughout the country. Some of the figures are as follows:—

	May, 1918.	Changes during May, 1918.
Note circulation	\$ 181,889,959	+ \$ 1,234,995
Reserve fund	114,333,518	+ 3,800
Demand deposits	535,055,751	— 22,853,470
Notice deposits	947,757,337	+ 14,112,669
Total deposits in Canada	1,483,413,088	+ 8,740,801
Deposits elsewhere	204,173,285	— 699,837
Current coin	76,570,686	— 1,712,621
Dominion notes	177,655,477	+ 8,310,402
Deposits, central gold reserve	79,870,000	+ 600,000
Call loans in Canada	78,466,582	+ 969,222
Call loans outside	172,259,879	— 7,558,652
Current loans in Canada	894,817,113	+ 10,727,711
Current loans outside	99,300,926	+ 33,266
Total liabilities	2,070,543,724	+ 6,988,863
Total assets	2,319,958,402	+ 7,687,244

The complete report will be given in *The Monetary Times* next week.

## CANADIAN CREDIT MEN'S ASSOCIATION

At the annual meeting of the Ontario division of the Canadian Credit Men's Association held on Tuesday, the 25th inst., the following officers were elected: President, Thomas McMillan, Annesley-Dineen Hat and Fur Company; vice-president, A. G. Parker, W. J. Gage Company; secretary-treasurer and manager, A. S. Crighton.

Among the subjects discussed was the proposed bankruptcy act which was drafted for the last session of parliament, and will likely be taken up as a government measure at the next session. Mr. Henry Detchon, general manager of the association, addressed the meeting. He expressed his pleasure at the satisfactory results obtained by the Ontario division on behalf of the wholesale trade of the province during the past year, under the presidency of Mr. W. H. Lamont, and stated his confidence that the organization would continue to expand as a power for good, under the guiding hand of Mr. Thos. McMillan, the newly elected president. One of the most important accomplishments of the association during the year had been the securing of a Bulk Sales Act for the province of Ontario, the act coming into force on October 1st next. Mr. Detchon commended the legislation committee which, under the chairmanship of Mr. Jas. A. Catto, had rendered valuable service in connection with the proposed Bankruptcy Act. "Wholesalers in all provinces are heartily in favor of the bill as amended by the special parliamentary committee appointed by the government at the last session of parliament," said Mr. Detchon, "and practically all of the other interested organizations have given it their endorsement."

In promoting the bill the association had endeavored to retain the best features of the insolvency acts of the various provinces, and at the same time incorporate provisions for the discharge of an honest debtor under certain reasonable restrictions and the compulsory abandonment of assets of debtors who had become insolvent, without recourse to the present complicated and expensive procedure.

One of the great advantages of the Bankruptcy Act is that it would provide uniform legislation in insolvency matters throughout the Dominion. Under the act creditors would still continue to control the administration of estates in which they were interested, and the heavy expense attendant upon the operation of the English and American acts, occasioned by excessive court procedure, which is the cause of great dissatisfaction, would in a large measure be eliminated.

Mr. Detchon explained that the government had had the bill, as amended by the special parliamentary committee, reprinted for distribution in order that all interests might become familiar with it before the next session of parliament, when it is expected the measure will become law.

## PREPARATION FOR NEXT WAR LOAN

As stated elsewhere in *The Monetary Times*, the various points in connection with the coming war loan were discussed in a conference at Ottawa, on Tuesday of this week. No official announcement has been made, however, and will not, it is stated, be made for some time. In fact, none of the details have been absolutely settled as yet. As in the case of the Victory loan, there will be a Dominion executive, provincial executive and a committee in charge of special subscriptions. The only actual appointment so far made has been that of Mr. E. R. Wood, as chairman of the Dominion executive.

## CITY OF REGINA BONDS

City of Regina 20-year 6½ per cent. gold bonds were sold this week by tender. There were two blocks, one of \$175,000 and the other of \$55,000, due in 20 and 10 years, respectively. A large number of tenders were received, including the following: Wood, Gundy and Company (for straight-term 6½ per cent. bonds), 97.28 and interest; A. E. Ames and Company (for straight-term 6½ per cent. bonds), 96.59 and interest; G. A. Stimson and Company (for instalment 6½ per cent. bonds), 96.42 and interest; Macneill and Young (for instalment 6 per cent. bonds), 92.32 and interest.

The tender of Wood, Gundy and Company was accepted. The issue is being offered at par and accrued interest.

## TRUST AND LOAN COMPANY OF CANADA

Profits for the year ended March 31st, 1918, amounting to £126,892 are reported in the annual statement of the Trust and Loan Company of Canada. Of this amount £29,416 was carried to the statutory reserve account, and £15,153 provided for income tax, £5,000 transferred to contingencies account, and dividends paid at the rate of 12½ per cent. per annum.

The £140,000 which stood at the credit of the special reserve account, together with £29,416 from the profits of the current year, have been transferred to the statutory reserve fund account. This fund now amounts to £600,000, which equals the paid-up capital of the company. Provision was also made for depreciation of securities. Total assets are now £3,976,170. The company is ably represented in Canada by its commissioner, Mr. J. Campbell (of Winnipeg), and by assistant commissioners, Mr. E. R. Whitehead (of Winnipeg), R. C. Younge (of Montreal) and J. Rogers (of Regina).

## ATLANTIC SUGAR HAS EXCELLENT YEAR

The profits of the Atlantic Sugar Refineries, Limited, for the year ended April 30th, 1918, were \$462,676, which is the largest amount so far realized; \$88,700 was required for bond interest; \$90,882 for bank interest and exchange; and \$33,991 for deferred operating charges; \$40,000 was set aside for reserve for depreciation of plant, in which account there is now a balance of \$60,000. The balance added to the amount already at the credit of profit and loss account, makes a total at the credit of this account of \$323,439. No dividend has as yet been paid.

Considering the restrictions which have been placed on the consumption of sugar in Canada, this report is quite encouraging, as it strengthens greatly the financial position of the company. The total business for the year is, in fact, considerably greater than the business for the year 1917. The profits were at a small rate—viz., about 15 cents per 100 lbs. Mr. D. Lorne McGibbon, the president, in his address to the shareholders, also pointed out how the action of the International Sugar Commission in New York restricted in a considerable degree the business and profits of the refinery. This commission, which was formed in October, 1917, allocated as Canada's share 320,000 tons. This is again divided among the Canadian refineries, with the result that business is restricted to quite an extent.

The Atlantic Sugar Refineries was incorporated in 1912, and has a paid-up capital of \$3,500,000 of common stock and \$2,500,000 of 7 per cent. cumulative preferred shares; there are also \$1,470,000 of first mortgage bonds outstanding. The total assets are valued at nearly \$7,000,000. The business of the company extends in Canada from Halifax to Calgary, and a large export business is also done to Great Britain and France. In fact at present, in view of the growing demand, business is limited only by the restrictions imposed.

The directorate consists mostly of Montreal people.

# THE STERLING BANK OF CANADA

The service rendered to all our clients has every aspect of "special" service—it is efficient, practical, attentive to details, complete.

**Head Office**  
King and Bay Streets, Toronto 78

# The National Bank of Scotland Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed.....	£5,000,000	\$25,000,000
Paid up .....	1,000,000	5,000,000
Uncalled .....	4,000,000	20,000,000
Reserve Fund .....	800,000	4,000,000

**Head Office** EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.  
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C. 4

JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

# AUSTRALIA and NEW ZEALAND BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)  
AUSTRALIA

PAID UP CAPITAL -  
RESERVE FUND -  
RESERVE LIABILITY OF PROPRIETORS



AGGREGATE ASSETS 30th SEPT., 1917

J. RUSSELL FRENCH, General Manager

334 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C., 2.

AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

PAID UP CAPITAL -	\$ 19,524,300.00
RESERVE FUND -	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	<hr/>
	\$ 53,423,600.00
	<hr/>
AGGREGATE ASSETS 30th SEPT., 1917	\$285,767,140.00

# ESTABLISHED 1865 Union Bank of Canada

Head Office - WINNIPEG

Paid-up Capital	\$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	140,000,000

## BOARD OF DIRECTORS

Hon. Pres., SIR WILLIAM PRICE President, JOHN GALT, Esq.  
Vice-Presidents, R. T. RILEY, Esq.; G. H. THOMSON, Esq.

W. R. Allan, Esq.	B. B. Cronyn, Esq.	F. E. Kenaston, Esq.
G. H. Balfour, Esq.	E. L. Drewry, Esq.	W. H. Malkin, Esq.
Hume Blake, Esq., K.C.	S. Haas, Esq.	R. O. McCulloch, Esq.
M. Bull, Esq.	A. Hitchcock, Esq.	Wm. Shaw, Esq.
Major-General Sir John W. Carson.	J. S. Hough, Esq., K.C.	

H. B. SHAW, Gen. Manager

J. W. HAMILTON, Assistant General Manager

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches.

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

New York Agency, 49 Wall Street, New York City.  
GEO. WILSON, Agent.

The Bank, having 301 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies.

Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world.

# BANK OF HAMILTON HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED .....	\$5,000,000
CAPITAL PAID UP .....	3,000,000
SURPLUS .....	3,500,000

## DIRECTORS

SIR JOHN HENDRIE, K.C.M.G., President.  
CYRUS A. BIRGE, Vice-President.

C. C. Dalton	W. E. Phin	W. A. Wood
Robert Hobson	I. Pitblado	J. Turnbull

J. P. BELL, General Manager.

## BRANCHES

### ONTARIO

Ancaster	Gorrie	Milverton	Port Rowan
Atwood	Grimsby	Mitchell	Princeton
Beamsville	Hagersville	Moorfield	Selkirk
Blyth	Hamilton	Neustadt	Simcoe
Brantford	" Barton St.	New Hamburg	Southampton
" East End	" Deering	Niagara Falls	Teeswater
Burlington	" East End	Niagara Falls, S.	Toronto
Caledonia	" North End	Oakville	" Queen &
Chesley	" West End	Orangeville	Spadina
Delhi	Jarvis	Owen Sound	" College &
Dundalk	Kitchener	Palmerston	Ossington
Dundas	Listowel	Paris	" Yonge &
Dunnville	Lucknow	Port Arthur	Gould
Fordwich	Midland	Port Colborne	West Toronto
Ft. William	Milton	Port Elgin	Wingham
Georgetown			Wroxeter

### MANITOBA

Bradwardine	Gladstone	Minnedosa	Swan Lake
Brandon	Hamiota	Morden	Treherne
Carberry	Kenton	Pilot Mound	Winkler
Carman	Killarney	Roland	Winnipeg
Dunrea	Manitou	Snowflake	" Norwood
Elm Creek	Miami	Stonewall	" Princess St.
Foxwarren			

### SASKATCHEWAN

Aberdeen	Caron	Mawer - Melfort	Rouleau
Abernethy	Dundurn	Meota	Saskatoon
Battleford	Estevan	Moose Jaw	Stoney Beach
Brownlee	Francis	Mortlach	Truax
Carievale	Loreburn	Redvers   Regina	Tuxford

### ALBERTA

Brant	Nanton	Armstrong	Vancouver E.
Calgary	Oyen	Kamloops	N. Vancouver
Cayley	Stavely	Port Hammond	S. Vancouver
Champion	Taber	Salmon Arm	(Cedar Cottage
Granum	Vulcan	Vancouver	P.O.)

### BRITISH COLUMBIA

## PLEDGE OF UNENDORSED STOCK

### Case Where Bankrupt Broker Has Pledged Stock With Trust Company

BY M. L. HAYWARD, B.C.L.

The case of Boston Safe Deposit and Trust Company vs. Adams, recently decided by the Massachusetts Supreme Judicial Court, arose out of a rather interesting state of facts, and the decision of the court lays down some important principles in reference to the law governing the relations of broker and customer.

In this case a customer deposited with a broker a stock certificate to cover margin on stocks which the broker was carrying for the customer, and the broker became bankrupt at a time when he was indebted to the customer. The question then arose whether, if the certificate were in the broker's hands at the time of his bankruptcy, the customer would be entitled to its return, or whether the certificate would go to the trustee in bankruptcy. On this point the court decided in favor of the customer.

"It follows," said the court, "that at that time the customer would have been entitled to receive the certificate here in question from the broker if the certificate had been in his hands at that time."

Another point arose in the same case, however, as the certificate had been deposited with the broker without being endorsed by the customer, and before his bankruptcy the broker pledged the unendorsed certificate with the Boston Safe Deposit and Trust Company, so that the question, as stated by the court, was "whether the intervening pledge by the broker with the trust company gives the trust company greater rights against the customer than the broker would have had had the certificate remained in his hands."

#### Rights of the Trust Company.

On this point the court decided in favor of the customer, and the following quotation from the judgment of the court will repay a careful perusal:—

"What the broker got from the customer (when the customer delivered to him without a transfer of it the certificate here in question as margin on his account) was a right in the nature of an equitable mortgage, with a right to have the legal title transferred to him so that they would be the apparent owners of the certificate and the shares represented by it, and so be in a position (in accordance with the custom) to borrow money in his own name on the strength of the certificate and the shares represented by it, without regard to the state of the account between him and the customer. In place of perfecting his title, and so putting himself in a position to do this, the broker assigned to the trust company his unperfected rights in the certificate and the shares represented by it. What he assigned to the trust company was something in the nature of an equity or a chose in action. That the trust company knew; or at least it was chargeable with knowledge of that fact by reason of the fact that the certificate and the shares represented by it had not been transferred by the customer, the owner of it and them. That is to say, what the broker had was an equity, or chose in action. All that he had to give to the trust company was an equity or chose in action. In case of the assignment of an equity or of a chose in action, an assignee gets, and can get, no greater rights than his assignor had. The trust company could have called for a transfer of the certificate and of the shares represented by them. If the customer was not bound to make a transfer to the trust company, it was at least bound to make one to the broker to enable him to make a repledge of the certificate independently of the state of the account between them and the customer. But the trust company did not do so. It chose to rest content with an assignment of the equitable right or chose in action which the broker had. When he became bankrupt it undertook to enforce his equitable right to chose in action. The equitable right of the broker to compel a transfer of the legal title had then come to an end, as we have already held. As assignee of the broker, the trust company's equitable right was no greater than theirs.

"In this case the trust company was not misled by the customer. From the state of the certificate it knew or was chargeable with knowledge that the certificate and the shares represented by it had not been assigned by the customer, and that all that it was getting was an equitable right.

"We are of opinion, therefore, that the trust company has no right to compel the customer to transfer to it the legal title to this certificate and to the shares represented by it."

In this case the court also made the following general remarks in reference to the legal effect of margin transactions:—

"Under the findings of the judge the certificate was handed by the customer to the broker, not because the customer was then indebted to him (for, under the findings, he was not then indebted to him), but because, by the contract between a customer and a stockholder carrying shares for the customer on a margin, it is the duty of the customer to furnish the broker with a margin for his protection in case of a decline in the price of the stock carried, and to enable the broker to borrow the money required to carry the account. In borrowing money on a margin this is necessary, and for that reason and for the protection of the stockbroker the customer has to furnish the broker with securities, even though the customer's account is good in the sense that the securities bought are worth more than the purchase money paid for them."

#### NEW STEEL FROM OLD

Not so long ago the possibility of making new or good steel solely from old steel or scrap, without the addition of virgin metal as pig iron, was regarded as a dream, at least so far as any commercial aspect was concerned. But there is no longer anything unusual about this. The electric furnace has revolutionized our ideas of this as well as of some other metallurgical phases of the steel industry. To-day, steel of the best quality is made in large units from scrap of poor quality, and from scrap alone, in such furnaces. Even old steel is almost magically reconverted into excellent pig iron, something that would have been considered chimerical if suggested ten years ago.

Something similar to this achievement of the electric furnace is now being accomplished on a large scale in the open-hearth. In two instances, one in Canada and one in the United States, heats as large as 25 tons are being made where 95 per cent. of scrap steel, mostly shell turnings, is the charge.

Necessity is again the mother of invention. War necessity certainly has opened the way to results hitherto regarded as impossible.—"Iron Age."

#### BRITISH COLUMBIA ELECTRIC RAILWAY

The British Columbia Electric Railway Company, Limited, is experiencing the financial difficulties that are being met by utility companies all over the American continent. This is the result of a fixed scale of prices, while costs of production are increasing rapidly. In contrast to the great majority of manufacturing companies, utility companies and railroads can only increase their charges with difficulty. Under the franchise of the British Columbia Electric the fares cannot be increased above five cents, although the present basis is a 4 $\frac{1}{6}$ -cent fare. Owing to the fact that the franchise expires next February, the question of raising fares is a difficult one at present. Jitney competition has been experienced, and is still being met, Vancouver being the only city in Canada in which they still operate. This is in spite of a recommendation made some time ago by Professor Shortt, after a special investigation, that they be prohibited. Curiously enough, the recommendation was acted on by the city of Winnipeg, but not by the city of Vancouver. A deficit has for some time been experienced by the company.

Just at present it is having difficulty with its employees on the wage question. Street railway men recently asked an increase in the wage bill which would practically amount to 50 per cent. The maximum wage for city motormen and conductors was to be 51 cents per hour in place of 40 cents as at present. While this was an increase of only 30 per cent., other stipulations, including that for an eight-hour day, brought up the total amount. This would mean an increase in costs to \$640,000 a year. The company offered a 10 per cent. increase, and when this was refused by the men they applied for arbitration. This was satisfactory to both parties and will be proceeded with very shortly.

The head office of the company is in London, England, and it is, in fact, incorporated by Imperial charter. The original issues of stock and debentures were made in England, and most of the securities are still held there.

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	Ste. Rose du Lac	Dundurn	Plato
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Quesnel	WINNIPEG	Foam Lake	Quill Lake
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Hastings St.	Portage and	Hanley	Rush Lake
Mt. Pleasant	Sherbrooke	Harris	Saltcoats
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	William and	Imperial	Scotsguard
	Sherbrooke	Kenaston	Sedley
<b>MANITOBA</b>		Kinley	Sheho
Arden	<b>SASKAT-</b>	Lancer	Stornoway Stn.
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Subscribed Capital - - - -	\$124,532,160	Cash in hand and at Bank of England	220,551,765
Paid-up Capital - - - - -	25,944,200	Money at Call and Short Notice - -	155,017,800
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(£5 = \$1.)

CAPITAL SUBSCRIBED - - - -	\$156,521,000
CAPITAL PAID UP - - - - -	25,043,360
RESERVE FUND - - - - -	20,000,000
DEPOSITS, &c. (December, 1917)	873,489,725
ADVANCES, &c. do.	307,333,545

THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND & WALES.  
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## A CASE ON LIABILITY INSURANCE

### Liability for Loss of Profits from Damaged Property— Case Where Stock Has Been Pledged

A case recently decided by the Supreme Court of Nova Scotia, wherein the Nova Scotia Tramways and Power Company brought suit against the Employer's Liability Assurance Company, turned on a rather neat point of insurance law, and will repay a careful perusal.

In this case the Nova Scotia Tramways and Power Company was operating an electric railway in Halifax, and took out a policy in the Employer's Liability Assurance Company, whereby the assurance company agreed to protect the power company from loss from the liability imposed by law upon the power company for damages on account of bodily injury suffered by any person or persons other than the employees of the power company, and an additional clause in the policy provided that it would "cover loss from liability for damage to property of every description."

The policy was duly issued, the premium paid, and then, one fine day, one of the power company's electric cars jumped the rails, and ran into and injured a store building and the stock of goods therein.

It was admitted, and there was no dispute on this point, that the power company was liable for the damage to the building and the goods, and also for the storekeeper's loss of profits from his business while the building was being repaired, and the insurance company admitted that it was liable for the damage to the building and the goods, but claimed that it was not liable for the loss of profits, so the question for the decision of the Court was whether the words of the policy, loss from liability for damage to property of every description," would cover the loss of profits under the above circumstances, and the decision of the Supreme Court of Nova Scotia was that the assurance company was liable.

#### Analogy of Bodily Injury.

"It will not be denied," said the Chief Justice, "that if the power company became liable for damages on account of bodily injury sustained by a person injured on its electric cars, it would be liable for all the damages sustained by that person by reason of his being incapacitated for work for a period of time. His incapacity to earn wages, or his inability to attend to his business would be an element to take into consideration in assessing the damages for his injuries, and I do not see how it could be contended that the assurance company would not be liable to indemnify the power company for the whole of the damages the latter company was compelled to pay, including the portion awarded to the individual by reason of his inability to earn wages or attend to his business for the time being.

"In the same way, the power company in this case became liable to the storekeeper for not only the physical injury to the property, but also for the loss or injury incident to that physical injury—namely, the inability of the building to perform its usual functions while it is being repaired.

"If the assurance company is liable in the former case, I do not see why it is not liable in the latter.

"The policy requires the assurance company to indemnify the power company against loss for the liability imposed upon it by law for damage to property and part of that damage imposed upon it by law is due to the fact that the property is by the injury rendered for a time incapable for the use to which it was formerly put.

"The power company has suffered a loss through, or by reason of, its liability for damages to the property and the whole of that damage was what the assurance company agreed to indemnify the power company against."

#### Liberal Interpretation of the Clause.

Another Judge stated the same principle in the following words:—

"I think that the words of the policy may be fairly said to mean an undertaking to indemnify the power company against any loss which it may be legally liable to pay, by reason of its having, in the operation of its electric cars, accidentally damaged any description of property. The loss of profits in question, I think, clearly, the assurance company was liable to pay by reason of such damage. The words, 'damage to property,' in the policy, taking it as a whole, were intended, I think, as the equivalent of 'by reason of damage to property.' Bearing this in mind, and using the very words of the policy, the power company's liability for damage to

property of a third party resulting from such an accident is not limited to the mere diminution in value of the property. It is liable as a tortfeasor for the negligence of its servants and not as underwriters insuring the property damaged. And the assurance company undertakes to indemnify the power company against the whole loss of such liability and not a part of it."

## HOSPITALS AND CHARITIES IN ONTARIO

### Administration Has Been Economical—War Production of Food Encouraged

According to the 48th annual report of the inspector of prisons and public charities of Ontario, the number of institutions of this kind in the province at present is 265. There are 94 public hospitals, 68 private hospitals, 38 refuges, 29 orphanages, three homes for incurables, two convalescent homes and 31 county houses of refuge. Each of these, as far as possible, has received official visits of inspection. During the year the total expenditure for hospitals was \$4,450,957, and the provincial grant was \$318,450. The principles upon which provincial aid is given, are as follows:—

1. A provincial grant is made for all patients in a hospital during the first ten years of its existence at the rate of 20 cents per day, irrespective of what sum is contributed by the patients themselves. From August 10th, 1917, this grant has been increased to 30 cents per day.

2. After a hospital has been in existence for ten years the grant is paid only for patients for whose maintenance \$7 per week or less is contributed.

3. In all cases the limit is 120 days, and if the patients remain in the hospital longer than that period, the refuge rate of seven cents per day is allowed.

4. Children over one year and under 12 years are allowed for at the rate of seven cents per day.

5. No allowance is made for infants under one year of age.

#### Aid to Sanatoria for Consumptives.

Special regulations apply to sanatoria, viz.:—

1. A grant of \$4,000 on the erection and satisfactory equipment of the necessary buildings.

2. A grant of \$3 per week for the maintenance of each indigent patient.

These grants to be in consideration of proper accommodation being provided and only to assist in the maintenance of indigent patients coming from the province of Ontario. There were 2,638 patients cared for in the 12 different Sanatoria for Consumptives during the past year.

Of the expenditure for hospitals, \$637,109 was for capital account, the balance being for maintenance and equipment. Expenses of management and upkeep, have, of course, increased very rapidly. In March, 1917, the cost rate per patient of some of the leading hospitals was as follows:—

Toronto General Hospital .....	\$2.17
Royal Victoria Hospital, Montreal .....	2.20
Hospital for Sick Children, Toronto .....	2.26
Winnipeg General Hospital .....	2.47
Montreal General Hospital, Montreal .....	2.53
Johns Hopkins, Baltimore .....	3.41
Massachusetts General, Boston .....	3.31
Presbyterian Hospital, New York .....	3.41

The cost rate per day has now increased to over \$3 at Toronto General Hospital, and to \$2.51 per day at the Hospital for Sick Children, Toronto. Prohibition legislation appears to have one concrete result at least, in the number of private hospitals in the province, many of which were almost wholly for the use of alcoholic patients.

The General Hospital, Toronto, receives the largest amount of provincial aid—namely, \$20,936. Others who receive large amounts are the City Hospital of Hamilton, the Hospital for Sick Children, Toronto, and St. Michael's Hospital, Toronto. The average cost of each patient per day varies from 71 cents in the case of the General Hospital at Mattawa, to over \$3 per day in several of the hospitals.

The cost of the houses of refuge is, of course, much lower, varying from 28 cents per day to \$1.25 per day. The county houses of refuge are largely supported by taxation, although some revenue is derived from profits of agriculture and other sources.

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whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

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HENRY F. GOODERHAM,  
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JAMES K. PICKETT,  
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Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

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**Chartered Trust and Executor Company**  
Traders Bank Building Toronto

## The Standard Trusts Company

DIVIDEND No. 28

Notice is hereby given that a Dividend at the rate of 9% per annum on the paid-up Capital Stock of the Standard Trusts Company has been declared for the half-year ending 30th June, 1918, and that the same will be payable at the Head Office of the Company, 346 Main Street, Winnipeg, on or after the Second day of July, 1918.

The Transfer Books will be closed from the 16th to the 30th of June, both days inclusive.

By Order of the Board.

WILLIAM HARVEY,  
Managing Director.

Winnipeg, June 3rd, 1918.

## Canadian Guaranty Trust Company

HEAD OFFICE: BRANDON

### Board of Directors:

ALEX. C. FRASER, President. LT.-COL. A. L. YOUNG, Vice-President.

JOHN R. LITTLE, Managing Director.

HON. GEORGE W. BROWN, WILLIAM FERGUSON, H. L. ADOLPH, E. O. CHAPPELL, J. S. MAXWELL, JNO. A. McDONALD, G. S. MUNRO, HON. W. M. MARTIN, M.P.P., JOHN E. SMITH, F. N. DARKE, ALEX. A. CAMERON, D. A. REESOR.

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WINNIPEG, Man.

## National Trust Company

Limited

DIVIDEND NOTICE.

Notice is hereby given that a dividend for the three months ending June 30th, 1918, at the rate of

TEN PER CENT. PER ANNUM,

has been declared upon the Capital Stock of the Company, and that same will be payable on and after July 1st, 1918.

The Transfer Books will be closed from the 20th to the 30th June, both days inclusive.

By order of the Board.

W. E. RUNDLE,

Toronto, June 5th, 1918.

General Manager

## CANADIAN MILLING INDUSTRY

### One of the Most Successful Canadian Industries—Regulations Have Not Achieved Their Object

Greenshields and Company, of Montreal, in their Monthly Review for June, comment as follows on the recent report of the Cost of Living Commissioner on the milling industry:—

A report on the milling industry of Canada, issued within the month from the Cost of Living Branch of the Department of Labor at Ottawa, might be dismissed as of little moment, but for one thing. Public sentiment being not unnaturally sensitive to and suspicious of anything that savors of war profiteering, it is at the least unfortunate that an official report of the kind should be so framed as to tend to the incitement of public opinion against legitimate business, operating fairly under the laws of the country not a monopoly in any sense, and, on the report's own showing, entitled to commendation for the moderation of its charges, not to blame for extortion. If Bolshevik doctrines are slow to take hold in Canada, plainly some official quarters can lay claim to little of the credit.

#### Cost of Living.

The auspices under which the report was issued would suggest that some plan for the reduction of food costs was under consideration. Nothing of the sort appears. The larger companies, because of efficiency and quantity production, are proved to have been earning a unit of profit so small as to be insufficient to sustain the smaller companies. To fix arbitrarily a lower unit of profit would drive some hundreds of these smaller companies out of business.

But the larger companies, because of an increase in the volume of business handled, have been able to make profits larger than normal, and the report turns from a consideration of cost-of-living factors to a consideration of whether the government might not conveniently lay claim to a share of those profits greater than it now obtains through the operation of business profits taxes applicable to all industries alike. This might be assumed to be the province of the finance department, but was evidently not so considered by the cost of living investigator.

#### Unit of Profit Small.

What the report discloses is principally that, although under an arrangement made concurrently with the fixing of a price for wheat, profits of the millers were to be limited to 25 cents a barrel, the larger companies have in fact been earning less. The Ogilvie Company, for instance, is shown to have expanded its earnings from 15 cents a barrel in 1914 to 20 cents in 1917. The commercial risk of the milling business had more than doubled, because of the rise in the price of wheat, but the profit of the miller had increased only one-third. Among the larger companies as a whole, the report found that profits per barrel milled in 1917 had varied from about 17 cents to 30 cents, with the admission that extraneous earnings, such as profits on wheat—which by a turn of the markets could have been converted into a loss—played a considerable part in the showing.

The common-sense view would be that, having regard to capital invested and risks assumed, the millers have been charging moderately for the services rendered, and obviously have had little or nothing to do with the rise in the cost of living. They have been averaging apparently a profit of about 2 per cent. on sales, while the farmer, if the cost of raising wheat be placed at 80 cents a bushel, has been earning a profit of about 175 per cent.

#### Misleading Deductions.

But the obvious meaning of the figures has been obscured or distorted by the emphasis placed on the fact that, with the unit of profit so moderate, a large increase in the volume of business has permitted of some increase in total earnings. Accordingly the summaries of the report as sent broadcast through Canada were so worded to lend themselves readily to double-column captions along the lines of the "Enormous Profits of the Millers," with their incentive to off-hand deductions by the unthinking masses who take no trouble to analyse the facts for themselves.

Before the suggestion of the investigator be adopted, namely, that special taxation be decreed against the millers,

the government can hardly fail to give weight to several considerations:—

1. Probably more than any other industry in Canada, the milling industry may be considered to be "on its own" to-day. In the early part of the war, the duty was taken off wheat flour, and the milling industry was thereby thrown open to free competition from outside Canada, although the millers had paid, and were expected to continue paying, duty on machinery needed for their plants. Temporarily there is an embargo on flour in both the United States and Canada, due to the mutual desire of the countries to protect their supplies. But this was a measure decided on in the interest of the Allies, and not for the protection of the millers.

2. The millers are already contributing to the public treasury under a business profits tax which ranks as one of the most drastic war taxation measures in force among the allied nations. When profits rise above 20 per cent. on invested capital, the government takes 75 per cent. and leaves a company with 25 per cent. To increase the government's proportion would plainly bring taxation to a limit where private enterprise would naturally halt altogether. That such is felt to be the case is an obvious deduction from parliament's recent decision to re-enact the tax, as it stood, with further upward revision, despite the urgent needs of the treasury.

#### One of Our Big Exporters.

3. Excessive or discriminative taxation applied to the millers would be a fatal blow to the development of one of the country's most important exporting industries. Millions of dollars have been added to Canada's exports by a far-sighted policy of restricting exports of pulp wood in order that the manufacture of pulp and paper products might be increased. We are talking of doubling our production of wheat, and, reversing the policy in respect to pulp and paper, suggesting something to discourage the milling of wheat into flour, and so the sale of the finished rather than the raw article. For the eleven months ended February last, Canadian exports of flour amounted to 8,881,673 barrels, of a value of \$84,747,000. In quantity these figures showed an increase of more than 400 per cent. over the figures for the full fiscal year of 1907-1908, and in value an increase of more than 900 per cent. The progressive growth of our flour exports as a factor in Canada's external trade is set forth impressively enough in the following summary of exports for the fiscal period ended March 31st in each of the past eleven years:—

	Barrels.	Value.
1918 (x) .....	8,881,673	\$84,747,000
1917 .....	7,425,723	47,473,474
1916 .....	6,400,214	35,767,044
1915 .....	4,952,337	24,610,946
1914 .....	4,832,183	20,581,079
1913 .....	4,478,043	19,970,689
1912 .....	3,738,836	16,034,064
1911 .....	3,049,046	13,854,790
1910 .....	3,064,028	14,859,854
1909 .....	1,738,038	7,991,413
1908 .....	1,962,740	3,454,954

(x) Eleven months ended February 28th.

#### Reinvestment of Profits.

4. Expansion in output as shown in the foregoing figures has proceeded very considerably from the reinvestment of surplus earnings of the companies, and such reinvestment is Canada's main dependence to-day for industrial growth. New capital is going largely into war loans. It could not be attracted in any event into an industry subject to discriminative taxes. If the milling industry is to keep pace with Canada's expansion in agricultural production, and keep within the country the profits of capital and labor that are rightly hers, rather than turn them over to the foreigner who would buy our wheat and do his own milling, is it the part of common sense to suggest that this is an industry to be singled out for a special levy on profits?

Arrangements to ship 28,000,000 tons of coal to north-western states and portions of Canada, via the Great Lakes, were made recently by the United States fuel and railroad administrations. Approximately four million tons of this quantity will be shipped to Canada.

### The Hamilton Provident and Loan Society

DIVIDEND No. 94

Notice is hereby given that a Dividend at the rate of Eight per cent. per annum has been declared for the half year ending June 30th, 1918, upon the paid-up Capital Stock of the Society, and that the same will be payable at the Society's Head Office, Hamilton, Ontario, on and after Tuesday, the 2nd day of July, 1918.

The Transfer Books will be closed from the 15th to the 30th of June, both days inclusive.

By order of the Board.

D. M. CAMERON, Treasurer.

Hamilton, May 31st, 1918.

### CANADA PERMANENT MORTGAGE CORPORATION

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

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board.

GEO. H. SMITH, Assistant General Manager

Toronto, May 29th, 1918.

### THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 123

Notice is hereby given that a Dividend of Three per cent. for the quarter ending June 29th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid Up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after July 2nd, 1918, to shareholders of record at the close of business on June 15th, 1918.

By Order of the Board.

M. AYLSWORTH,

London, Canada, May 27th, 1918.

Secretary

### The Ontario Loan and Debenture Co.

DIVIDEND No. 124

Notice is hereby given that a QUARTERLY DIVIDEND of 2½ PER CENT. for the three months ending 29th June, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd July next, to Shareholders of record of the 15th June.

By order of the Board.

A. M. SMART,

Manager

London, Canada, May 28th, 1918.

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INTEREST  RETURN	Paid-up Capital .....	\$2,412,566.31
	Reserves .....	756,580.13
	Assets .....	7,168,537.29

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W. WEDD, JNR., Secretary.

V. B. WADSWORTH, Manager

### THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after 1st July, 1918, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board,

6th June, 1918.

WALTER GILLESPIE, Manager.



## CANADA'S COAL MINING INDUSTRY

## Deposits Are Not Economically Distributed—Government to Enter Industry

The report of the Honorary Advisory Council for Scientific and Industrial Research on the Briquetting of Lignites has been presented to the public by the sub-committee of the Privy Council. The report is the work of Mr. R. A. Ross, E.E., and in preparing it, use has been made of all the literature and information in the hands of the Dominion government, and of the public records of the United States government. An excellent map illustrates the origin of the coal consumed in different parts of Canada. Vancouver Island coal supplies most of British Columbia, though Nicola Valley coal is used to a considerable extent in the Okanagan district. Crow's Nest and Lethbridge coal is used in a wide territory extending from south-eastern British Columbia, across southern Alberta and Saskatchewan to the boundary of Manitoba. Edmonton coal is used principally in central Alberta and Saskatchewan, and Souris coal in south-eastern Saskatchewan. The district from Winnipeg to Montreal is supplied with United States coal, this territory being too far distant from the coal sources of the east and west of Canada to allow of successful competition from these points. At both extremities there is a district where there is more or less competition. In western Manitoba, for instance, both United States and Alberta coal are used. The whole of the Maritime Provinces and southern Quebec, are, of course, supplied by Nova Scotia coal. The difficulty with Canadian coal, is, it is evident, one of distribution rather than of quantity or quality. The conclusions of the committee are summarized as follows:—

1st. The fuel resources of the Dominion of Canada are second only to those of the United States, the greatest coal country in the world.

2nd. In spite of this fact, Canada imports at present, and always has imported, 50 per cent. of her fuel from the United States.

3rd. Canadian efficiency, in this regard is, therefore, about 50 per cent.

4th. Under these conditions the problem must be attacked, preferably by the government, and not by isolated commercial agencies working in competition with each other.

5th. There is in Canada an immense area whose coal requirements are met from American sources.

6th. The province of Saskatchewan is the balancing point for fuel from the east and from the west, and for this reason fuel prices are the highest, although underlying a great part of this province are immense deposits of lignite awaiting use.

7th. It is therefore recommended that the attack on the fuel problem of Canada be concentrated first on the production of domestic fuel from the lignites of Saskatchewan for the following reasons:—

(a) Because the price of anthracite coal in normal times in this district is the highest and runs about \$15 per ton.  
(b) Because successful briquetting of the lignites of southern Saskatchewan will also solve the problem of briquetting the higher grade lignites of Alberta. They also recommend that immediate action be taken by the Dominion government and outlined their reasons as follows:—

1st. The necessity exists for the development of all our fuel resources.

2nd. The best immediate returns will be secured by the development of lignite briquetting processes.

3rd. The country has the raw materials, the brains and the command of money for such national work.

4th. Leaving the problem in private hands will result in long delays during which we must buy our fuel abroad.

5th. In view of the broad national importance of the field the actual capital necessary is of secondary importance only.

6th. Full success will mean the stoppage of millions of outgo to the United States and its expenditure in wages in Canada.

7th. If only a partial success be secured a step shall have been taken in a problem which must be solved ultimately.

8th. A complete failure is unthinkable, but granted that outcome, the money if judiciously spent will have demonstrated the uselessness of further trials, and will lay a ghost which otherwise will be continually in evidence.

Regarding the commercial aspects of the proposition, the committee report as follows:—

Having dealt with the technical aspects of carbonizing and briquetting, it is now appropriate to discuss the handling and marketing of the finished product. This involves commercial handling which is equally important as production. As notes on the above remarks, the following are presented:—

1st. The plant in contemplation will be constructed as a unit to which other units of similar size can be added, or established elsewhere. A similar plant of this size would not supply more than a local market. If constructed at Estevan, for example, it would have its market only in Regina. Moose Jaw, and the intervening country, as the tonnage of 40,000 per year of domestic fuel would only supply the requirements of a population of 20,000 people.

2nd. Assuming a cost of \$7 per ton at the plant, and a transportation cost of \$1.50 to Moose Jaw, with a dealer's profit and delivery cost of \$1.50, the total price to the consumer at Moose Jaw would not exceed \$10 per ton. It would be less at Regina, and still less in the intervening country districts where it would not be sold to a dealer or delivered by him, but would be unloaded by the farmers from their own cars. This price at Moose Jaw, however, under the worst conditions would be two to five dollars less per ton than present prices paid.

3rd. While the present costs of coal have been referred to above, it must not be supposed that these will continue, for recent past records indicate an increased cost of 50 cents per ton per year. As a matter of fact, the rate of increase may be expected to be considerably higher than this, leading eventually to the elimination of anthracite altogether on the score of price, with the imminent prospect of an embargo being placed on the export of this coal from the United States in the not distant future. In short, the costs of anthracite must go up, and the costs of briquettes will go down with larger production, and the spread, therefore, becomes continually greater.

4th. Using present figures for one year's operation, the annual saving of a minimum of \$2 per ton to the people of this district would total \$60,000.

5th. Even if no saving were made, and the selling costs of briquettes were as high as that of anthracite coal at present, there would be kept in the country the sum of \$360,000 per year.

The cost of a plant to produce 30,000 tons per day is estimated as follows:—

Construction and equipment .....	\$346,150
Cost of operation for six months (an experimental period) .....	10,000
Interest for six months at 6 per cent. ....	10,384
<b>Total .....</b>	<b>\$366,534</b>

The fixed charges—viz., 6 per cent. for interest, 10 per cent. for depreciation and 4 per cent. for repairs, would come to 20 per cent., or \$73,307. This would be \$2.44 per ton of coal produced. It is estimated that the operating costs would be \$136,500 per year, or \$4.55 per ton. This makes a total cost per ton of \$6.99. In these calculations no allowance was made for by-products, many of which are quite valuable.

## CANADIAN OFFERINGS IN UNITED STATES

Sir Thomas White, upon his return from Washington last week, outlined the procedure regarding the issue and sale of Canadian securities in the United States. He referred, of course, to the wholesaling of stocks and bonds to bankers and dealers there and not to transactions between individuals, regarding which there is no restriction whatever.

"As a matter of procedure," said Mr. White, "the board will require that all Canadian issues, before being considered by them, shall first be approved as to issue in Canada by the Canadian minister of finance. This preliminary having been complied with, the board will then determine, upon their individual merits, applications for permission to issue in the United States. These applications must be made and supported before the American Capital Issues Board by the parties interested or their representatives. They will not be made or recommended for federal consideration by the Dominion authorities, as this, for obvious reasons, would be undesirable."

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## IMPERIAL FINANCE AND TRADE

## Imperial Finance Board Proposed—Colonial Sentiment in Favor of Individual Borrowing

"United Empire," the journal of the Royal Colonial Institute, discusses in its June number the financial relations between the United Kingdom and the Empire as follows:—

"One of the questions which will come before the forthcoming Imperial Conference is that of finance. Now that the United States have taken over the financing of the Allies, our own task is relatively so much easier, since Great Britain has only to finance herself and the Dominions, and the latter are in part financing themselves. But an analysis of the position at once shows the complexity of the problem. Before the war the Dominions went to Lombard Street instead of to Downing Street for their loans; since the war their loan issues to the public have been few, and the Imperial government has lent them money direct. But this money has been for two different purposes—first, for the training and transport of Dominion troops, in other words, for direct war purposes; and, secondly, in the way of trade for the purchase and transport of Dominion produce, or indirect war purposes. Now the first will cease with peace, or, at least, with the return of the Dominion troops to their homes; the second, owing to the general disturbance of trade conditions, the shortage of transport, and the importance of preventing raw materials getting through to the enemy, will apparently last long after the declaration of peace—according to the terms of the published zinc contract with Australia, for a period of at least ten years after the war. There is this further difference: In the latter case we obtain goods against cash, and it is in a sense an ordinary commercial transaction, which, in some shape or other, would have taken place had there been no war, although the bargain would have been struck between individual traders and not between governments. In the former case nothing of the kind would have occurred but for the war, and we cannot estimate valor and military assistance freely given in a ledger account. There would, therefore, seem to be a case for consolidating the one loan at the end of the war, when the military account is closed, and for maintaining the other series of trading accounts on a separate basis.

## Finance After the War.

"It must be remembered that as soon as the war is over, the Dominions will need money for public works development, which was urgently required before 1914, and which now has a leeway of four years to make up. The Dominions will probably prefer to revert to the old system of individual borrowing in Lombard Street, when 'each cask stood on its own bottom'—the additional half per cent. they may have to pay is well worth while in an autonomous Empire; and for that reason the formation of an Imperial finance board, which has been suggested in some quarters, is not likely to be looked on with much favor for that class of business. It is unquestionably a wise instinct that leads each individual to prefer to keep his own bank account. But the fact that Imperial trade will remain for some time in the hands of the governments does suggest that a finance department would be useful in connection with these transactions, since it would help to regulate exchange, which in any event will be a ticklish problem during the four or five years when things are beginning to settle down. But before such a department is constituted, the Empire will have to come to a definite decision on a question of principle—whether the new system of inter-state trading is to be permanent, in which case the finance department would lay its foundations broad and deep for a recognized new method; or whether it is only to last a few years as a temporary expedient, until we go back to pre-war methods of private and individual trade, in which case the finance department would be in the position of a temporary receiver winding up various estates as occasion offered. Mr. Hughes, in a speech delivered some months ago in Australia, seemed to suggest the inauguration of a permanent method of state organization of production, collection and sale, which is obviously not far removed from inter-state trading; the Non-Ferrous Metals Act in the United Kingdom was another instance of the tendency in the same direction from this side. This question of principle should be discussed by the Imperial Conference at some length, and, if possible, brought to a decision. It is a matter on which there may be legitimate differences of opinion between one state and another as to the best course to pursue, and a discussion would clear the air all round."

## MUNICIPAL BOND MARKET

## The Monetary Times' Weekly Register of Municipal Activities and Financing

**Edmundston, N.B.**—Messrs. J. M. Robinson and Sons, of St. John, N.B., have been awarded a block of \$40,000 6 per cent. 20-year bonds.

**Red Deer, Alta.**—Tenders for \$24,000 treasury bills were opened on June 22nd. The offer of 97.75, of the Canada Bond Corporation, of Toronto, was accepted.

**Vancouver, B.C.**—The municipal bond by-law for 1918 was read and taken up for the first time last week. It provides for the issuance of \$500,000 of 5-year 6 per cent. debentures.

**Edmonton, Alta.**—The finance committee of the school board and the city council discussed the term of debentures to be given by the city when the trustees invest their \$300,000 capital funds in Edmonton securities, at a joint meeting on June 19th. While several of the committee appeared desirous of coming to a decision, solving as it would financial problems for the city, it was agreed to let the matter stand over until a meeting to be called within a few days.

**Saskatchewan.**—The following is a list of authorizations granted by the Local Government Board from June 10 to June 14, 1918:—

School Districts.—\*Bighorn, \$500 8-years not ex. 8 per cent. annuity; Dymtro Sapach, Arabella. Vimy, \$2,500 10-years not ex. 8 per cent. annuity; H. L. Pickering, Wilcox. Coulee Creek, \$2,500 10-years not ex. 8 per cent. annuity; C. L. Hanson, Glenside. Kellerville, \$2,800 10-years not ex. 8 per cent. annuity; J. L. Dodds, Cliftonville. \*Stony Vista, \$600 5-years not ex. 8 per cent. instalment; F. C. Callan, Fairmount. Thorne, \$2,500 10-years not ex. 8 per cent. annuity; V. Thorne, Monchy. Laporta, \$2,200 10-years not ex. 8 per cent. annuity; W. W. Young, Craiglands. Burton Lake, \$2,500 20-years not ex. 7 per cent. instalment; Anthony Jaeb, Humboldt.

Rural Telephone Companies.—Stockholm, \$8,600 15-years not ex. 8 per cent. annuity; B. R. Edquist, Stockholm. Middleton, \$1,300 15-years not ex. 8 per cent. annuity; J. R. Hill, Earl Grey. Kindred, \$800 6-years not ex. 8 per cent. annuity; C. S. Dennis, Holdfast. Lothian, \$11,900 15-years not ex. 8 per cent. annuity; Geo. E. Rogers, Smithsburg. Robsart, \$12,500 15-years not ex. 8 per cent. annuity; Thos. F. McGregor, Robsart.

The following is a list of debentures reported sold from June 10 to June 14th, 1918:—

School Districts.—Home, \$2,600, Canada, \$1,600, Sunshine, \$2,500, Rock Point, \$2,500, Rocky Hills, \$1,800; Waterman-Waterbury Manufacturing Company, Regina. Springbrook, \$1,000; Canada Landed and National Investment Company, Winnipeg.

Rural Telephone Companies.—Richburg, \$8,400; Kerr, Fleming and Company, Regina. Spalding, \$24,200; Nay and James, Regina. Lorndale, \$3,800, North Forres, \$5,700; W. L. McKinnon and Company, Regina.

Towns.—Leader, \$7,500, \$3,500; W. L. McKinnon and Company, Regina.

Rural Municipality.—Montmartre, \$1,200, W. L. McKinnon and Company, Regina.

\*Being sold by the Local Government Board.

## TWIN CITY RAPID TRANSIT BONDS

The company is said to have obtained authority from the Capital Issues Committee in Washington to reissue \$5,000,000 of Minneapolis street railway bonds, due January 15 next, and is making arrangements for the financing with a local banking firm.

## MONTREAL FACES A DEFICIT

The total amount of revenue from all sources under the increased taxation amounts to \$4,371,725. But, as the total requirements for the rest of the year amount to \$4,559,806, there is a deficit of \$188,081.

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## CONFERENCE ON VITAL STATISTICS

### To Remain in Provincial Hands, But Uniform Methods To Be Adopted

For some time need has been felt for greater uniformity in provincial systems of vital statistics. Accordingly, a conference on the vital statistics of Canada, between representatives of the Dominion bureau of statistics and delegates of the provincial registrars general, and of other institutions interested in the subject, was held at the offices of the bureau on Wednesday and Thursday, the 19th and 20th instant, when the following members were present:—Mr. R. H. Coats, Dominion statistician; Mr. E. H. St. Denis, secretary; Mr. E. S. Macphail, superintendent of compilation, and Mr. E. H. Godfrey, editor, (Dominion bureau of statistics); Mr. A. J. Campbell, (bureau of vital statistics, Halifax, N.S.); the Hon. Wm. F. Roberts, M.D., (member of the executive council, Fredericton, N.B.); Captain Herbert H. Smith, Fredericton, N.B.; M. G. E. Marquis (chief, bureau of statistics, Quebec); Dr. J. W. Bonnier, (statistician, superior board of health for province of Quebec, Montreal); Lt.-Col. J. W. S. McCullough, M.D., (deputy registrar general for Ontario, Toronto); Mr. S. J. Manchester, (registrar general's department, Toronto, Ontario); the Hon. J. W. Armstrong, (provincial secretary, Winnipeg, Manitoba); Dr. M. M. Seymour, (commissioner of public health, Regina, Sask.); Mr. Donald Mackie, (acting deputy registrar general, Edmonton, Alberta); Dr. W. H. Davis, (chief statistician for vital statistics, United States census bureau, Washington); Mr. E. Blake Robertson, (assistant superintendent, department of immigration and colonization, Ottawa); Dr. P. H. Bryce, (chief medical officer, department of immigration and colonization, Ottawa); Mr. G. D. Finlayson, (superintendent of insurance, Ottawa); Mr. A. D. Watson, (actuary, insurance department, Ottawa); Major D. L. McKeand, M.C., (board of pension commissioners, Ottawa); Mr. M. J. Patton, (commission of conservation, Ottawa); Dr. H. B. Small, (Canadian medical association, Ottawa); Mr. H. J. Ross, (union of Canadian municipalities, Montreal); Mr. D. E. Kilgour, Montreal; Mr. Hugh H. Wolfenden, Ottawa; Mr. Arthur H. Wood, Montreal, (Actuarial Society of America), and Mr. Robert E. Mills, city department of public health, Toronto.

Sir George Foster (minister of trade and commerce) opened the proceedings with a brief address of welcome to the delegates, in the course of which he said that vital statistics had to do with the human element and with life and its progress, a knowledge of which was necessary as a basis for the work of social reformers and of legislation. In the negotiations which had preceded the conference they had been met by the provincial governments in the broadest and most generous spirit of good will and desire to co-ordinate. There were differences in jurisdiction and in policies, but difficulties of this kind could always be overcome by a reasonable method of co-operation; so that each could retain its own powers and yet all work together for the same purpose.

On the motion of Dr. Bryce, seconded by Major McKeand, Mr. R. H. Coats, Dominion statistician, was elected chairman of the conference, and read a brief paper dealing with the general subject of vital statistics, and the problems that awaited solution.

The conference then went into committee and spent most of the two days, Wednesday and Thursday, in discussing, clause by clause, the provisions and schedules of a model bill which it was proposed should be recommended by the conference for enactment by each of the provincial legislatures so far as local conditions might admit.

#### Bill to be Prepared.

In the course of the discussion, it was resolved that the model bill and schedules should be referred to a committee consisting of representatives of the nine provinces with instructions to give effect to the principles agreed upon by the conference and to submit the bill as finally settled to the respective provincial governments.

Resolutions were also adopted in favor of: (1) the omission of mortuary statistics from future censuses of the Dominion government, and (2) the organization of a system of vital statistics to include births, marriages and deaths, to be on an annual basis, and to be collected, compiled and published in a manner that will permit of comparison between different localities and provinces throughout the Dominion and between Canada as a whole and other countries, such statistics to be secured by Dominion and provincial co-

operation following the procedure indicated by sections 9 and 34 of the Statistics Act, 1918.

The proceedings then closed with the customary votes of thanks.

## INTERSTATE COMMERCE COMMISSION

### Relations of Commerce Commission With Railroad Administration on the Rate Question

The following announcement has just been made by Mr. George B. McGinty, secretary of the Inter-State Commerce Commission of the United States.

"The act for the Federal control of railroads and certain recent orders of the Director General have raised questions regarding the status of some of the cases before the commission attacking rates not initiated by the United States Railroad Administration. Inquiry has arisen how far the existence of rates initiated under section 10 of the Federal Control Act will limit or preclude the commission from making lawfully effective orders in proceedings brought prior to such initiation of rates.

"The commission has always lent its active assistance to the settlement of complaints and difficulties between carriers and shippers through informal adjustment. Thousands of complaints and difficulties have been thus disposed of. There seems every reason why under Federal control this policy should be continued with reference to complaints involving rates initiated by the United States Railroad Administration. Such action on our part would seem to be mandatory under section 8 of the Federal Control Act, and we intend to accord our advice, assistance and co-operation to that end wherever possible. We understand that the Director General is in accord with this plan of composing difficulties as regards rates initiated by the United States Railroad Administration.

"Failing such efforts to compose difficulties or settle causes of complaint informally, the commission is required under section 10 of the Federal Control Act upon complaint to enter upon a hearing concerning the justness and reasonableness of so much of any order made thereunder as establishes or changes any rate, fare, charge, classification, regulation, or practice of any carrier under Federal control. Save for the applicable provisions of this statute the jurisdiction of the commission remains what it has been in the past. The commission has not made and can not make any commitment which will preclude its full exercise of the jurisdiction vested in it.

"A rate initiated by the United States Railroad Administration can not be lawfully altered by the commission, except on complaint after hearing at which the United States Railroad Administration is entitled to be heard. It follows that inasmuch as a new freight rate structure becomes effective June 25th next, some of these rates might conflict with orders which the commission might enter prescribing rates for the future, even though the orders were entered on the basis of the records in complaints now pending before us. It seems, however, that in certain cases the commission can make lawfully effective orders in proceedings brought prior to such Federal initiation of rates. Thus any pending complaint, where the complainant desires to use the finding of the commission as a possible basis for a suit at law for reparation, will be disposed of on the present record so far as that matter is concerned. The same is true of cases pending in so far as they seek reparation for damage from rates unlawfully exacted. Allegations of discrimination may, in certain cases, be disposed of on the records now before us. We do not prejudge the question which has been raised whether by amendment to pleadings in pending cases the United States Railroad Administration may be made a party against which a lawfully effective order may be entered.

"The commission will, as of course, continue consideration and reach conclusions as above indicated in pending cases; where it is possible to make a lawfully effective order without amendment of the pleadings that will be done; and, so far as is possible, the records heretofore built up will be made available for the determination of the issues. The dockets in pending cases will be analyzed, and where it appears that doubt exists whether, without amendment or supplemental hearing, the commission can enter a lawfully effective order, the parties will be so notified.

"Such appropriate changes as the Federal Control Act may render necessary will be made in the commission's rules of practice."

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## TORONTO HYDRO-ELECTRIC SYSTEM

### Large Surplus Has Been Earned in Spite of the High Costs of Operation

According to the seventh annual report of the Toronto Hydro-Electric system for the year ended December, 31st, 1917, a surplus of \$34,467 was earned. The result of the operations for the year was as follows:—

The gross income amounted to the sum of .....	\$2,049,382
The cost of electric current and the expenses of operation and management, including repairs and maintenance, absorbed the sum of .....	1,294,022
<hr/>	
Leaving a surplus of income on operating account for 1917 of .....	\$ 755,360
Interest, depreciation and sinking funds .....	720,892
<hr/>	
Leaving a surplus of net income of .....	\$ 34,467

Reviewing the history of the commission for the past six years, the commissioners make the following statement:—

"At this, the close of slightly over six complete years of operation, during which time two rate reductions have taken place, it may be of interest to point out that the enterprise has fully paid its way, and earned a surplus of \$75,819.30. Not a dollar has been charged to capital account that should have been charged to revenue. The system has earned sinking fund and funds for the redemption of serial debentures amounting in all to \$744,036.94, and since the maintenance of the system's plant has been paid for out of revenue, and replacements have been provided for by the establishment of a depreciation reserve, it will be evident that the surplus and sinking funds together, amounting in all to \$819,856.24, constitute the net earnings of the enterprise over and above all operating interest and depreciation charges for the period under consideration.

"The conditions existing during the year 1917 have been unusual, and the business of the system has undoubtedly been affected by the power shortage to which further reference is made below. Notwithstanding the fact, the gross income for the year 1917 was 20.1 per cent. in advance of that in 1916. The increase in the commercial income was 29.3 per cent. The commercial income for the year amounted to 71.8 per cent. of the total, against 67 per cent. in 1916, 66.4 per cent. in 1915, 63.9 per cent. in 1914 and 59.05 in 1913."

The average charge per kilowatt hour for service supplied by the system reached a new low record during the year. For residence lighting it was \$2.70, for commercial lighting \$2.16 and for commercial power 80 cents. The commissioners continue their review of the operations of the system as follows:—

#### Power Shortage.

"Owing to the heavy demands upon the Hydro-Electric Power Commission of Ontario, from which the power sold by the system is purchased, and the urgency of these demands due to the fact that the principal requirements are for the manufacture of war supplies, it was considered advisable during the month of October to cease canvassing for new business in order to save as much power as possible for this important national work. The situation has at times been difficult, especially during the winter months, and it has been necessary since the first of the present year to reduce the number of street lights. Stringent regulations are in force prohibiting the use of lighting for advertising and display purposes. During periods of acute shortage, preference is given to feeders carrying the largest proportion of munitions load and the balance is distributed as equitably as possible. The commissioners wish to express their appreciation of the splendid spirit shown by the customers of the system in their full co-operation with them recognizing clearly that the shortage is a consequence of the abnormal circumstances due to the war.

#### Capital Requirements.

"By-law No. 7875, authorizing a further issue of \$736,000 debentures for the system's purposes maturing 1937, was passed by the city council and approved by the Ontario Railway and Municipal Board during the year.

"The financial position during the war is such that it is difficult to dispose of municipal debenture issues to advantage, apart from which it is the duty of all to limit capital ex-

penditure to the utmost possible extent. The commissioners have had to make a considerable outlay during the year, particularly in connection with the large munitions contract referred to in the general manager's report, but have borne in mind the importance of making only such additions to the system's plant as were necessary for safety and proper service.

#### Fire at Head Office.

"On the night of September 27th, the head office of the system, at 226-8 Yonge Street was visited by a fire which destroyed the contents of the basement and ground floor, and damaged the contents of the second floor. Fortunately, the more important records of the accounting department were saved, so that the disorganization was not as great as might have been expected, and by considerable overtime work on the part of the staff, it was found possible to resume billing at a comparatively early date. Temporary premises were secured which enabled the service to the public to continue with little interruption. The financial loss was covered by insurance. This incident emphasizes the desirability of improved quarters for the system's records and staff, a matter which the commissioners have had in mind for some time, but which has been delayed on account of war conditions.

#### Increased Transmission Line Facilities.

"Construction has proceeded on the new line of the Hydro-Electric Power Commission from Dundas to Toronto. During the year a right-of-way was purchased within the city limits. This line, when completed, will afford increased security against interruptions.

#### Power Factor Charges.

"The power factor of the system, provision for the correction of which has been unavoidably delayed owing to the financial situation caused by the war, fell below the mark during the year, and a heavy power factor penalty was incurred. This is a matter difficult to explain without recourse to technicalities, but the conditions may in a few words be said to result most generally from customers having apparatus of greater capacity than they require. The system's contracts with its customers provide an extra charge for low power factor, and the necessity of observing the hydro principle of supply at cost without discrimination, as well as the power shortage, calling, as it does, for the adoption of every possible economy, has obliged your commissioners to insist on the power factor clause in the system's contracts being observed, since the use of current at low power factor unnecessarily absorbs the capacity of the generating plant and transmission lines, and is therefore equivalent to a waste of power.

#### Interurban Electric Company.

"The purchase of the assets of the former Interurban Electric Company, which was noted in the sixth annual report, was completed during the year 1917, and the customers were transferred with a minimum of inconvenience to the lines of the system. The system, though under no obligation to do so, maintained a 60-cycle supply for some months after taking over the assets in question. This involved considerable expense, but it was felt that a sudden discontinuance of the 60-cycle supply would result in undue hardship to a number of customers, since it would mean that to the expense of replacing their apparatus, there would have been added the inconvenience of being without service until such time as the change could be effected.

#### Toronto and Niagara Power Company.

"In view of its relation to the present and future interests of the Toronto hydro-electric system, your commissioners wish to call attention to a matter of great importance—viz., the question of whether the charter of the Toronto and Niagara Power Company, can be utilized to enable the Toronto Electric Light Company to maintain its poles in the streets of the city of Toronto, or to serve as a basis for establishing a new distribution system without the city's consent. The charter of this company was granted by special act of the parliament of Canada in 1902, and, if it can take over the poles and wires of the Toronto Electric Light Company, it will mean not only that the city has lost control of its streets to a company with unrestricted and perpetual powers, but that it has lost also its terminable rights under the agreement with the Toronto Electric Light Company to purchase the assets of that company in 1919, and to prevent the amalgamation of that company with any other. Your commissioners visited Ottawa with the hydro delegation early in the

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present year and made a special appeal to the government to safeguard the rights of the city in this matter.

"In common with all other business institutions, the system has lost during the year the services of certain members of its staff due to the enforcement of the Military Service Act. Owing, however, to the fact that most of the system's original employees liable for military service had already volunteered, and the policy which had been followed, wherever possible, of engaging only those unsuited for military service (giving special preference to returned soldiers), the numbers of men subject to the draft amounted to a small percentage of the whole.

"Substantial outlays have again been necessitated during the past year by way of allowances to employees on active service and their dependants."

#### DISPUTE WITH CIVIC EMPLOYEES

The city of Toronto is having a dispute with some of its employees on the question of wages. The employees involved are chiefly those of the works and garbage commissioners' departments. A wage increase was granted within the past year, and it is maintained by some members of the council that the men are now receiving more than the wages paid for similar labor in private industry. Some members of the council were in favor of having a board of conciliation appointed. On Thursday, the 20th inst., the council met four representatives of the union, but no satisfactory agreement was arrived at.

#### STATUS AND PROSPECTS OF LIFE INSURANCE

An Australian view of the present position and future prospects is outlined in the address of Mr. Selby P. Wood at a recent meeting of the Australian Provincial Assurance Association. The speech was made on the occasion of the removal of the association into the premises until lately occupied by the Commonwealth Bank of Australia, Sydney, N.S.W. Since the organization of the Australian Provincial Assurance Association in 1912, two changes in office accommodation have been necessary as a result of rapidly-growing business.

Mr. Wood spoke as follows:—

"Many people consider that after the war things are going to be bad. There are always pessimists, but I am an optimist, and I feel confident that when the war is over there will be an awakening of spirit and a relaxation of feeling, and such a general rebound that things will be brighter and better than ever they were before.

"We are sometimes inclined to talk about the good old days, but would we return to them? The good old days, when a meal could be bought for sixpence, but in those days the sixpence was very hard to earn. Better have a meal at half-a-crown and have the half-crown to pay for it, and something over. The good old days, when education was a matter of secondary importance, and which compares very unfavorably with the present day, when the poorest and humblest in the land can receive a sound education free of charge. It is possible in these days of modern educational opportunities for the humblest parent to say that it is possible his child may one day fill an important position in the State. The good old days, when sanitation was comparatively unknown. I think we would not like to return to these things.

"From an insurance point of view, in the good old days people were very ignorant, and even superstitious, about insurance business. There has been a long, gradual and general education in this respect, and the pioneers of the old insurance companies have fought our battles for us, and educated the people of the Commonwealth as to the benefits desirability, and almost the necessity for life assurance.

"The general increased educational facilities also contribute to the popularity of life assurance, as the more intelligent and educated people are, the greater the adherents of life assurance.

"After the war is over, I think the lot of the workingman is going to be brighter and better than ever before. I do not think the world will ever be content to return to the pre-war conditions. As far as Australia is concerned, I think the only thing that will retard its progress is bad seasons, and this is something over which we have no control. After the war I feel confident we are going to do incalculably better than ever before."

#### WAR PRISONERS IN TURKEY AND BULGARIA

The following announcement has been made by the post-office department at Ottawa:—

A notification has been received from the British authorities to the effect that the parcel post service for prisoners of war in Turkey or Bulgaria is at present suspended. Until this service is resumed no parcels can be forwarded to prisoners of war in Turkey or Bulgaria, and persons desiring to help prisoners of war in these countries are advised to forward remittances to them. These can be sent by means of post-office money orders, which are issued free of commission. Particulars as to how to proceed may be obtained from postmasters of accounting offices. Any parcels for prisoners of war in these countries which may be intercepted in the course of transmission will be returned to the senders, providing the name of the senders is given on the parcel.

#### PROMOTION OF COMPANIES

The Blue Sky legislation of the United States has, it is pointed out, fallen short in some ways of its purposes. There are some states which have not as yet enacted legislation of this kind, and these states have become centres of promotion. Included among them are Oklahoma and Colorado, which have for a long time been noted as centres of oil promotion. The object of the laws in states which have passed legislation has, moreover, been defeated by sales campaigns on the part of companies incorporated in other states which have no such legislation. The national vigilance committee of the Associated Advertising Clubs of the World has recently called the attention of the press to this matter and requested their co-operation in meeting the spirit of the legislation. Reference is also made to a resolution passed by a session of the Blue Sky commissioners of the various states, which reads as follows:—

"That we stand ready to co-operate in the fullest measure with the publishers of the United States in the interest of clean advertising, and that the publishers be requested to co-operate with the various states to the extent of refusing to publish advertising matter concerning stocks and securities offered for sale by any corporation, or on its behalf, contrary to the Blue Sky laws of the state in which such advertising is offered."

#### SASKATCHEWAN GENERAL TRUSTS CORPORATION

In spite of the active competition of other trust companies, the Saskatchewan General Trusts Corporation, Limited, has attained remarkable success during its eight years of business. The corporation was organized in 1910 by Saskatchewan men. The shareholders are all Saskatchewan people, and the directors are Saskatchewan business and professional men of high standing. The company has also been financed with Saskatchewan capital, and the profits have been derived from within the province and dividends distributed there. A dividend of 5 per cent. on the stock has been paid for three years. This provincial characteristic has, no doubt, been in some degree responsible for the company's progress, and combined with a policy of careful management, the business has grown to such an extent that further capital is considered necessary. The details regarding the price, etc., are not yet announced, but it is evidently the intention of the company to do the further financing within the province. The paid-up stock now outstanding is \$101,430. There is also a reserve of \$30,000.

The amount of estates and trusts under administration is \$530,570, which is a very creditable total for a young company operating only in the province of Saskatchewan. During the past three years, in addition to paying the dividend of 5 per cent., amounts have also been transferred to reserve or carried to profit and loss account, at the credit of which there is now \$4,581. The books of the company are audited by Rooke, Grant, Wilkinson and Company, chartered accountants. Mr. W. T. Mollard, president, and Mr. E. E. Murphy, general manager, have been in charge of the company's affairs since it began business. The other directors are: George H. Barr, K.C., J. A. McBride, Esq., Charles Willoughby, Esq., J. A. M. Patrick, K.C., David Low, M.D., William H. Duncan, Esq., Herbert E. Sampson, K.C., LL.B., William Wilson, Esq., A. L. Gordon, K.C.

# DIVIDENDS AND NOTICES

## PROVINCIAL PAPER MILLS CO., LIMITED

Notice is hereby given that dividends of One and Three-Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable July 2, 1918, to shareholders of record at the close of business June 15th, 1918.

By Order of the Board.

S. F. DUNCAN,  
Secretary-Treasurer.

Dated Toronto, June 4th, 1918.

## CITY OF SASKATOON, SASKATCHEWAN DEBENTURE INTEREST, DUE JULY 1st, 1918

Holders of City of Saskatoon Debentures, payable at the Union Bank of Canada in Toronto and Montreal, are requested to present their interest coupons, due July 1st, 1918, for payment at the Bank of Montreal in either of the above-mentioned cities.

J. C. OLIVER,  
City Treasurer.

Saskatoon, Sask., June 7th, 1918.

## DOMINION POWER AND TRANSMISSION COMPANY, LIMITED

Notice is hereby given that Dividend No. 38, at the rate of seven per cent. (7%) per annum on the Cumulative Preference Stock of this Company, has been declared for the half-year ending June 30th, 1918, and that the same is payable on July 15th, 1918, to shareholders on record on the 30th day of June, 1918.

The Transfer Books for the Preference Stock of the Company will be closed from the 20th day of June, 1918, to the 1st day of July, 1918, both dates inclusive.

By order of the Board of Directors.

WM. C. HAWKINS,  
Secretary.

Hamilton, Ont., June 19th, 1918.

## NIPISSING MINES COMPANY, LIMITED 165 Broadway, New York

The Board of Directors has to-day declared a regular quarterly dividend of **Five Per Cent.**, payable July 20th, 1918, to shareholders of record as of June 29th, 1918. The transfer books will close June 29th, 1918, and reopen July 18th, 1918.

P. C. PFEIFFER,  
Treasurer.

June 20th, 1918.

## Central Canada Loan & Savings Co. QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of **TWO AND ONE-HALF PER CENT.** (2½ p.c.) for the three months ending June 29th, 1918, at the rate of **TEN PER CENT.** (10 p.c.) per annum, has been declared upon the Capital Stock of this Institution, and the same will be payable at the Offices of the Company, Toronto, on and after Tuesday, the second day of July, 1918. The Transfer Books will be closed from the 17th to the 29th of June, both days inclusive.

By order of the board,

E. R. WOOD,  
President.

## DOMINION TEXTILE COMPANY, LIMITED

### NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the **Dominion Textile Company, Limited**, has been declared for the quarter ending **30th June, 1918**, payable July 15th to shareholders of record **June 29th, 1918**.

By order of the Board,

JAS. H. WEBB,  
Secretary-Treasurer.

Montreal, 10th June, 1918.

## NOVA SCOTIA STEEL AND COAL CO., LIMITED

### DIVIDEND NOTICE

A dividend of two per cent. on the Preferred Shares of the Company for the quarter ending June 30th, 1918, has been declared payable July 15th, 1918, to shareholders of record of June 29th, 1918.

By order of the Directors,

THOMAS GREEN,  
Cashier.

New Glasgow, Nova Scotia, June 14th, 1918.

## NOVA SCOTIA STEEL AND COAL CO., LIMITED

### DIVIDEND NOTICE

A dividend of one and one-quarter per cent. on the Ordinary Shares of the Company has been declared, payable on July 15th, 1918, to shareholders of record of June 29th, 1918.

By order of the Directors,

THOMAS GREEN,  
Cashier.

New Glasgow, Nova Scotia, June 14th, 1918.

## PENMANS, LIMITED

### DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and one-half per cent. has been declared on the Preferred Shares of the capital stock of this Company for the quarter ending July 31st, 1918, payable August 1st, 1918, to shareholders of record of July 20th, 1918; also a Dividend of one and one-half per cent. on the Common Shares for the quarter ending July 31st, 1918, payable August 15th, 1918, to shareholders of record of August 5th, 1918.

By Order of the Board.

C. B. ROBINSON,  
Secretary-Treasurer.

Montreal, June 19th, 1918.

## THE REAL ESTATE LOAN CO. OF CANADA, LTD.

### DIVIDEND No. 63.

Notice is hereby given that a Dividend at the rate of three and one-half per cent. for the half-year ending 30th inst., has been declared upon the Capital Stock of the Company, and that the same will be payable at the Office of the Company in Toronto, on and after 2nd July, 1918. The Transfer Books of the Company will be closed from 22nd to 29th June, both days inclusive.

By Order of the Board.

E. L. MORTON, Manager.

Toronto, 20th June, 1918.

(For further Dividends see page 40.)

## INDUSTRIAL RECONSTRUCTION ASSOCIATION

### Comprehensive Programme Outlined for Present and After-the-War Period

The Canadian Industrial Reconstruction Association, of which Sir John Willison is president, has issued the first report of its executive committee, as follows:—

“The executive committee recommends for consideration:—

“(1) That in order to stimulate national unity and in recognition of the advantages of a good understanding between Quebec and the English-speaking provinces five scholarships in French for students from the English provinces be established in Laval University and five scholarships in English for students from Quebec in the University of Toronto, and that in connection with such courses the English students be maintained for one year in France and the French students for one year in Great Britain.

“(2) That the association by appeal and argument encourage groups of industries which have common problems to follow the example of the tanners, the textile industries and the pulp and paper makers in order that through co-operation in scientific research in processes of manufacture and in methods of marketing the advantages of large capital and practical experiments may be obtained and greater economy and efficiency in production assured.

“(3) That the association by appeal to financial and industrial interests and private capitalists and to the federal and provincial governments, endeavor to have graduate research facilities established in the universities of McGill and Toronto, where training can be had equal to that secured in the great American universities. It seems to be clear that such facilities will be a vital requirement when the National Research Institute is established by the Dominion government. If the industries are to avail themselves fully of the facilities for research which it is the intention of the national advisory council for scientific and industrial research to provide the universities must supply the trained experts to conduct necessary experiments.

“(4) That a postgraduate scholarship or fellowship be offered in the departments of economics of McGill, Toronto and Manitoba universities, successively, open to women graduates of any Canadian university, for the purpose of carrying on research work of an economic character in the industrial or home-making occupations of women.

“(5) That a matriculation scholarship be offered at various Canadian universities, open to girl matriculants from high schools, collegiate institutes and women's colleges, for the best essay on the economic importance from the national standpoint of household buying or on the training of girls for skilled employment.

“(6) That by arrangement with the ministers of education in the different provinces, prizes be offered for essays by school children on national industries or on the value of trade training in finding advantageous employment.

“(7) That the executive committee of the association consult with Hon. Frederic Nicholls, with the object of assisting in the movement which he has inaugurated to interest the Dominion government in the vital problem of export markets and in organizing the industries of the country for an efficient partnership with the administration in finding, extending and developing trade in other countries, particularly during reconstruction in Europe, in confidence that such trade once secured will be held to the common advantage of Canada and the other countries concerned.

“(8) That the association through its executive committee endeavor to arrange for a conference with the mayors of western towns and cities with the object of obtaining more accurate knowledge of conditions in the western provinces, the extent and character of their natural resources and the opportunities for establishing new industries or branches of eastern industries in favorable locations.

“(9) That delegates representing agriculture, the commercial and industrial interests and the universities and newspapers of Western Canada be invited to visit the industrial communities of Eastern Canada, as the guests of the association, with the understanding that an invitation to members of the association to visit the West would be accepted and that the sole purpose of such deputations should be to

acquire more exact knowledge of national conditions and problems.

“(10) That the association try to arrange conferences with the Railway Brotherhoods and the Great War Veterans' Association for mutual consideration of problems of reconstruction and to ensure co-operation as far as may be found practicable between the business interests and those bodies, in devising and supporting measures which may seem to be necessary to maintain stability and prosperity.

“(11) That the association undertake to organize or cooperate in the organization of a national conference to consider primary education in relation to the duties of citizenship and to which distinguished educationists from Great Britain and the United States would be invited.

“(12) That the executive committee have a pamphlet prepared, showing what steps are being taken in other countries to improve relations between employers and workmen and what regulations or agreements affecting particular industries are being tested or are under consideration.

“(13) That the association issue an appeal to employers and industrial companies to have conferences with their workmen in order that the staffs of manufacturing and other business enterprises may have fuller knowledge of conditions affecting raw materials, available markets, the character and the degree of competition to which they are exposed and the problems of readjustment when peace is restored.

“(14) That the executive committee also have pamphlets prepared for publication in newspapers or periodicals or by direct publication under the auspices of the association as may be convenient or desirable on the following subjects:—

“(a) Democracy and public credit; (b) lessons of the French Revolution; (c) irresponsible government in Russia; (d) combination, co-operation and efficiency; (e) debt and taxation before and after the war; (f) relation of the banks to agriculture, industry, and national development; (g) waste in local works and public buildings; (h) sources and incidence of taxation in Canada and the United States; (i) British agricultural and commercial policy; (j) the relation of wage earners to Japan and the United States; (k) state aid for industry; (l) federal and provincial assistance to agriculture in Canada; (m) advantages of local markets; (n) farm products produced, exported, and consumed in Canada; (o) The national advantage of importing factories and exporting finished products; (p) the partnership of women in industry; (q) the home, the shop and the factory; (r) taxation of incomes and profits.”

## LABOR AND LABOR UNIONS

Since the entrance of the United States into the great world war, union labor has utilized its political power to secure for itself advantages in the way of increased wages, decreased hours and other regulations which, under ordinary circumstances, would be regarded as economically impossible. Furthermore, the Socialist idea of government control of industry now appeals to labor, which seeks to utilize that control in order to make its own position better. Union labor, in fact, is reaching out for all kinds of alliances and within the past few months has sought to unionize negroes and also to unionize unskilled labor and women workers. There is a distinct purpose in all these plans.

The advantages which labor really has gained has led to a very definite programme which contemplates no failure in the future and a consolidation of all organizations which may strengthen its position. It has already been announced by union labor leaders that what they have secured in the war they intend to retain, and, no matter what the economic circumstances may be, they are prepared to defend the high wages, shortened hours and the peculiar privileges which they have been able to obtain through the quasi-Socialistic situation which necessarily exists because of the war—that is, the apparent control and direction of industry by the government.—“American Industry.”

The Union Casualty Company, of Winnipeg, recently purchased the Western Canada Accident Company. The company is licensed to do business in all three prairie provinces, and has a paid-up capital of over \$75,000.

## For July Investment

OUR "INVESTMENT SUGGESTIONS"  
for June contains the following five attractive  
issues:

### Canada's Victory Loan

5-10-20-Year BONDS

Denominations:

**\$50, \$100, \$500 and \$1,000**

Price 99½, yielding 5.54%

### Government of Newfoundland

(Britain's Oldest Colony)

6½% Ten-Year BONDS

Due June 30, 1928

Price 100 and Interest, yielding 6½%

Denominations:

**\$100, \$500 and \$1,000**

### City of Calgary

7% Ten-Year GOLD DEBENTURES

Due June 1, 1928

Denominations:

**\$500 and \$1,000**

Price 100 and Interest, Yielding 7%

### City of Montreal

6% Five-Year BONDS

Due May 1, 1923

Price 100 and Interest, yielding 6%

Denominations:

**\$100, \$500 and \$1,000**

### Province of Saskatchewan

6% Ten-Year GOLD BONDS

Due June 1, 1938

Price 100 and Interest yielding 6.30%

Denominations:

**\$100, \$500 and \$1000**

We will make reservations of the above securities while our supply lasts—for delivery on or after July 1st to meet your convenience, and we extend to you the facilities of our Partial Payment Plan in making purchases if desired.

Address Dept. G 2

## Greenshields & Co.

Members Montreal Stock Exchange  
Dealers in Canadian Bond Issues

17 St. John Street - Montreal

Central Chambers, Ottawa

## The Canadian Appraisal Company

Limited

Expert detailed presentation of the facts with respect to present values for war tax purposes.

Auditors appreciate the necessity of having the permanent or fixed assets established on the basis of a Certified Appraisal by a recognized authority.

TORONTO

Royal Bank Bldg.

MONTREAL

17 St. John St.

Throughout Manitoba, Saskatchewan  
and Alberta

## FARM LAND APPRAISALS

LAND BOUGHT AND SOLD  
ON BEHALF OF CLIENTS

**UNITED GRAIN GROWERS  
SECURITIES COMPANY, LTD.**

WINNIPEG

REGINA

CALGARY

## 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

## A Newspaper Devoted to Municipal Bonds

THERE is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.

**THE BOND BUYER**

25 West Broadway

New York, N.Y.

**Montreal and Toronto Stock Transactions**

Stock Prices for Week ended June 26th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacramento St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi.....com.			
Ames-Holden.....com.	22½	21	2995
.....pref.	62		288
Asbestos Corporation.....pref.	20		20
.....pref.	55		
Bell Telephone.....	130		
British Columbia Fishing & Packing.....			
Brompton.....	56	55½	229
Brazilian.....	34½	33½	278
Canada Car.....com.	32½		735
.....pref.	7½		140
Canadian Converters.....		44	40
Canada Cement.....com.	61½	61½	1213
.....pref.		90½	85
Canada Cottons.....	61½		5
.....pref.			45
Canadian Con. Rubber.....pref.			
Canadian Pacific Railway.....	149½	147	
Canadian Locomotive.....	58½	58	60
.....pref.			4
Canada Steamship Lines.....com.	40½	40	178
.....pref.	76		12
Can. Forgings.....	157	154	150
Civic Investment.....			
Civic Power.....com.			25
Cons. Mining and Smelting.....	25		25
Consumers Gas.....com.			
Dominion Coal.....pref.		94½	20
Dominion Iron.....pref.	92	91	950
Dominion Steel Corporation.....com.	61½	61½	
.....pref.			40
Dominion Textile.....	90	100	
Goodwins Ltd.....		15	50
Hillcrest.....			120
Howard Smith Paper.....			50
Lake of the Woods Milling.....com.	133	132½	120
.....pref.		100	50
Laurentide Co.....	167½	165½	635
Lyll Const.....com.	78	74	25
Macdonald.....	14	13½	
Mackay Cos.....com.	108	106	25
Maple Leaf Milling.....			
.....pref.			120
Montreal Tel.....	150		100
Montreal Tramway.....deb.	72½		166
Montreal Light, Heat and Power.....			30
Montreal Cotton.....com.	57	53½	
.....pref.			50
Ogilvie Flour Mills.....		170	25
Ontario Steel.....com.	30	25	15
Ottawa L. H. & P.....	75	73	1
Penmans.....			840
Sherwin-Williams.....pref.	118½	117½	
Riordan Paper.....pref.		93	120
Quebec Railway, Light, Heat & Power.....	20½	19	22
Shawinigan Water & Power.....rights			727
Spanish River.....com.	13		215
.....pref.			2798
Steel Co. of Canada.....pref.	65½	65½	2
.....pref.	93	92½	745
St. Lawrence Flour Mills.....com.	78	77	
Toronto Railway.....com.	60		165
Wabasso Cotton.....	43		
Woods.....			137
Bank of British North America.....			2
Bank of Commerce.....	185½		
Bank of Montreal.....	210		
Bank of Ottawa.....	201		
Bank of Toronto.....			
Bank d'Hochelega.....			
Banque Nationale.....			
Bank of Nova Scotia.....	248		9
Dominion Bank.....	202		20
Merchants Bank.....	167		
Molsons Bank.....	179½		
Quebec Bank.....			
Royal Bank.....	208		
Standard Bank.....com.			
Union Bank.....		150	12
Imperial Bank.....			
<b>Montreal Bonds</b>			
Asbestos.....			1000
Bell Telephone.....			2000
Canada Car.....			82
Canada Cement.....			83
Canada Converters.....			883
Canada Felt.....			84
Cedars Rapids.....			
Dominion Coal.....			
Dominion Cotton.....			
Dominion Iron and Steel.....			
Dominion Textile.....A			2000
.....B			
.....C			
.....D			
Inter. Coal.....			100
Lake of Woods Milling.....			
Lyll Construction Co.....			
Montreal Light, Heat & Power.....			
Montreal Tramways.....			
National Breweries.....			2000
Nova Scotia Steel.....			
Ogilvie.....A			
.....B			
.....C			
Penmans.....			
Price Bros.....			

**Montreal Bonds (Continued)**

	Opened	Closed	Sales
Quebec Railway, Light and Power.....	60	57	
St. Lawrence Flour Mills.....pref.			150
Steel of Canada.....		92½	1800
First Dominion War Loan.....	96½	95½	4500
Second Dominion War Loan.....	95½	94½	21500
Third Dominion War Loan.....	93½	93½	79100
Wabasso Cotton.....			
Wayagamack.....	76	75½	500

**Toronto Stocks**

	Asked	Bid	Sales
Ames-Holden.....	23	22½	
.....pref.	63	61	5
American Cynamid.....		32	
Bell Telephone.....			
Barcelona.....	9½	9½	
British Columbia Fish.....	47		
Brazilian.....	34	33½	450
B. C. Packers.....			
Canada Bread.....pref.	19	18½	
Canadian Car & Foundry.....	32½	31½	
.....pref.	62	61½	
Canadian Cannery.....			
.....pref.			
Canadian General Electric.....cum div. pref.	103	101½	25
Canada Landed & National Investment.....	148½		
Canadian Locomotive.....pref.	50	57	25
.....pref.		83½	
Canadian Pacific Railway.....			14
Canada Permanent.....		162½	
Canada Steamship.....pref.	41	40½	460
Can. Salt.....	75	74½	25
Cement.....com.	62	61½	265
City Dairy.....		40	25
.....pref.	85	82	
Coniagas.....	300	275	100
Confederation Life.....			
Consumers Gas.....		144½	
Crows Nest.....		50	50
Dome.....	750	700	100
Dominion Cannery.....pref.	38	33	
Dominion Iron.....com.			
Dominion Steel Company.....	61	60½	255
Dominion Savings.....			
Duluth Sup.....	41		
F. N. Burt.....pref.	84½		10
Hamilton Provident.....	137	133	
Huron & Erie.....com.		204	
La Rose.....com.	50	44	
Mackay Companies.....pref.	75	74½	23
.....pref.	65½	64½	123
MacKinley Darragh.....com.			
Maple Leaf Milling.....	107	106	370
.....pref.	98	96½	25
Monarch.....	46	41	
.....pref.	80		
Nat. S. Car.....	8½	7½	
.....pref.	37	30	
Nipissing.....	905	900	200
Nova Scotia Steel.....rights	66		
Pacific Burt.....pref.	34		
.....pref.	77½		
Prov. Paper.....	50		
Penmans.....com.	75	73½	
Petroleum.....	1500	1400	
Porto Rico.....			1
Quebec L. H. & P.....	20	19	
Riordan.....	119	118	
Rogers.....com.			
Russell Motor.....	80	75	
.....pref.	80	79	39
Sawyer-Massey.....	15		
.....pref.	40		
Spanish River.....	15	13½	
.....pref.			
Cons. Smelters.....	24½		
Standard Reliance Loan.....			
Standard Chemical.....			
.....pref.	57		
Steel Company of Canada.....	66	65½	505
.....pref.	93½	91½	10
Toronto General Trust.....		200	
Toronto Paper.....			2
Toronto Railway.....	60		
Trethewey S. Mines.....com.	22½	21	200
Tucketts.....	18½		
.....pref.			
Winnipeg Electric.....	48		31
Twin City.....		40	25
Bank of Commerce.....			108
Bank of Ottawa.....	201		4
Bank of Hamilton.....			
Bank of Montreal.....			
Bank of Nova Scotia.....	248		4
Bank of Toronto.....	187		
Dominion Bank.....	202		
Imperial Bank.....	185		7
Merchants Bank.....			
Molsons Bank.....			
Royal Bank.....			
Standard Bank.....	208		6
Union Bank.....	200		20
.....150			
<b>Toronto Bonds</b>			
Canada Bread.....			
Canada Locomotive.....		88	
Colonial Loan.....			
Electrical Development.....		80	3000
Penmans.....		85	
Steel Company of Canada.....	92	92½	10300
First War Loan.....	96	95½	32600
Second War Loan.....	95	94½	34900
Third War Loan.....	93½	93½	24700

# Atlantic Sugar Refineries Limited

## Report of the President and Directors for the Year Ending April 30th, 1918.

To the Shareholders,—

### REPORT OF THE DIRECTORS.

#### ATLANTIC SUGAR REFINERIES, LIMITED.

Your Directors take pleasure in presenting herewith the third Annual Statement of your Company for the year ending April 30th, 1918.

The Profits for the year, as you will see from the Profit and Loss Account, amount to \$462,676.50. From the Profits have been deducted the following amounts:—

Bond Interest .....	\$88,700.00
Bank Interest and Exchange .....	90,882.66
Proportion of Deferred Charges .....	33,991.22
Proportion of Discount on Bonds .....	2,321.06
Depreciation Reserve .....	40,000.00

leaving a net profit for the year of \$206,781.56. The balance of \$116,657.55 brought forward from the previous year, added to the above, makes a total of \$323,439.11 at the credit of Profit and Loss Account.

It will be noted that Bank Interest and Exchange have been very heavy and this is accounted for by the fact that during the greater portion of the period New York funds, in which payment for raw sugar purchases must be made, have been at a high premium.

The Total business for the year amounted to over \$10,000,000, showing an increase over the previous year of over 25 per cent. A portion of the year's business was for export to Great Britain and France, but the domestic business showed a gratifying increase over the previous year.

The net profits amount to about 2 per cent. on sales or about 15 cents per 100 pounds.

The Refinery was operated steadily throughout the year, with the exception of the necessary shut-downs owing to non-arrival of raw sugar. The plant has been maintained at the highest degree of efficiency, and additions and betterments to the value of \$50,220.78 have been made and added to Capital Account.

The shortage of raw sugar which occurred during the last three months of 1917; the scarcity of tonnage to move the sugar crop; the curtailment of supplies for Canada, and the fixing of prices by the International Sugar Commission have all been factors in limiting profits.

In October, 1917, a limiting factor was placed on the amount of business the company may do by the formation of the International Sugar Commission in New York to control and allocate all supplies of raw sugar in North America. All of the Allied Countries submit to the ruling of this Board, and the quantity is allocated to the various Canadian Refiners by the Sugar Division of the Canada Food Board in New York, and the business of each Company is therefore limited to the extent of its allocation. Under the circumstances your Executive and Directors find it necessary to conduct the business of the Company on a modest scale, notwithstanding the constant and increasing demand of the trade.

The distribution of the Company's product extends from Halifax to Calgary, and the Goodwill of the Company is being constantly fostered and extended with very satisfactory results.

On July 1st, 1917, the Company redeemed outstanding Bonds amounting to \$50,000, in accordance with the terms of the Trust Deed.

Taking into consideration all the difficulties that the sugar business has had to contend with during the past nine months, your Directors consider the statements herewith presented satisfactory.

Respectfully submitted,  
D. LORNE MCGIBBON,

President.

June 21st, 1918.

### BALANCE SHEET AS AT APRIL 30, 1918.

ASSETS.	
Lands, Buildings, Wharfs, Plant equipment, etc. ....	\$4,120,259.58
Franchises, Leases, Goodwill, Trademarks, etc. ....	3,000,000.00
	\$7,120,259.58
Cash .....	\$ 56,698.84
Accounts Receivable .....	89,207.20
Bills Receivable .....	1,579.63
Inventories .....	573,958.85
	721,444.52
Expenditures made on account of future business .....	76,205.08
	<u>\$7,917,909.18</u>

### LIABILITIES.

Capital Stock—Authorized—	
30,000 7% Cum. Con. Preferred Shares of \$100 each .....	\$3,000,000.00
35,000 Common Shares of \$100 each .....	3,500,000.00
	\$6,000,000.00
Issued and fully paid:—	
25,000 7% Cum. Con. Preferred Shares of \$100 each .....	\$2,500,000.00
35,000 Common Shares of \$100 each .....	3,500,000.00
	<u>\$6,000,000.00</u>

NOTE—Dividend on Preference Stock cumulative from 1st July, 1914.

Bonds—Authorized:—

\$2,000,000 First Mortgage 6% Bonds.	
Issued:—	\$1,570,000.00
Less Redeemed, July 1, 1916 .....	\$50,000
Less Redeemed, July 1, 1917 .....	50,000
	100,000.00
	1,470,000.00

Accounts payable .....	\$ 35,070.07
Bond Interest Accrued .....	29,400.00
	64,470.07

Reserve for depreciation of Plant.	60,000.00
Profit and Loss Account .....	323,439.11
	<u>\$7,917,909.18</u>

Contingent Liability for Bills under Discount, \$237,714.

These Bills have since matured and were paid.

Approved on behalf of the Board.

D. LORNE MCGIBBON, } Directors.  
L. R. WILSON,

To the Shareholders of the Atlantic Sugar Refineries, Limited.

We have examined the Accounts of the Atlantic Sugar Refineries, Limited, for the year ended 30th April, 1918, and have obtained all the information and explanations required by us. We hereby certify that the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and explanations given to us, and as shown by the Books of the Company.

(Signed) MACINTOSH, COLE & ROBERTSON,  
Chartered Accountants.

Montreal, 11th June, 1918.

### PROFIT AND LOSS ACCOUNT FOR YEAR ENDING APRIL 30th, 1918.

Net Profits for Year before providing for under-noted charges .....	\$462,676.50
Less:—	
Bond Interest for year .....	\$88,700.00
Bank Interest and Exchange .....	90,882.66
Deferred Operating Charges .....	33,991.22
Proportion of Discount on Bonds .....	2,321.06
	\$215,894.94
	<u>\$246,781.56</u>
Written off:—	
Reserve for Depreciation of Plant .....	\$ 40,000.00
	\$206,781.56
Add balance of April 30th, 1917 .....	116,657.55
	<u>\$323,439.11</u>

NEW INCORPORATIONS

Chemical Company With Capital of \$1,000,000 Receives Charter

The largest company incorporated during the past week was the Commonwealth Chemical Corporation of Canada, Limited, with a capital stock of \$1,000,000, and head office at Toronto, Ont.

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

- Unity, Sask.**—Standard Machinists, Limited, \$20,000.
- North Battleford, Sask.**—Fullerton's, Limited, \$10,000.
- Regina, Sask.**—Northwest Cattle Company, Limited, \$20,000.
- Moose Jaw, Sask.**—Meldrum and Martin, Limited, \$20,000.
- Saskatoon, Sask.**—National Lumber Yards, Limited, \$50,000.
- Mazenod, Sask.**—Mazenod Farmers Elevator Company, Limited, \$15,000.
- Victoria, B.C.**—Placer Development Company of America, Limited, \$450,000.
- Bagotville, Que.**—La Compagnie Pouliet, Limitée, \$15,000; A. Tremblay, A. Pouliet, A. Fortin.
- Holmfield, Man.**—Holmfield Rural Credit Society, \$20,000; S. Fletcher, C. Stone, R. Whiteside.

**St. John, N.B.**—British Colonies Transportation Company, Limited, \$750,000; M. E. Sweetman, A. W. Holmsted, L. B. Campbell.

**Hamilton, Ont.**—Dominion Sheet Metal Corporation, Limited, \$500,000; J. R. Marshall, H. A. Burbidge, A. B. Turner. Bowron Brothers, Limited, \$50,000; A. E. Bowron, R. S. Bowron, J. E. Dodson.

**Winnipeg, Man.**—Canadian Sundries, Limited, \$10,000; F. A. Johns, W. P. Fillmore, S. E. Richards. Canadian Security and Mortgage Company, Limited, \$100,000; D. S. Martin, R. H. Couch, W. J. Falconer.

**Montreal, Que.**—S. H. Ewing and Sons, Limited, \$500,000; A. Beaudry, B. McDougall, A. Malo. Ostigny and Fils, Limitée, \$100,000; C. O. Ostigny, E. Ostigny, P. Ostigny. Viger Garage, Limited, \$10,000; A. Meunier, L. E. Beaugard, A. Brunet.

**Vancouver, B.C.**—G. G. Heather and Company, Limited, \$10,000. Amalgamated Film Company, Limited, \$25,000. Travis and Fotheringham, Limited, \$10,000. Newcastle Fishing Company, Limited, \$25,000. Anthony A. Rerrie Lumber Company, Limited, \$20,000. Sentry Manufacturing Company, Limited, \$10,000. Nippon Club, Limited, \$10,000.

**Toronto, Ont.**—Commonwealth Chemical Corporation of Canada, Limited, \$1,000,000; M. E. Cherrier, J. F. Boland, W. J. Boland. N. Brenner and Company, Limited, \$50,000; N. Brenner, M. Brenner, K. Brenner. W. E. Irons and Company, Limited, \$25,000; G. A. Ronan, S. J. Palmer, J. R. Roaf. Marshall Ventilated Mattress Company, Limited, \$50,000; F. R. James, H. W. Fielden, J. Colbourne. Superior Mines, Limited, \$500,000; J. H. Spence, G. Cooper, L. M. Heal.

DOMINION SAVINGS BANKS

BANK	Deposits for Mar. 1918	Total Deposits	Withdrawals for Mar. 1918	Balance on Mar. 30th, 1918.
<b>Manitoba:—</b>	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Winnipeg .....	4,077.00	512,070.84	3,807.20	508,263.64
<b>British Columbia:—</b>				
Victoria .....	26,103.81	1,122,987.72	24,036.55	1,098,951.17
<b>Prince Edward Island:—</b>				
Charlottetown .....	57,452.00	1,850,753.36	30,311.93	1,820,441.43
<b>New Brunswick:—</b>				
Newcastle .....	1,864.00	239,820.65	7,977.83	231,842.82
St. John .....	67,835.44	4,649,370.68	71,534.82	4,577,835.86
<b>Nova Scotia</b>				
Amherst .....	145.00	102,267.19	404.85	101,862.34
Barrington .....	1,311.00	96,318.03	1,165.87	95,152.36
Guysboro' .....	51,113.02	2,379,705.50	35,775.22	2,343,930.68
Halifax .....	3,149.00	240,703.23	6,013.62	234,689.61
Kentville .....	3,072.00	438,715.74	10,292.81	428,422.93
Lunenburg .....	541.00	71,941.45	25.00	71,916.45
Pictou .....	1,360.86	219,895.75	2,745.12	217,150.63
Port Hood .....	289.10	79,077.91	561.68	78,413.23
Sherburne .....				
Wallace .....				
<b>Totals .....</b>	<b>178,313.23</b>	<b>12,003,638.45</b>	<b>194,755.30</b>	<b>11,808,883.15</b>

POST OFFICE SAVINGS BANKS

DR		FEBRUARY, 1918		CR.	
BALANCE in hands of the Minister of Finance on 31st Jan., 1918..	\$ cts.	39,820,625.66	WITDRAWALS during the month.....	\$ cts.	677,389.94
DEPOSITS in the Post Office Savings Bank during month.....	794,123.56		Difference (short) between estimate of interest and amount actually accrued and made principal to 31st March, 1917:		
TRANSFERS from Dominion Government Savings Bank during month:—			Estimate.....	\$1,120,370.15	
PRINCIPAL.....			Actual.....	1,118,952.23	1,417.92
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	4,480.11				
INTEREST accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)					
INTEREST allowed to Depositors on accounts closed during month.....	8,414.58		BALANCE at the credit of Depositors' accounts on 28th Feb., 1918.....		39,948,836.05
		40,627,643.91			40,627,643.91

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto (Week ended June 26th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.....com.	43	48	Can. Mortgage .....	83		Home Bank.....	60	65	North-Amer. Pulp.....	2.25	3
".....pref.	78	88	Can. Salt.....6's	92.50		Imperial Oil.....	270	290	N. S. Steel, 6% deb.....	82.50	87.50
Alta Pacific Grain.....pref.	82	89	Can. Starch.....com.	10	15	" Trust.....	36.50		Ont. Pulp.....6's	76.50	80.50
Amer. Sales Book.....6's	80		Can. Westinghouse.....	105	118	Inter. Mill.....pref.	82.50	87.50	People's Loan.....	80	90
Atlantic Sugar.....com.	10.50	17.50	Carter Crum.....pref.	70	70	Lambton Golf.....	350	395	P. L. Robertson Screw.....	40	
".....pref.	40	50	Chapman Ball Bearing.....	22.50	29	London Loan & Savings.....	90	105	Rosedale Golf.....	310	
".....6's	80	86	Cockshutt Plow.....pref.	72.50	82.50	Maple Leaf Con. Milk pf.....	50		Sterling Bank.....	76	82
Belding Paul.....com.	12	15	Consumers Cordage pref.....	75	85	Maritime Coal.....com.	20.50	25	Sterling Coal.....com.	15	18
".....pref.	76	83	Continental Life.....	16	25	Massey Harris.....	110	140	".....6's	71	75.50
Black Lake.....6's	30.50	7	Dom. Fire.....	18	23	Matthew-Blackwell com.....	42.50	50	Temple Theatre.....com	65	
".....pref.	5	7	Dom. Glass.....com.	35	39	Matthew Laing.....6's	93.50	97.50	Toronto Carpet.....com.	88	
Brandram-Henderson 6's	94		".....pref.	76.50	82.50	M'Donald.....pref.	76	81.50	Toronto Paper.....6's	85	90
Can. Cons. Felt.....com.	3.75	6	Dom. Linseed.....	70		Milton Pressed Brick.....	20	31	Toronto Power 5's 1924.....	79	83
Can. Pairbanks.....pref.	85	92.50	Dom. Power.....pref.	91	96.50	Mississauga Golf.....	42.50	57.50	Toronto York Rad 5's 1919	92	97
Can. Machinery.....6's	74.50	80	".....5's	80	85	Morrow Screw.....6's	85	92.50	West. Assurance.....	7.25	8.75
".....com.	14		".....com.	50	58	National Life.....	37		Wt. Can. Flour.....com.	100	125
".....pref.	48	54	Dunlop Tire.....pref.	85	93.50	National Potash.....	1.20				
Can. Marconi.....	1.15	2.10	Eastern Car.....6's	89	94						

June 28, 1918.

**ALFRED WRIGHT**  
President

**ALEX. MACLEAN**  
Manager & Secretary



Personal Accident	Sickness
Employers' Liability	Workmen's Compensation
Fidelity Guarantee	Elevator Insurance
Teams' Liability	Plate Glass
	Automobile Insurance

Head Office

Company's Building, 61-65 Adelaide Street East  
TORONTO

BRANCHES—Quebec and Maritime Provinces.....MONTREAL  
Manitoba and Saskatchewan.....WINNIPEG  
British Columbia and Alberta.....VANCOUVER



ESTABLISHED 1869

**LONDON  
GUARANTEE AND  
ACCIDENT COY.**

Limited

Head Office for Canada:  
TORONTO

Employer's Liability	Personal Accident	Sickness
Elevator	Fidelity Guarantee	Court Bonds
Contract	Internal Revenue	Teams and Automobile

**AND FIRE INSURANCE**

**The Imperial  
Guarantee and Accident  
Insurance Company  
of Canada**

Head Office, 46 KING ST. W., TORONTO, Ont.

IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness  
Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital	-	-	\$200,000.00.
Authorized Capital	-	-	\$1,000,000.00.
Subscribed Capital	-	-	\$1,000,000.00.
Government Deposits	-	-	\$111,000.

**ACCOUNT BOOKS  
LOOSE LEAF LEDGERS  
BINDERS, SHEETS and SPECIALTIES**

Full Stock, or Special Patterns made to order

PAPER, STATIONERY, OFFICE SUPPLIES  
All Kinds, Size and Quality, Real Value

**THE BROWN BROTHERS LIMITED**  
Simcoe and Pearl Streets - TORONTO

**Merchants Casualty Co.**

Head Office: Winnipeg, Man.

The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments Embracing the entire Dominion of Canada.

**SALESMEN NOTE**

Our accident and health policy is the most liberal protection ever offered for a premium of \$1.00 per month.

Covers over 2,500 different diseases.  
Pays for Five Years Accident Disability and Life Indemnity for illness.  
Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.



**Good Openings for Live Agents**

Eastern Head Office...1 Adelaide St. E., Toronto  
Home Office ... Electric Railway Chambers,  
Winnipeg, Man.

**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

P. R. REED,  
resident.

T. B. REDDING,  
Vice-President.

E. M. WHITLEY,  
Secretary-Manager

**Canada Security Assurance Company**

HAIL DEPARTMENT

CALGARY

ALBERTA

**Saskatchewan General Trusts  
Corporation, Limited**

Head Office: Regina, Sask.

Executor Administrator Assignee Trustee

Special attention given Mortgage Investments, Collections,  
Management of Properties for Absentees and  
all other agency business.

**BOARD OF DIRECTORS:**

W. T. MOLLARD, President	G. H. BARR, K.C., Vice-President
H. E. Sampson K.C.	A. L. Gordon, K.C.
David Low, M.D.	W. H. Duncan
Chas. Willoughby	William Wilson
	E. B. MURPHY, General Manager

Official Administrator for the Judicial District of Weyburn



# THE HOME BANK OF CANADA

Statement of the result of the business of the Bank for the year ending 31st May, 1918.

## PROFIT AND LOSS ACCOUNT.

	Cr.
Balance of Profit and Loss Account 31st May, 1917 .....	\$140,238.68
Net Profits for the year after deducting charges of management, interest due depositors, payment of all Provincial and Municipal taxes and rebate of interest on un-matured bills .....	228,963.19
	\$369,201.87

## CAPITAL PROFIT ACCOUNT.

Premium on Capital Stock received during the year.....	208.54
	\$369,410.41

Which has been appropriated as follows:—

	Dr.
Dividend No. 43, quarterly, at the rate of 5 per cent. per annum .....	\$24,338.31
Dividend No. 44, quarterly, at the rate of 5 per cent. per annum .....	24,339.69
Dividend No. 45, quarterly, at the rate of 5 per cent. per annum .....	24,342.17
Dividend No. 46, quarterly, at the rate of 5 per cent. per annum .....	24,342.23
	\$ 97,362.40
Government War Tax on Note Circulation .....	19,316.90
Reserved for Depreciation of Securities and for Contingencies .....	90,000.00
Written off Bank Premises Account .....	10,000.00
Donation to Patriotic Fund .....	2,000.00
Balance carried forward .....	150,731.11
	\$369,410.41

## General Statement, May 31st, 1918.

### LIABILITIES.

To the Public—	
Notes of the Bank in circulation .....	\$ 1,778,180.00
Deposits not bearing interest .....	4,143,264.31
Deposits bearing interest, including interest accrued to date of statement .....	11,539,486.62
Deposits by and balances due to Dominion Government .....	3,151,326.54
Balances due to other Banks in Canada .....	1,589.54
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom.....	654,434.65
Acceptances under Letters of Credit .....	1,087.50
	\$21,251,309.16
To the Shareholders—	
Capital (subscribed \$2,000,000) paid up.....	\$1,947,430.98
Rest Account .....	300,000.00
Dividends unclaimed .....	1,900.20
Dividend No. 46 (quarterly) being at the rate of 5 per cent. per annum, payable June 1st, 1918 .....	24,342.23
Balance of Profit and Loss Account .....	150,731.11
	\$ 2,424,404.52
	\$23,675,773.68

### ASSETS.

Gold and other current coin .....	\$ 123,454.89
Dominion Government Notes .....	3,129,010.50
	\$ 3,252,465.39
Deposit with the Minister of Finance as security for note circulation .....	105,000.00
Notes of other Banks .....	192,862.86
Cheques on other Banks .....	524,118.52
Balances due by other Banks in Canada .....	112,259.18
Due from Banks and Banking Correspondents in the United Kingdom .....	31,325.37
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom .....	716,525.52
Dominion and Provincial Government Securities (not exceeding market value) .....	1,548,211.89
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities, other than Canadian .....	2,727,332.01
Railway and other Bonds, Debentures and Stocks not exceeding market value .....	923,172.17
Call and Short (not exceeding 30 days) Loans in Canada on Bonds, Debentures and Stocks .....	939,909.91
	\$11,073,182.82
Other current Loans and Discounts in Canada, less rebate of interest .....	\$11,307,680.47
Other Loans and Discounts elsewhere than in Canada .....	29,226.26
Loans to cities, towns, municipalities and school districts .....	147,720.55
Liabilities of Customers under Letters of Credit, as per Contra .....	3,087.50
Overdue debts .....	34,782.41
Real Estate other than Bank premises .....	74,995.37
Mortgages on Real Estate sold by the Bank.....	77,112.13
Bank Premises, at not more than cost, less amounts written off .....	871,393.52
Other assets not included under the foregoing.....	56,592.65
	\$22,698,590.86
	\$23,675,773.68

M. J. HANEY,  
President.

J. COOPER MASON,  
Acting General Manager.

## BRITISH TRADE CONNECTIONS

Mr. Fred. W. Field, British trade commissioner in Canada, is desirous of getting in touch with manufacturers' agents who wish to obtain the Ontario agencies of United Kingdom firms, either now or after the war. He would also be pleased to discuss with agents and importers any obstacles to the encouragement of British trade in Ontario of which they may be aware, aside from war conditions. Samples of German or Austrian merchandise sold in Ontario prior to the war would also be useful to him; many agents now, no doubt, have no further use for samples of this kind.

In his office in the Confederation Life Building, Toronto Mr. Field has now been engaged for some time in the work of encouraging closer trade connections between Canada and the United Kingdom. Just at present the work is rather of a preparatory nature, with a view to greater activity after the war.

The steamship "Porsanger," considered to be the largest ocean-going steamer yet built in this country, was launched the other day in Montreal. It was built mostly of Canadian materials, although the plates were imported from the United States.

## YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. MORROW & JELLETT, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

June 26th, 1918.

	Div. Rate	Price about	Yield about
<b>Preferred:</b>			
Canadian Locomotive.....	7	85	8.23
Canada Cement.....	7	91	7.69
Canada Steamships.....	7	75	9.33
Mackay Companies.....	4	65	6.15
Penmans.....	6	82	7.31
Steel of Canada.....	7	94	7.44
Maple Leaf Milling.....	7	98	7.14
<b>Common:</b>			
Bell Telephone.....	8	130	6.15
B. C. Fishing and Packing.....	5	46	10.75
Canada Cement.....	6	62	9.67
Canadian Locomotive.....	6	59	10.17
Canadian General Electric.....	8	103	7.76
Consumers' Gas.....	10	145	6.89
Consolidated Mining and Smelting.....	2½	25	10.00
Dominion Foundries & Steel.....	8	80	10.00
Maple Leaf Milling.....	10	107	9.25
Canadian Pacific Railway.....	10	148	6.75
Ottawa Traction.....	6	70	8.57
Penmans.....	6	75	8.00
Dominion Steel Corporation.....	5	61	8.19
Steel Co. of Canada.....	6	66	9.09
Mackay Companies.....	6	75	8.00
Toronto Railway.....	4	60	6.66
<b>Bonds:</b>			
Canada Bread.....	6	92	6.52
Canada Cement.....	6	96	6.25
Canada Steamships.....	5	80	6.25
Canadian Locomotive.....	6	89	6.74
Penmans.....	5	87	5.74
First War Loan, 1925.....	5	96	5.67
Second War Loan, 1931.....	5	95	5.51
Third War Loan, 1937.....	5	93½	5.52
Victory Loan, 1937.....	5½	99½	5.62

## DIVIDEND NOTICE

DOMINION LINENS, LIMITED

NOTICE TO SHAREHOLDERS

Notice is hereby given that the dividend at the rate of 3½% for the six months ending June 30th, 1918, being at the rate of 7% per annum, has been declared upon the Preferred Stock of **Dominion Linens, Limited**, same being payable on July 15th next to shareholders of record at close of business June 30th. The stock register will not be closed.

H. A. HIGNELL,

Guelph, June 25, 1918.

Treasurer.

(For further Dividends see page 33.)

# CONFEDERATION LIFE ASSOCIATION

Issues LIBERAL POLICY CONTRACTS ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:

President: J. K. MACDONALD, ESQ.  
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:  
W. D. MATTHEWS, ESQ.

Vice-President

SIR EDMUND OSLER, M.P.  
Lt.-Col. J. F. Michie  
Peleg Howland, Esq.  
Lt.-Col. The Hon. Frederic Nicholls  
John Firstbrook, Esq.  
Actuary, V. R. SMITH, A.A.S., A.I.A.  
Secretary, J. A. MACDONALD.

Medical Director:

ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)

HEAD OFFICE

TORONTO

## Here is Your Opportunity

The success which has attended the operations of the North American Life Association with the company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with

E. J. HARVEY, Supervisor of Agencies.

**North American Life Assurance Co.**  
"SOLID AS THE CONTINENT"

HEAD OFFICE

TORONTO, CANADA

## AGENTS' ATTENTION!

The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED.....	INCREASE 146%
ASSURANCES, NEW AND REVIVED.....	INCREASE 147%
NEW PREMIUMS RECEIVED.....	INCREASE 166%
ADMITTED ASSETS.....	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

## A Practical Pointer on Salesmanship

It is of first importance in good salesmanship to select a worthwhile article to sell, something about which you can become enthusiastic with a reason—a reason that will last. In Life Insurance Salesmanship, for instance, a discriminating agent would naturally select the policies of the Mutual Life of Canada because—first, the Company is well-established—Second, it has an unblemished record—Third, it has a continental reputation as a dividend payer—Fourth, it is a democratic organization—Fifth, it is a wonderfully successful going concern—and lastly, being the only Canadian Policyholders' Company its contracts find a ready market. Where a company is so favorably known one half of the trouble of making the sale is avoided. If you get the best goods in your line and go to it, success is certain. Last year our agents placed \$20,000,000 paid-for business.

**The Mutual Life Assurance Co. of Canada**  
Waterloo Ontario

CHARLES RUBY, General Manager E. P. CLEMENT, K. C., President

## The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds.....	\$ 66,500,000	Investments under Canadian Branch, over.....	\$ 16,000,000
Deposited with Canadian Government and Government Trustees, over.....	7,000,000	Revenue, over.....	7,900,000
		Bonus declared.....	40,850,000
		Claims paid.....	151,000,000

D. M. McGOUN, Mgr.

F. W. DORAN, Chief Agent, Ont.

A Cigar a day Costs no more than an Endowment Policy at Life Rate in the **London Life Insurance Co.**

LONDON ... .. Canada

POLICIES "GOOD AS GOLD" 6

## TO SPEND THE BEST YEARS

of one's life in acquiring property and leave it all in jeopardy when it might be secured by Life Insurance is, to say the least, unbusinesslike.

A sufficient Life Policy has kept intact many an estate which would otherwise have gone to ruin for want of ready cash at the right time

The Great-West Life issues Insurance on most attractive terms.

Rates on request.

**The Great-West Life Assurance Co.**

HEAD OFFICE DEPT. "F" WINNIPEG

## The Western Empire Life Assurance Company

Head Office: 701 Somerset Bldg., Winnipeg, Man.

BRANCH OFFICES

REGINA MOOSE JAW CALGARY EDMONTON

## District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

**THE CONTINENTAL LIFE INSURANCE CO.**

TORONTO, ONTARIO

## ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

**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

LIFE INSURANCE MORE NECESSARY THAN EVER

UNION OF CANADIAN MUNICIPALITIES

We know very well that the familiarity with the usual stock reasons for insuring life, and limb as well, often act in a way rather to hinder those reasons from receiving in numerous cases the real though very attention that they certainly merit. Still, it must be a man should every thoughtful mind that the reasons why a man should insure his life are really unanswerable and absolutely convincing, that to do so is only a duty and nothing less. Death, however, often postponed, is certain in the end, and then, in the vast majority of cases, with the death of the family man, there generally comes a terrible reduction in income, even when that children survive together. In the course of nature, outlast men, especially men in the great active business arenas of the competitive world. In fact, we here deal with certainties, not mere suppositions, as everybody knows. For one highly important thing, to insure your life is actually to commence the creation of capital. How can men of marked ability, earning fair, and even large incomes, fail to know very well that, forced by circumstance; so powerful to be resisted, their death will see most of that income dissipated? Then, indeed, if the individual had his time over again, a way would have been found to avert disaster to the survivors. It is very difficult to conceive any case much worse than for a family living in full comfort, with not a little luxury added, to be abruptly precipitated into what is to them a social inferno whence there is no visible escape. But it has been justly said that insurance is in a way able to create capital, and how many thousands of really able, clever men, though generally successful in their particular lines of active life, find it virtually impossible to accumulate capital? Obviously, to the extent to which the amount assured exceeds the premiums paid, it is clear that we have a creation of capital. It is by that excess just so much money never earned, and money that could never come to a man's beneficiaries in any other way. Many a man borrows money just to provide a home for his family, but we know that besides interest thereon that loan must eventually be paid in full, and certainly there is no capital left out of that transaction. Now, in life assurance, and in that alone, do we find this most invaluable element. It is not present in any other form of financial business projected into futurity. Then, again, consider the wonderful security of the funds forming the security for paying according to promise. All other financial undertakings are liable to vicissitude capable under certain extreme conditions of reducing, and even of extinguishing their value altogether. Even banks, as we all know, are not absolutely safe, but the insurance company alone stands forth positively proof against all conceivable financial shocks and altogether certain to fulfil to the very letter every promise made. Why, then, one asks with a natural surprise, do so many otherwise clever men hang back from taking insurance, and especially why do the young just entering on life hang back when commonsense should warn them that later on in all probability they will be but too thankful to take insurance on a much more expensive lease than when youth was in itself a fine asset in such transactions. But in the present case we think that all insurance agents, as insurance men generally, might very aptly direct attention to the certainty of life being much harder when peace comes again, certainly for a time, and when those covered well by insurance will most decidedly have a great advantage over those who have not been so prudent. Further, the very consciousness of being thus protected cannot fail to inspire confidence and courage, and those properly covered will have a far better chance of success in the battle of life than such as have refused to take warning by past experience when hard times come to stay. It is pretty certain that a greatly disordered national finance and a hundred other evil legacies from so destructive a war cannot fail to induce a period of trouble for thousands only less evil than the war itself!—Insurance and Finance Chronicle.

The new building of the Sun Life of Canada in Montreal has been almost completed. It occupies a corner overlooking Dominion Square, and is seven stories high, but is so constructed that ten more stories could be added. The exterior is of grey granite on a frame of structural steel. A fireproof vault, built on separate foundations, runs upward through all floors. The building also includes a dining-room and lounge-rooms.

The eighteenth annual convention of the Union of Canadian Municipalities will be held in Victoria, B.C., on Tuesday, Wednesday and Thursday, July 9th, 10th and 11th. It is expected that delegates will be present from all over Canada, and representatives of the Dominion Civic Improvement League will also attend. A large number of subjects are to be discussed at the meetings, and the following special papers will be read: "The Maintaining of Montreal Credit," by Thomas Bradshaw, commissioner of finance, Toronto; "The Consolidated Railway Act; Contest over Fundamental Municipal Rates," by W. D. Lighthall, K.C., honorary secretary-treasurer, Union of Canadian Municipalities; "Present Position of Uniform Municipal Accounting and Statistics," by H. J. Ross, chairman of the special committee; "National and Municipal Housing," by Thomas Adams, town planning adviser, Commission of Conservation; "Municipal Responsibility in Regard to Economic Development of the Land," by J. N. Bayne, deputy minister of municipal affairs, Regina, Sask.

The previous conventions have been held in the following cities:—

Toronto, Ont. ....	August, 1901
Montreal, Que. ....	September, 1902
Ottawa, Ont. ....	September, 1903
London, Ont. ....	September, 1904
Winnipeg, Man. ....	September, 1904
Halifax, N.S. ....	July, 1905
Fort William, Ont. ....	August, 1906
Port Arthur, Ont. ....	August, 1907
Montreal, Que. ....	August, 1907
Medicine Hat and Calgary, Alta. ....	July, 1908
Toronto, Ont. ....	July, 1909
Quebec, Que. ....	August, 1910
Windsor, Ont. ....	August, 1911
Saskatoon, Sask. ....	August, 1912
Sherbrooke, Que. ....	July, 1913
Montreal, Que. ....	August, 1914
London, Ont. ....	August, 1916
.....	August, 1917

Mr. W. D. L. Hardie, mayor of Lethbridge, is president for the year 1917-18. Mr. Robert Ryan, alderman of Three Rivers, Que., is vice-president. There are also special committees for each province to deal with questions more of a local nature.

The union lays down the following rules:—

- (1) The Canadian people shall not be ruled by any irresponsible monopoly.
- (2) They shall not submit to methods of fraud or corruption.
- (3) There must be no perpetual franchises.
- (4) Our heritage of natural resources affecting municipalities must not be sold, but leased, if not publicly operated.
- (5) One generation cannot legislate away the rights of another.
- (6) Municipalities must control their streets.
- (7) Each Canadian shall have a fair deal from all who are granted corporated or other public privileges.
- (8) Some court or council must always exist, free and equipped to enforce the fair deal.
- (9) The life of the poorest citizen must be made worth living through his share of the best civic conditions and services.

The advantages of the union are explained as follows:—

1. Intercourse of a mutually profitable character between municipal authorities of all kinds, from the Atlantic to the Pacific, resulting in the stimulus derived from broad experience and knowledge, and also in the encouragement which comes from a spirit of fraternity.
2. The immense increase of power derived from combination and co-operation, which is at the service of the individual municipality when required for its protection and improvement.
3. A patriotic spirit is fostered by intercommunication.
4. The bureau of information is possessed of central facilities not easily brought together elsewhere.
5. Communication with and respectful attention by foreign bodies are facilitated and increased.
6. Enormous sums of money and money values are annually saved to the municipalities.