

THE
Merchants' Magazine 
 AND Financial Review.

A Monthly Journal of Information and Comment upon matters of
use and interest to those concerned in the welfare and
progress of Canadian Joint-Stock Associations.

PUBLISHED AND EDITED BY

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APRIL TO SEPTEMBER, 1891.

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INTRODUCTION.

Believing that the Dominion has arrived at a period in her history when the ever-widening sphere of her trade and commerce, the rapid development of her mines and manufactures, and the self-reliance born of her financial and commercial prosperity may be relied upon to furnish ample material for a Monthly Periodical, devoted entirely to these important interests, the publisher has considered it opportune to enter upon the publication of such a Journal, with the object in view of placing on permanent record all facts which evidence her rapid advancement.

The natural resources of the Dominion, the extent and value of which must be regarded as the great sources of our present and future prosperity, have received our constant regard. Their development, whether in respect of the produce of the soil, mine, or forest, has always been watched with close attention, and of such points we have endeavored to furnish early, extensive and reliable information.

Next in importance, but intimately connected with the above, must be considered the manufactures of the Dominion. In everything connected with the advancement of the various branches of Home Industry we have taken a deep interest, and it has been our endeavor to keep abreast of the times in all matters appertaining thereto.

The monied institutions of most commercial countries, when properly conducted, are an admitted element in advancing their material welfare. This is particularly so as regards the Dominion of Canada, whose Banking and Loan Associations have ever maintained a stability in marked contrast with those of most new countries, where bank failures and fraudulent management have done much to injure their prosperity at home and their credit abroad. It has, therefore, been our care to report from time to time the proceedings and financial condition of our Bank and Loan Companies; to criticize them when deserving of criticism, to defend them when undeservedly or maliciously attacked, for from such attacks the whole commercial community may ultimately suffer.

To those engaged in business, a knowledge of commercial law

is of great value, not so much to aid them in deciding difficulties in which they may have become involved, as to enable them, in their daily transactions, to follow a strictly legal course, and thereby avoid the annoyance and loss to which ignorance of such matters often subjects them. It has, therefore, been our care to supply in the successive issues of this Journal articles on important points of Commercial Law, giving at the same time concise accounts of important legal decisions which affect mercantile interests.

The other subjects which have engaged our attention—navigation, canals, rail oads and insurance—are all important auxiliaries to trade and manufactures, and should in consequence receive their due share of attention.

In treating of these various matters we have not identified ourselves with any party; nor have we advocated any sectional interest. The Dominion of Canada has been the field of our labors, and its remotest corners have found their interest represented in our pages.

From the liberal assistance which we have received at the hands of the principal merchants and bankers of the chief cities of Canada, we have good reason to hope that this work will be amply supported, and in return for such support we pledge our time, labor and resources to make the *MERCHANTS' MAGAZINE* a valuable work of reference, an interesting journal, and a fearless advocate of all commercial interests.

It may be considered by some that the various trade journals published weekly throughout the Dominion provide in a measure for the object the Publisher has sought to attain. The experience of merchants, capitalists and bank managers, however, leads to a different conclusion. The necessity frequently arises of referring to many matters considered in such weekly journals; this has proven the need of a handy and permanent volume containing such information, carefully indexed, as is found of constantly recurring interest. The *MERCHANTS' MAGAZINE*, bound half-yearly and of convenient form, will be found to satisfy this need. Within its covers will be recorded the various Bank, Insurance and other like reports; the spirit of the weekly Trade and Financial press, condensed or amplified for future reference; and a resumé of Commercial Law, sudden recourse to which may be of advantage to commercial men.

INDEX TO VOLUME ONE.

APRIL TO SEPTEMBER, 1891.

A

Accommodation Bills.....	130
American Trade Dollar. History of the.....	344
" Silver Bill.....	50, 290, 478
Anglo American Telegraph Co.....	150
" Canadian Asbestos Co.....	304
" " Phosphate Co.....	304
" Brit. Col. Packing Co. Organization of.....	117
Asbestos Mines.....	525
Atlantic Service. Fast.....	168
Australian Commonwealth.....	7, 116
" Credit.....	583

B

Bank Act of 1890.....	433
" " Index to.....	465
" " Commentary on— <i>See</i> Commentary.	
" Agencies.....	45, 342
" Audits.....	11
" of British Columbia. Annual Meeting and Report.....	37, 74, 643
" North America " " 	38, 645
" Hamilton " " 	543
" Montreal " " 	257, 311
" New Brunswick " " 	147
" Nova Scotia " " 	35, 72
" Ottawa " " 	32, 65
" Toronto " " 	538
" Directors. Decisions affecting.....	262, 600
" Robbery in London.....	629
" Returns to Government.....	15, 125, 289, 351, 499, 611
Bankers Association.....	48
" Private.....	340
" Insurance.....	484
Banking and Financial Items.....	52, 158, 269, 369, 503, 619
" Facilities.....	476
Bankruptcy of Nations.....	522
Bearing Stocks.....	376
Bell Telephone Company.....	173
Bills of Exchange Act. Amendment to.....	229

British Bank Reserves.....	157
“ Columbia Canning Co.....	608
“ Columbia Finances.....	149, 473
“ Columbia Growth of.....	485
“ Canadian Loan and Inv. Co. Annual Meeting and Report.....	39, 83
“ America Assurance Co. “ “.....	650
“ Investments in Canada.....	154
“ Investors Growing Cautious.....	265
Bridge Works.....	288
Building Associations.....	155, 345, 353
“ and Loan Association. Annual Meeting and Report.....	195

C

Calgary and Edmonton Railway Company.....	479, 528
Canada Life Assurance Co. Annual Meeting and Report.....	184
“ Northwest Land Company. Annual Meeting and Report... ..	43
“ Permanent Loan and Savings Co. “ “.....	210
“ Settlers Loan and Trust Co. “ “.....	236
Canadian Bank of Commerce. “ “.....	397
“ Coinage.....	228
“ International Stock Yards Co.....	606
“ Pacific Railway Earnings for 1890.....	283
“ “ Earnings for 1891.....	63, 173, 283, 382-534, 634
“ “ on Trial.....	379
“ “ Report.....	260, 295
“ “ Steamships.....	382
“ Land and Mortgage Co.....	609
“ Securities in London.....	13, 123, 233, 605
Canal Enlargement. Cost of.....	486
Canals. St. Lawrence System of.....	486
Census of 1891.....	576
Central Bank Matters.....	264
“ Canada Loan and Savings Co. Annual Meeting and Report... ..	40, 92
Chattel Mortgages.....	497
Cheese Trade. The.....	10
Chicago and Grand Trunk. Earnings for 1890.....	282
China Cotton Trade. The.....	119
City and District Savings Bank. Annual Meeting and Report.....	256
Civic Finances. Montreal.....	607, 617
Clearing House Figures.....	606
“ Matters.....	473
“ Returns. Halifax.....	613
“ “ Montreal.....	56, 128, 239, 352, 502, 613
“ “ Toronto.....	502, 613
Coinage. Canadian.....	228
“ Legislation in the U.S.....	50, 290, 478

Colonial Honors.....	232
Combine. A New.....	117
Combines. Railroad.....	234
Commercial Bank of Manitoba. Annual Meeting and Report.	485, 534
" Cable Company	368, 605
" Value of Fire Insurance.....	284
Comparative Railway Traffic Receipts.....	62
COMMENTARY OF THE BANK ACT OF 1890.....	23, 133, 241, 491, 595
CHAP. I.—Organization.	
Introduction.....	23
Act of Incorporation.....	25
Name.....	26
Head Office.....	26
Capital Stock.....	27
Provisional Directors.....	29
General Meetings.....	133
By-laws.....	137
CHAP. II.—Management.	
Board of Directors.—General Functions.....	241
Power of elegation	242
" to make Discounts.....	243
Executory Functions.....	243
As Trustees	244
Control, of over Bank's property...	247
Liability, of for mismanagement...	491
Loans to.....	246
CHAP. III.—Charter Right and Privileges.	
Of the Power to receive Deposits.....	595
Confederation Life Association. Annual Meeting and Report.....	187
Contemporaries. Our Weekly.....	3
Copper in Ontario.....	527
" Leeds Company.....	304
" Tilt Cove Company.....	304
Corner in Wheat.....	341
Cotton Mill. The Parks.....	120
Counterfeits. How to Detect.....	264
Currency. An Elastic	475
Custom House Disputes.....	9

D

Debt of the Dominion.....	570
" " United States.....	627
Defalcations.....	261
Defrauding Life Insurance Companies.....	104
Deposits in New York Banks.....	630
Detroit, Grand Haven and Milwaukee Ry.....	282

Dividends and Meetings.....	15, 127, 240, 350, 502, 613
Dominion Bank. Annual Meeting and Report.....	258, 309
" Building and Loan Association. Annual Meeting and Report	414
" Methods of Finance.....	569
" Revenue Returns.....	604
" Savings and Inv. Co. Annual Meeting and Report.....	40, 88
" Telegraph Company. Annual Meeting and Report.....	42

E

Eastern Townships Bank. Annual Meeting and Report....	259, 325
Electric Roads of the World.....	631
English Bank of the River Platte. Suspension of.....	340

F

Failures.....	47, 516
Farmers Loan and Savings Co. Annual Meeting and Report....	557
Fast Atlantic Service.....	168
Federal Bank Matters.....	261, 347
" Life Assurance Co. Annual Meeting and Report.....	647
Finances. Imperial.....	148
" Prince Edward Island.....	177
Financial Situation in Europe and America.....	477, 516
Fortunes.....	262
Fourth of the Month.....	47
Free Coinage of Silver in the U. S.....	50, 290, 478
Freehold Loan and Savings Co. Annual Meeting and Report.....	417

G

Gold. How and why exported.....	266
" Russian.....	262
Government Railways. Dominion.....	171
Grand Trunk Ry. Annual Meeting and Report.....	291
" " Ins. and Prov. Society.....	286
" " Changes in Board.....	533
" " Traffic Returns for 1891.....	63, 193, 282, 381, 534, 635
Greenbacks.....	516

H

Halifax Banking Comp. y. Annual Meeting and Report.....	33
Hamilton Provident and Loan Society. Annual Meeting and Report..	213
History. A Curious Bit of.....	375
Home Savings and Loan Co. Annual Meeting and Report.....	206
Hudsons Bay Company. Annual Meeting and Report.....	480
Huron and Erie Loan and Savings Co. Annual Meeting and Report..	198

I

Imperial Bank. Annual Meeting and Report.....	405
“ Penny Postage.....	481
“ Finances.....	148
Imprisonment for Debt in Nova Scotia	115
Increase of Stock.....	484
Insurance Bankers.....	484
“ Commercial Value of Fire.....	284
“ Fire in Canada from 1869 to 1890.....	178
“ In Canada, Year 1890.....	177
“ On Farm Property.....	105
“ Mutual.....	101
“ Reversionary.....	180
“ Companies. Loans on Capital by.....	103
Integrity Among Business Men	129
Investments in Dakota.....	114
Investment. Mining as an.....	58
Issue of Brit. Col. Inscribed Stock.....	473
Issue of Railway Bonds. Calgary & Edmonton Ry.....	479

L

La Banque d'Hochelega. Annual Meeting and Report.....	33, 67
“ du Peuple “ “	36, 76
“ Jacques Cartier “ “	550
“ Nationale “ “	255, 305
“ Ville Marie “ “	408
Laud Companies.....	43, 254, 153
Laws Against Capital in the U.S.....	520
Leeds Copper Company. Annual Meeting and Report.....	304
Legal Decisions, Business Tax	145
“ Clearing House Rules.....	360
“ Letter of Credit.—Guarantee.....	602
“ Liability of Directors.....	262, 600
“ Power of Attorney.—Liability of Principal.....	142
“ Preferred Creditors.....	367
“ Railway Sequestration.....	498
“ Telephone Case.....	367
Legislation affecting Trustees and Loan Companies	253
Lion Provident Association.....	122
Loan and Building Societies. Returns for 1890.....	353
“ Companies in Ontario.....	45, 260, 626
“ “ “ Legislation affecting.....	253
“ Failure of a.....	156
“ The Montreal.....	47

Loans on Company's Capital.....	103
" on Lands.....	519
" Provincial.....	476
London and Ontario Investment Co. Annual Meeting and Report....	640

M

Meetings and Reports.

BANKS.

Bank of British Columbia.....	37, 74, 643
" " North America.....	38, 645
" Hamilton.....	543
" Montreal.....	257, 311
" New Brunswick.....	147
" Nova Scotia.....	35, 72
" Ottawa.....	32, 65
" Toronto.....	538
Canadian Bank of Commerce.....	397
Commercial Bank of Manitoba.....	485, 554
Dominion Bank.....	258, 309
Eastern Townships Bank.....	259, 325
Federal Bank.....	347
Halifax Banking Company.....	33
Imperial Bank.....	405
La Banque d' Hochelaga.....	33, 67
" " du Peuple ..	34, 76
" " Jacques Cartier.....	530
" " Nationale.....	255, 305
" " Ville Marie.....	408
Merchants Bank of Canada.....	515
" " of Halifax.....	34, 70
" " of P.E.I.....	217
Ontario Bank.....	546
People's Bank of Halifax.....	147
Quebec Bank.....	259, 319
Standard Bank.....	552
Traders Bank.....	411
Union Bank of Canada.....	548
Western Bank.....	145, 215
City and District Savings Bank.....	25

LAND COMPANIES.

Canada North West Land Co.....	45
Canadian Pacific Land and Mortgage Co.....	609
Manitoba Land Co.....	254

Meetings and Reports.

INSURANCE COMPANIES.

British America.....	650
Canada Life.....	184
Confederation Life.....	187
Federal Life.....	647
Manufacturers Life.....	329
North American Life.....	182
Royal Canadian.....	653
Sun Life.....	97

LOAN AND SAVINGS COMPANIES.

British Canadian Loan & Inv. Co.....	39, 83
Canada Permanent Loan & Sav. Co.....	210
" Settlers Loan & Trust Co.....	256
Central Canada Loan & Sav. Co.....	40, 92
Dominion Savings & Inv. Soc.....	49, 88
Farmers Loan & Sav. Co.....	557
Freehold " ".....	417
Hamilton Provident & Loan Soc.....	213
Home Savings & Loan Co.....	206
Huron and Erie Loan & Savings Co.....	118
London and Ontario Investment Co.....	639
Midland Loan & Savings Co.....	192
Ontario Industrial Loan & Inv. Co.....	293
" Loan & Deb. Co.....	41, 94
" Loan & Sav. Co.....	200
Peoples Loan & Dep. Co.....	39, 85
Western Canada Loan & Sav. Co.....	208

BUILDING AND LOAN COMPANIES.

Building and Loan Association.....	165
Dominion Building and Loan Assn.....	414

TELEGRAPH COMPANIES.

Dominion Telegraph Co.....	42
Montreal ".....	41

RAILWAY AND NAVIGATION COMPANIES.

Canadian Pacific Railway Co.....	269, 295, 632
Grand Trunk ".....	291
Ontario et Sault Ste. Marie Railway Co.....	64
Quebec Central Ry.....	281
" et Lake St. John Ry.....	289
Chicago & G. T. Ry.....	282
Letroit, Grand Haven and Milwaukee Ry.....	282

SUNDRY COMPANIES.

British Columbia Canning Co.....	608
Hudson Bay Co.....	480
Montreal Safe Deposit Co.....	44
Grand Trunk Ry. Ins. & Prov. Soc.....	286
Starr Manf. Co.....	43
Ottawa Electric Street Railway.....	151

MINING COMPANIES.

Anglo Can. Phosphate Co.....	304
“ “ Asbestos Co.....	304
Leeds Copper Co.....	304
Tilt Cove Copper Co.....	304
Manitoba Land Company. Annual Meeting and Report.....	254
Manufacturers Life “ “	329
Merchants Bank of Canada “ “	385
“ “ Halifax “ “	34, 70
“ “ P.E.I. “ “	217
Midland Loan and Sav. Co. “ “	192
Merchant. The True.....	20
Minerals in British Columbia.....	61
“ Ontario.....	527
Mining Act. Ontario.....	118
“ as an Industry.....	356
“ “ Investment.....	58
“ Items.....	657
“ Manual. A.....	115
“ Statistics in the U.S.....	482
Monetary Condition of Canada.—See also <i>Money and Exchange</i>	577
“ “ “ Europe.....	477, 516, 522
“ “ “ the United States.....	477, 521
“ Commission.....	153
Money and Exchange.....	1, 113, 225, 357, 469, 565
“ of the United States.....	518
“ “ Wild.....	49
Montreal Clearing House Returns.....	56, 128, 237, 352, 502, 613
“ Harbor Master's Report.....	557
“ Telegraph Company. Annual Meeting and Report.....	41
“ Safe Deposit Company.....	41
“ et S. tel Railway Company.....	48
Mortgages. Chattel.....	407
“ Farm in Ontario.....	267
Municipal Bonds.....	49
“ Affairs.....	614
“ Government.....	582
Mutual Insurance Co. Eastern Townships.....	286

INDEX.

xiii

N

New Zealand Experience. A.....	627
Nickel in Ontario.....	527
" Official Estimates of.....	60
Note Redemption Offices of Canadian Banks.....	421, 501
" Circulation. Expansion of.....	610
North American Life Assurance Co. Annual Meeting and Report....	182
" Shore Railway Bonds	584
Nova Scotia Central Ry.....	632

O

Official Bonds.....	152
" Estimates of Nickel.....	60
Ontario Bank. Annual Meeting and Report.....	546
" Copper and Nickel in.....	527
" Express and Transportation Co.....	151
" Farm Mortgages in.....	267
" Industrial Loan and Inv. Co. Annual Meeting and Report ..	203
" Loan and Debenture Co. " " " ..	41, 94
" Loan and Savings Co. " " " ..	200
" Loan Companies.....	45, 260
" Mining Act.....	118
" and Sault Ste. Marie Railway	64
Orient. The New C.P.R. Line to the.....	166
Ottawa Electric Street Railway.....	151

P

Pacific Province. The Growth of the.....	485
Panics, How Averted.....	154
Permanent Debenture Stock.....	116
Petroleum in Canada.....	287
Peoples Bank of Halifax. Annual Meeting and Report.....	147
" Loan and Dep. Co. Annual Meeting and Report.....	39, 85
Pig Iron. Canadian.....	59
Platinum in British Columbia.....	287
Political Science.....	4
Preferred Creditors.....	357
Prince Edward Island Finances.....	477
Provincial Loans.....	473, 476, 477
Public Debt of the Dominion.....	148, 277

Q

Quebec Bank. Annual Meeting and Report	289, 319
" Central Railway.....	281
" & Lake St. John Railway.....	280

R

Railway Official Life.....	278
“ Savings Banks.....	517
“ Sequestrator. A.....	498
“ Siberian. The.....	536
“ Steals.....	488
“ Statistics. Government.....	171, 557, 633
“ Rates.....	580
“ Returns. English.....	581
Railways and Business Operations.....	378
Reciprocity. Geo. Hague on.....	50
Reflections upon the Recent Elections.....	17
Relations between the G.T.R. and C.P.R.....	530
Representation in Parliament.....	230
Revenue Returns. Dominion.....	604
Royal Canadian Insurance Co. Annual Meeting and Report.....	653
Russell Sage's Treasure Trove.....	626

S

Savings Bank Deposits.....	233
Savings Banks. Government.....	46, 604
“ “ Railway.....	517
Scarcity of Small Change in the U.S.....	263
Shoe Trade. The.....	120
Siberian Railway.....	536
Sing-name Paper.....	5
Sir John A. Macdonald.....	237
Smeiter. The Kootenay.....	525
Speculation in Stocks.....	346, 376
Standard Bank. Annual Meeting and Report.....	552
Starr Manufacturing Co. “ “.....	43
State of Trade.....	2
St. John Prov. Building Society.....	54
Stock Exchange Quotations. Banks.....	106, 218, 331, 427, 559, 654
Loan Companies.....	107, 219, 332, 428, 560, 656
Insurance Companies.....	108, 220, 333, 429, 561, 657
Navigation and Railway Companies.....	108, 220, 333, 429, 561, 657
Gas and Street Railway Companies.....	108, 220, 333, 429, 561, 657
Telegraph, Telephone, Electric Light Coy's.....	109, 221, 334, 430, 562, 657
Cotton Companies.....	109, 221, 334, 430, 562, 657
Mining and Manf. Companies.....	109, 221, 334, 430, 562, 657
Miscellaneous Stocks.....	109, 221, 334, 430, 562, 657
Bonds.....	110, 222, 335, 431, 563, 658
Canadian Securities in England.....	110, 222, 335, 431, 563, 658

INDEX.

xv

Stock Issue of Brit. Columbia	473
" New Government	46
" Transfers. Decision affecting	490
Sugar Refining	472
Sun Life Assurance Company. Annual Meeting and Report	97
Syndicate. The C.P.R.	263
Syndicates. British	375

T

Tariff Changes	6, 228
Temperance Colonization Society	150
Tilt Cove Copper Co.	304
Toronto Clearing House	231, 473
" " " Returns	502, 613
Traders Bank. Annual Meeting and Report	411
Trade with the West Indies	12
Trustees. Legislation affecting	253

U

Union Bank of Canada. Annual Meeting and Report	548
United States Debt	627
" " Silver Law	628

W

War in Chili. The	578
Western Bank. Annual Meeting and Report	146, 215
" Canada Loan and Savings Co.	268
Wheat. A Proposed Corner in	341

THE
MERCHANTS' MAGAZINE
AND
FINANCIAL REVIEW.

VOL. I.

APRIL, 1891.

No. 1.

EDITORIAL COMMENT.

MONTREAL, 31st March, 1891.

MONEY AND EXCHANGE.—The condition of the money market, both here and at other financial centres of the Dominion, has been one of quietness during the month, the banks apparently having ample funds to meet all legitimate mercantile demands; and owing to the comparatively small amount of speculation in stocks and bonds, call money has been easily obtainable at from four to five per cent. The month ended, indeed, without even the ordinary pressure which is incident to that period. The bank statement for February was, upon the whole, a satisfactory one, as will be seen by the figures appearing elsewhere. The only unfavorable item was an increase of \$108,278 in overdue notes, unsecured, a change which bankers will readily understand resulted from the somewhat numerous mercantile suspensions during the previous month. There was an increase in specie of \$55,244 and of Dominion notes of \$342,301. Foreign balances increased \$957,681, while balances in Great Britain were lowered to the extent of \$133,832. Loans on stocks were reduced by \$167,583, and stood at \$13,081,052. There was a decrease of \$524,202 in current discounts and of \$1,019,411 in loans to commercial corporations. The circulation had increased \$263,660, which is likely to be further increased during the present month. Compared with the corresponding period of 1890, there was an increase of \$1,300,000,

the figures standing at \$31,925,749 : indicating, in spite of the general complaint of hard times, considerable activity. There was a decrease in current deposits of \$1,820,526, which about balances the decline in current loans; while deposits at interest showed a further increase of \$547,548,—a satisfactory record at this season of the year.

The market, both in sterling and New York exchange, has ruled quiet, without important change during the month, while there has been no change in the Bank of England rate since it was reduced from 3½ to 3 per cent. early in February. The liquidation of several insolvent estates, in the failure of which a large number of small traders have been involved, has had a depressing effect in business circles, and has no doubt operated to some extent in checking the advance in bank stocks usual at this season of the year. The month, however, closes with a better feeling, and unless fresh disasters occur during the month of April, a more hopeful future may be looked for. The Montreal Clearing House returns for this month, which appear elsewhere, show a gratifying increase over those of last year.

THE STATE OF TRADE.—The state of trade can be fairly estimated by reference to the failure list for the quarter just closed. According to the reports of Dun, Wiman & Co., the failures of the past three months, though less numerous than in the same period of last year, show a greater aggregate of liabilities. The totals for the Dominion are 556 failures, with liabilities of \$5,738,000 as compared with 630 failures, and \$5,485,000 liabilities in the three months of 1890. A decided improvement in the condition of trade is apparent, the published tables showing a material decrease in every Province, save Quebec. The figures in each province for the past quarter are as follows:—

PROVINCE.	No. of failures.	Amount Liabilities.
Ontario.....	248	\$1,847,259
Quebec.....	216	5,265,780
New Brunswick.....	24	139,589
Nova Scotia.....	39	214,200
P. E. Island.....	3	34,600
British Columbia.....	5	31,600
Manitoba.....	19	205,196

A decrease of 105 in number and of \$603,741 in amount records the improvement in Ontario, while Quebec shows an increase of

22 failures, with \$832,000 added to aggregate liabilities. Notwithstanding these unfavorable items, trade in Quebec is slowly recovering from its state of lethargy—and the excess of liabilities is to be attributed to the unfortunate McLaughlin collapse and the smaller firms that were drawn into the ruin,—firms that should, in reality, be considered as branches of the parent house.

The evils of the long credit system appear to have overtaken the dry goods trade, and many formerly sound and wealthy wholesale houses have gone to the wall within the past three months, involving in their ruin a full hundred of lesser firms. Could a workable method be devised to deal with the disposal of bankrupt stocks, the trade would ere this have risen buoyant, like a vessel jettisoned of a cumbersome deck-load; but the lack of any such plan has had a still further depressing influence. The throwing upon the market of bankrupt stocks, aggregating hundreds of thousands of dollars in value, has tended to still more demoralize trade. The failure of Boyd Bros. in Toronto was quickly followed by an auction sale of the stock on hand, and a few days later the purchasers vaunted in the clearing out of over \$35,000 on their opening day. The prices realized need not be stated; they were so seductive, that all bargains were rapidly snapped up by retailers and jobbers, to be re-sold at a fair margin of profit in competition with legitimate trade.

Other credit lines have not suffered to the same extent as has dry goods, while in wholesale groceries there has been no important failure to record. Exporters of natural products find little to complain of. The lumber trade shows signs of renewed activity. The prospects for the summer's shipment of cattle is encouraging, and dairy products of last season's make are all well cleared, with high prices to start the new make.

OUR WEEKLY CONTEMPORARIES.—The weekly stock and bond reports, for which our trade and financial contemporaries find space, call for revision. Accuracy is an essential in all matters relating to finance; and a journal, jealous of its reputation, can ill afford to publish, issue after issue, inaccurate statements regarding the capital or reserve funds of our various banking and loan associations. To instance the careless manner in which the leading trade papers seek to furnish financial truths, we need but call attention to the figures given in the Reserve column of the tables mentioned. Out of thirty banks whose stock values are given weekly, the Reserve funds of no less than *seventeen* have not been corrected for a long

time past, and the amounts credited should in the aggregate be increased by a sum over sufficient to establish a new association. We commend this to the attention of those interested. Errors cannot well be avoided, but constant revision will aid in setting matters right.

POLITICAL SCIENCE.—A forward step has been taken by the bankers' section of the Toronto Board of Trade, through whose liberality the endowment of a scholarship in political science has been offered to the University of Toronto. The conditions are that such scholarship be given upon the results of the examination of the first year for the department of political science, to students who shall declare their intention to take the lectures and examinations of the second year in that department. Mr. B. E. Walker, writing on behalf of the seven contributories, offers as a suggestion, that since many lads, intended for a business career, are unable to take a full Arts course at the University, a certificate should be furnished to such as may take a shorter course. On their part the banks undertake "that in appointing bank officers they will, *ceteris paribus*, give a preference to persons presenting a certificate of having taken the first two years in the honor department of political science." The tendency of this action will be to raise the standard of bank officers, in the sense that a knowledge of the history of finance, and of the sound principles which underlie political economy, must always give added vigor to an intelligent and cautious official. No amount of theorizing can replace the practical common-sense required of every bank officer, but a knowledge of how financial crises have been met in the past may often suggest a line of action in the future, in cases of greater or less importance.

THE GRAND TRUNK RAILWAY.—The merry war now being waged between the Canadian High Commissioner and the management of the Grand Trunk Railway shows no signs of abatement. Additional interest thus attaches to the half-yearly meeting of the company, to be held in London on Tuesday, 14th April, and at which the charges made by Sir Charles Tupper will doubtless receive due attention. It is unfortunate for Sir Charles that his now famous Amherst speech found utterance, not during the heat of the electoral struggle, but in the calm and flush of victory. The charges made by him in his attempt to impeach the management of the Grand Trunk are of too serious a nature to be made light of by those against whom they were

directed, and a very clear light should be thrown on the motives which lead up to such a wanton attack. The published correspondence suggests a possible ground of irritation; but to accept such suggestion is to concede that the High Commissioner acted with less than his usual caution, to the extent of endangering an accorded reputation, with nothing of equal value in the balance. Without entering into the question of how far the facts alleged gave Sir Charles the right to call the Grand Trunk authorities to account in the virulent manner in which he did, it must be conceded that nothing could have been more advantageous to the road than the policy of its advisers. Inter-state traffic forms fully 35 per cent. of the entire earnings of the Grand Trunk, and the bonding privilege is to it a valuable franchise. Owing to the serious competition due to the side-tracking of its lines in Ontario by the Government favorite, under subsidy, the Grand Trunk has had a hard task to keep up its net earnings. Policy is guided in mundane affairs by self-interest, and worldly wisdom suggested the policy ascribed to the administrators of the road. The Canadian Pacific was, in like manner, led to espouse the party to which it had been accustomed to look when in financial straits, and yet the action of its advisers seems to have escaped the notice of Sir Charles and his colleagues.

The immediate effect of this ill-advised attack was to depress the stock of the Grand Trunk on the London market; but so rapidly did the re-action set in, that at present writing no depreciation is apparent, save such as may be ascribed to other and more potent causes. The prompt and manly indorsement given by the board in London to the Canadian management has tended to greatly strengthen the position of the road, and calls for commendation.

SINGLE NAME PAPER.—The practice of lending money on single name paper is said to be on the increase in many of the trade centres of Ontario, and to this plain departure from the true principles of banking many of the evils which cause demoralization in trade may clearly be traced. Over-production and over-trading thus receive encouragement, and the practice is so pernicious in result that it should be sparingly followed, if at all. In Toronto, bankers are reproached for adopting American methods, and lending from \$100,000 to \$150,000 to individual merchants, allowing the latter to keep their customers' notes in their own possession. The indiscriminate distribution of credit must always be a sequel, and the remedy for the evils of the long credit system

now in the hands of the banker, he thus permits to elude his grasp. The merchant or manufacturer, himself accorded an unlimited time credit, and no longer called upon to provide out of his own reserve capital for such of his customers' paper as may on maturity call for retirement at his hands, is less likely to enforce collections, while more inclined to push his sales beyond safe limits. What results? The utter demoralization of his own business; and ultimately, the throwing upon the market of his bankrupt stock, inflicts a serious blow to the industry or special line to which his attention is devoted. A banker is a safe adviser to whom a customer in doubt often turns for assistance. How can his advice be trustworthy, unless he has been in constant touch with the nature of the class of buyers with whom his customer is dealing. Many a merchant has received seasonable notice from his banker of the risk the former is running in extending credit to a firm known by the latter to be slowly drifting on the rocks. A peremptory refusal to discount any more of such paper, should the warning not be heeded, is a final resort to persuade the customer against himself. Again, no prudent house will extend absolute power in the matter of sales to its travelling representative; why, therefore, should a banker risk the funds under his control, placing blind reliance on the statements furnished by his client, whose views must always be of a roseate hue.

TARIFF MODIFICATIONS.—It cannot be denied that an undercurrent of opinion has set in in the direction of tariff reform. It is felt that, in some cases, the tariff as at present maintained has gradually become identified with the interests of a class rather than with the interests of the country as a whole. Where a great and prosperous industry has been brought into existence by the government policy, giving fair and reasonable profits to the capitalist, fair wages to the artisan, a good market to the farmer, and a good article at fair prices to the consumer, no change could be for the better. But in all cases in which the cost to the consumer of any article has been made altogether out of proportion to the benefits indirectly gained by the community as a whole, reform is urgently called for. It is asserted that among other articles the duty on sugar and tobacco should be lowered; and that out of the manufacture of these, a profit is being rapidly made, which is out of all proportion to the value of such manufactures to society at large.

Extraneous circumstances at times force upon a government the

necessity of modifying its tariff. At the present moment the action of the United States in removing their late duty on raw sugar has placed our Government in such a position. It is considered absurd to expect that the people of Canada will submit to a policy which compels them to pay perhaps 2 cents per pound more for their refined sugar than the American people are paying. While to maintain the present tariff is to put a premium on smuggling. The alternative of following the lead of the United States, and abolishing the present duty of 2 cents per pound on raw sugars, would benefit the community without lessening to any great extent the profit of the refiners. The Government alone would suffer by a loss of revenue, amounting to close on \$3,000,000. It is true that by maintaining the old duty and lowering the tax on refined sugars, the Government would still retain its revenue and the refiner be compelled to lower his price to offset American competition. This would, moreover, give continued life to the straggling effort to establish the beet root industry, without the necessity of a bounty. In the event of a removal of the raw sugar duties, the Government will have to meet a shortage in the revenue. Direct taxation to that end will prove a difficult matter to satisfactorily adjust. Man is prone to grumble at any tax which he may be called upon to pay directly to a government. Withdrawn from his little savings, any such payment assumes a very realistic shape; whereas the unconscious contribution which he may be continually making as the consumer of taxed articles remains void and without form. We doubt that direct taxation will ever find favor with the present Government, and in such event look to a tax on tea or some other similar article to recoup the exchequer. The question is one difficult of solution, and can only be dealt with after the fullest discussion and the hearing of those directly interested in the various branches of this important industry.

THE NATIONAL AUSTRALIAN CONFERENCE.—Monday, March 2nd, may be considered a memorable day in the history of the British Empire. The representatives of the seven Australian Colonies met on that day in Sydney, to frame a constitution for a new confederation in the southern seas, to include Tasmania, a large share of New Guinea as a subordinate territory, and ultimately New Zealand. To Sir Henry Parkes is due the idea of a federal constitution with a legislature and executive, and to his energy also the successful initiation of the scheme is to be ascribed.

According to advices received, opinion seems divided as to the nature of the constitution to be adopted. A number of the delegates are favorable to that of the United States, whilst others warmly support the example set by our own Dominion. Free trade within the Confederation with protection against the world has been practically agreed upon, but the range of tariff has been a question calling forth great diversity of opinion. Some of the colonies declared in favor of a simple tariff for revenue only. Victoria, ultra-protectionist, whose industries have grown to a marked extent, stands out. on the other hand, for substantial protection, and through its delegates has even gone so far as to favor the gradual yearly reduction of existing tariffs, in place of immediate free trade within the confederation itself. A satisfactory adjustment of the points of difference, based on the suggestions of the premier colony, is anticipated, and the fact of federation is looked forward to at an early day. When that day dawns the Commonwealth of Australia will be inaugurated with a most imposing ceremony, both by land and sea; the fleet of war-vessels, now being built in Great Britain, for and at the expense of the Australian colonies, thundering forth a loyal salute in honor of the new arms quartered on the old flag. The Federal Government will probably be entrusted with the customs tariff, regulation of external trade and commerce, defence, posts and telegraphs, marriage and divorce, currency and banking, fisheries, beacons and buoys, quarantine, patents, census and statistics.

REPORTS AND MEETINGS.—One of the main objects sought to be attained by the MERCHANTS MAGAZINE calls for special reference. Every business man, be he merchant, banker or capitalist, has constant need of a volume to which he can conveniently refer when seeking to note the progress of associations in which he finds himself more or less interested. The bank president or manager, desiring to compare the periodical statement of a kindred institution with his own, or to note the progress that is being made in the various joint stock associations of the country, has now no handy volume to which he can turn, at a moment's notice, in search of the desired information. To say that the daily or weekly press contain all that can be desired in this connection is to credit the busy banker not only with a spare hour or two on every occasion, on which such information is sought, but also with a patience worthy of the patriarch of old. If the special number, put aside with great care

in anticipation of just such a moment, has not disappeared from the bulky mass to which reference is being made,—unaccountable perversity,—the finding of it is at best a tedious labor.

Our object, therefore, is to make good this deficiency, and to supply within the covers of this MAGAZINE, *inter alia*, the annual reports of every joint stock association acting under Canadian charter, whose statements are made public for the use and information of shareholders and the community at large. In our endeavor to thus provide a handy work of reference we confidently enlist the cordial support of those in whose hands the administration of these various companies is entrusted. If nothing more, an encouraging word will show an appreciation of our efforts.

The refusal of support will not in any way detract from our giving each and every statement the fullest and ablest consideration. This assurance is drawn from us reluctantly, we had rather so small a matter were taken as granted in all journalistic enterprise, but the methods which find favor in certain quarters urge it upon us. We aim to supply a want, and are animated by the hope that we will ere long fill a recognized place in the list of journals to which such reports are sent annually for publication. A fair and reasonable return, we believe, will always be given for services rendered; but as minds are differently constituted and affairs are seen in different lights, according to the vision of the viewer, we expect to meet at times with a diversity of opinion as to the value of the service rendered.

CUSTOM HOUSE DISPUTES.—The Commissioner of Customs, under date of the 4th March, has issued, for the information of the collectors of customs, a pamphlet, containing the more important decisions rendered between October, 1887, and the 28th March, 1890, the latter being the date when the Tariff Act of last Session came into force. This draws attention to the methods adopted by the Government in the matter of confiscation for violation of the customs law. Disputes with the department have already a recognized place among the causes of failure for several large importers, whose heavy failures have lately disturbed the commercial atmosphere, trace the origin of their troubles to the unwarrantable action of over-zealous and interested customs officials. Suspicion of sharp practice naturally attached to a charge of under-valuation, however unfounded, and a deathblow to credit results. That conflicts between the customs department and the importer should

arise is not matter for wonder. Ambiguities in the tariff cannot well be avoided. How to deal with such cases is the question.

No one will dispute the suggestion that so soon as ambiguities in the different sections of the Act classifying the goods and specifying the duties are cleared up, full information should at once be given to guide both officer and importer in the future. The system adopted by the United States has been urged as worthy of consideration in this connection, and offers a sure guide to direct importers in making their entries. A record is kept of all disputes, and if the pretensions of the importer are colorable the matter is settled in an equitable way. Then the Government issues a slip explaining the section under which the confusion arose, and this goes on record like a judge's decision to guide other judges. These slips are at once forwarded to every collector who, besides having the bare Tariff Act, has these judgments of the department to guide him in receiving entries. The memorandum recently issued, as above mentioned, partakes to a slight extent of this nature, but its publication is dilatory and lacks explicitness.

It is to be regretted that in all conflicts between the Government and importers the customs officials take a partisan view, a great source of injustice to the public. They seem to ignore the fact that they really serve the public, and look only to the interests of the Government from whom they hold their positions. Instead of taking a judicial view of the dispute, they look at it only from the Government's standpoint, and constitute themselves advocates rather than judges.

The absolute necessity of a customs court has already been urged upon the Government, the too interested agents of which are blinded by a valued zeal, but no member of the house has seen fit to give the subject his undivided attention, with a firm determination to attain the desired goal. Importers as a rule are free traders, their influence with the Government of the day is slight, and their interests do not receive the careful and impartial attention that is their due. This whole matter involves the commercial prosperity of the Dominion, and we are sure will find a zealous exponent before long.

THE CHEESE TRADE.—A circular letter has been addressed to the factory men of Canada by the cheese committee of the Home and Foreign Produce Exchange of London, Eng. Its object is the betterment of trade with Canada, and a few pertinent suggestions are offered touching certain improvements that seem desir-

able in the mutual interest of those concerned. Our cheesemakers are considered to have arrived at a stationary period in their history, if indeed a retrograde movement has not been entered upon. Last season's make is stated to have shown a tight, hard, unkind curd, and a dryness which in some cases created a suspicion of skimming. With scarcely an exception the factories marketed their make unripe, a course likely to create a prejudice in the mind of the English consumer against foreign cheese. The temporary advantage gained by selling an extra quantity on a rising market may thus lead to a permanent evil. English makers are rarely tempted to "let go," until the cheese are, as they term it, "ready." No certain method, moreover, appears to have been followed with regard to coloring. Not only was this latter somewhat erratic, but in many cases the coloring was too high and red, whereas the outlet for such is being more contracted every year. A complaint is also made that in sections east of Toronto the boxing of cheese showed a decided deterioration. A valuable article like cheese is at least worth a good package, and factory-men should make this point a particular study. Careful testing by leading houses in London has shown, on averages being taken, a discrepancy totally impossible to comprehend. The matter of weights is always serious, and all questions on this point should be avoided if possible. The Produce Exchange in thus dealing with the cheese trade aim only at the permanent improvement of the interests involved, and their observations should command careful attention at the hands of the cheesemakers of Canada.

BANK AUDITS.—The question of bank audits has again been engaging the attention of the Canadian Institute of Chartered Accountants, notwithstanding that this question is considered to have received its quietus during the consideration last year of the new Bank Act. The minister of finance, after having thoroughly dealt with this proposed change in the provisions of the Act, and having given it due deliberation after the interview with the bankers' delegation, decided that the scheme was not practicable. The objectionable clauses were therefore struck from the bill, and in its amended form it passed into law, to be the charter of Canadian Banks for ten years from the 1st July next. The proposal, therefore, that the Institute should move in the direction of having the chartered banks subjected to a monthly audit, such audit to be made by a member or members of the Institute in the interests of the public, is not likely to lead to any alteration in the present

law. That unsurmountable difficulties lie in the way of such an audit cannot be denied. In a system such as Canada has adopted, where branch banks outnumber in the proportion of five to one the parent institutions, balances change daily, and it would seem almost impossible for them to be verified. Much more to the point is the suggestion made by a director of a manufacturing company, whose charter contains the provision that the auditor shall in all cases be a chartered accountant, viz: that in submitting copies of their balance sheets to the banks with whom they do their business, such banks should require these documents to be certified by a properly qualified auditor.

We commend the remarks attributed to Mr. H. W. Eddis, president of the Institute, when he says: "In the case of private firms, the nature and extent of an auditor's duties can be defined by the wishes and directions of the parties themselves, but with public companies the office assumes far greater importance. He must in the latter case look after the interest of the general body of shareholders as their chosen representative, regardless of personal feeling or advantage. He must guard against captious criticism on the one hand and undue laxity on the other. In an insurance company, while it is not expected that an auditor will be familiar with rates of insurance, it comes within his province to see that the question of earned and unearned premium is properly dealt with. In a manufacturing or commercial company, while it would be out of place to criticize the process of manufacture or prices of goods, it is incumbent to see that the profit is correctly arrived at, and not based on a fictitious valuation of goods carried over at the close of the financial year. The bona fide nature of all securities must be arrived at, and any irregularities which may arise in the course of the audit called to the attention of the manager. The point of the remarks was that certifying to mere clerical accuracy is far from constituting the whole of an auditor's responsibilities and duties. The one great object of the Institute is to afford the public a guarantee as to the qualification of its members, but it must not be supposed that mere membership in the Institute constitutes any guarantee of efficiency unless accompanied either by a certificate of competency or a diploma of fellowship."

TRADE WITH THE WEST INDIES.—The encouragement of trade with the West Indies has been the subject of considerable discussion of late, owing to the attempt of the Dominion Government to establish reciprocal trade relations with these Islands, and the

opportunity offered our merchants and manufacturers to display the quality of their wares at the Exposition, now being held in Jamaica. The Government effort does not seem likely to lead to any definite result, several of the colonies visited by the Canadian commissioner having already declared against the proposals suggested by him. More permanent results are to be noted in connection with the private enterprise of Canadian exhibitors. The extent of this West Indian trade is, however, over-estimated, and even if some sort of reciprocity were established, the benefits to be derived therefrom would not reach the extent looked for in certain quarters. In certain lines, natural products more especially, a profitable trade would undoubtedly be opened up; but in others, such as cottons, boots and shoes, and other like commodities, the English manufacturer would prove a competitor impossible to over-reach. At present cotton goods and most kinds of dry goods are selling in Jamaica and other islands at lower figures than rule in Halifax, our nearest port. To open up a constant trade in such natural products as flour, butter and cheese, special attention will have to be paid to the peculiar nature of the demand and to climatic influences. Packages also will need to be of a different description. The question of freights, an item of considerable moment, has likewise to be taken into account, for with New York freights at least fifty per cent. lower than Halifax can offer, actual prohibition stares the exporter in the face. An era of lower freights will, therefore, have to be inaugurated. To discuss this important subject at length would require more space than is at our disposal. A mature consideration of all the points in issue would appear to lead to but one conclusion. No reciprocity treaty of any great value to Canadian exporters is likely to result from the Government mission; but with a lowering of present freights, and attention to the quality of the articles exported, we may hope to secure a good share of the trade in such natural products and manufactured goods as are now shipped from American ports, and this even if no change is made in existing tariffs.

CANADIAN SECURITIES IN LONDON.—The principal feature with regard to Canadian securities in London for the past month has been Canadian Pacific, with considerable activity showing in Grand Trunk. Both stocks fluctuated according to the extraneous circumstances brought to bear upon them, the Dominion elections being not the least of these. The month opened with Canadian Pacific firm, and exhibiting an upward tendency,

extensive buying characterizing the first week's business. The traffic returns of this road having shown a very large expansion for January and February, and the working statement for January noting a reduction of about $4\frac{3}{4}$ per cent. in the cost of working, inspired fresh confidence in its stock. The result of the elections of March 5th set at rest the uncertainty which had tended to depress the market, a victory for the Liberals having been regarded as likely to prove detrimental to the interests of the company.

On receipt of advices from Canada, noting the return to power of Sir John Macdonald, the price, which had been forced down to $77\frac{1}{4}$, rose steadily to nearly 79; but a reaction setting in, the week ending March 12th closed with quotations $77\frac{1}{8}$. From that date Canada Pacific has moved up steadily, closing on the 31st March at 80, according to cable advices. The market was sustained during this period by the rumored negotiations between the C.P.R. and the New York Central, the confirmation of which added strength to the market on closing.

Grand Trunk shares have exhibited a general weakness. This has been due to the unfavorable traffic returns, which continue to show a decrease in the gross earnings of the company compared with those of the past year, as well as to the injury caused by the attack of Sir Charles Tupper on the management of the road at Amherst, N. S., March 9th. The active part taken by the company in the late elections, according to rumor, was considered as likely to lead to a bitter feeling between the Government and the Grand Trunk. During the week ending March 12th, the guaranteed and first preference stock fell $5\frac{3}{4}$; second $5\frac{1}{2}$; third preference $2\frac{3}{8}$; and the ordinary stock $3\frac{1}{4}$. A reaction, however, then set in, and the stocks recovered appreciably during the following week, the guaranteed and first and second preferences gaining from $1\frac{3}{4}$ to $2\frac{1}{4}$. Latest cable advices under date of the 31st March record a continuation of the advance, first preference closing $58\frac{7}{8}$,—a gain of $3\frac{3}{8}$ on the lowest quotation for the month, while second preference recovered $3\frac{3}{4}$.

In other railways a weakness has been apparent, and the tendency has been downward. Dominion Government securities opened with a fall of one point in the $3\frac{1}{2}$ per cents, and the 3 per cents soon followed suit. Montreal bonds have steadily advanced from the point to which they fell, after the arrival of the city delegates in London. Quebec province and city loans have been more or less affected by the unfavorable telegrams published

regarding the financial position of the province and Mr. Mercier's project for a new loan. British Columbia bonds, on the other hand, have risen, and Toronto $3\frac{1}{2}$ per cents rule higher, according to latest mail advices.

DIVIDENDS AND MEETINGS.

The Montreal Gas Company has declared a dividend of 6 per cent., payable on and after 15th April. The annual meeting takes place on the 6th April, at 1 p.m.

The annual meeting of the shareholders of the Royal Electric Company is called for the 7th April, at 2.30 p.m., and will be held in the Company's office, Wellington street, Montreal.

The shareholders of the Dominion Cotton Mills Co. (Limited) will meet in annual general meeting at the office of the company, 192½ St. James st., Montreal, on the 10th April, at 3 p.m.

The Dominion Bank has declared a dividend of 5 per cent. and a bonus of 1 per cent. for the current half-year, payable on and after 1st May. The annual meeting takes place in Toronto, on the 27th May, at 12 o'clock (noon).

The first meeting of the shareholders of the McDougall Distilling Co. (L.t'd.) will be held at the offices, Halifax, on the 6th April, at 3 p.m.

The Halifax Gas Light Co. (L.t'd.) has declared a dividend of 3 per cent. for the half year ending 31st January last, payable on and after the 1st April. The annual meeting is called for the 7th April.

FEBRUARY BANK STATEMENT.

	Jan., 1891.	Feb., 1891.	Feb., 1890.	Feb., 1881.
Capital authorized	\$75,008,665	\$75,008,665	\$76,029,999	\$66,266,666
Capital subscribed	61,254,732	61,254,732	62,378,499	61,872,333
Capital paid-up	60,084,280	60,111,028	60,196,003	59,574,259
Reserve fund (Rest)	22,005,904	22,036,322	20,559,333	.....

LIABILITIES.

	Jan., 1891.	Feb., 1891.	Feb., 1890.	Feb., 1881.
Circulation.....	\$31,662,099	\$31,925,749	\$30,627,074	\$26,091,599
Dom. Govt. deposits on demand.....	3,400,007	2,781,042	2,936,783	} 10,659,884
Do after notice... ..	.....	.....	.....
Deposits for contracts and insurance.....	100,078	100,078	259,202	
Prov. Govt. deposits on demand.....	661,336	890,061	1,074,569	
Do after notice... ..	2,241,111	2,187,615	2,494,514	1,126,077
Other deposits on demand	52,668,864	50,848,338	50,922,513	40,443,296
Do pay'e after notice	\$1,753,206	\$2,300,754	72,470,215	38,456,385
Loans from or dep'ts by other banks in Canada secured.....	194,000	194,000	157,761	.....
Do unsecured.....	1,478,209	1,755,789	1,809,248	1,604,361
Due Banks in Canada....	771,207	744,580	722,502	1,024,080
Do For. Countries..	117,425	160,148	125,720	209,293
Do the U. Kingdom.	1,886,316	1,926,358	2,072,184	338,628
Other liabilities.....	240,560	207,266	254,330	184,503
Total liabilities...	\$177,214,424	\$176,021,783	\$165,926,624	\$120,138,113

ASSETS.

Specie.....	\$ 6,489,426	\$ 6,530,485	\$ 6,242,310	\$ 5,884,596
Dominion Notes.....	10,191,153	10,362,050	9,676,894	10,439,059
Notes and cheques on other banks.....	6,131,532	5,222,666	5,274,635	4,930,850
Due from bks. in Canada	3,148,955	3,217,424	2,712,864	2,513,992
Due from For. Agencies or Banks.....	11,201,587	12,159,268	11,023,658	} 30,105,291
Do Un. Kingdom..	3,697,667	3,563,835	2,262,339	
Available Assets....	\$40,860,320	\$41,055,728	\$37,192,700	\$53,873,788
Gov. Debentures on Stock	\$ 2,462,371	\$ 2,462,371	\$ 2,654,903	\$1,100,309
Loans to Dom. Govt....	1,041,740	626,535	705,460	} 864,812
“ to Prov. Govt....	1,340,657	1,455,272	293,708	
Securities other than Can. Loans on stocks, bonds, debentures.....	6,145,589	6,179,210	5,516,230	1,618,046
Loans to Municipal Corp.	13,248,635	13,081,052	12,135,076	8,613,349
Do to other Corp'ns..	2,615,479	3,056,343	1,859,799	} 5,227,615
Loan to or deposits in other banks secured... ..	441,184	549,904	297,005	
Do unsecured....	119,600	314,208	258,965	718,603
Discounts.....	151,096,690	150,572,488	149,601,334	107,259,744
Notes overdue not sec'rd.	1,737,861	1,852,537	1,200,582	} 4,919,749
Overdue notes secured... ..	1,301,259	1,307,887	1,705,429	
Real Estate.....	1,007,948	1,044,073	1,097,547	1,994,312
Mort. on Real Est. sold by banks.....	760,937	760,522	736,020	} 3,557,079
Bank premises.....	4,242,364	4,254,781	3,942,596	
Other assets.....	2,434,061	2,373,055	3,242,218	
Total Assets.....	\$258,410,930	\$257,480,841	\$246,289,761	\$192,026,071
Directors' liabilities.....	\$7,397,368	\$7,394,964	\$7,342,002	.....

REFLECTIONS UPON THE RECENT ELECTIONS.

That master of fiction and kindly satire, Charles Dickens, has given us an account of the contest between the Honorable Samuel Slumkey, of Slumkey Hall, and Horatio Fizkin, Esq., of Fizkin Lodge, rival candidates for the borough of Eatanswell; and in his laughable way has held up for public condemnation the methods of the Blue and Buff parties alike. In Canada we also have had our Blue and Buff contest, and the tricks, prevarications and language of the rival parties might give rise to ridicule were they not humiliating to any high-minded Canadian with his country's interest at heart.

To a conscientious mind, prepared to form and act upon an unbiased judgment,—and many of the electors were of this class,—nothing can be more dishonorable than the mutilation or suppression of portions of a statistical argument, or an article to such an extent that the emasculated statement was made to pipe in a key different from what it originally had. Yet this was a common resource of some party organs. The proverb, "All is fair in love and war," which has been bandied about considerably of late, is perhaps "the most diabolical doctrine ever invented by a depraved mind to spawn hatred, malice and falsehood in this world, and the individual who resorts to such a proverb for excuse or justification of his conduct is self-condemned and wholly untrustworthy:" as a political editorial would probably remark.

It is also to be regretted that the publication of serious charges against candidates or their supporters, without any attempt at verification, and even in despite of categorical denials, was so flagrantly resorted to. To my personal knowledge, it was in many cases wholly impossible for an accused person to obtain from the paper which had slandered him even the scant courtesy of granting space in its columns for his explanation or denial, and he was forced to seek the columns of his own party press for succor, which availed him nothing, since the vast majority of those who had read the charge never read its refutation. Surely, a party confident of its integrity could spare such tactics!

The evils attending the existence of a party press cannot, probably, be eradicated, but the growth of the few conscientious

unpartizan organs possessed by this country may ultimately lead to better things. Rather than the one-sided, almost unreliable editorials recently so common, it were better that the editorial columns become, like the pages of a magazine, open to all shades of opinion. Under such a system, strictly enforced, and ignoring the host of somebodies or nobodies whose letters might beat like an ocean against the outer doors of the Sanctum, the general mind would be better informed and more likely to vote intelligently and rightly than at present. I do not hesitate to say that a strictly and bitterly partizan article scarcely influences a vote, for those who read such articles are the men girt with a wall of prejudice and incapable of changing an opinion. For whom are the editorials of a paper written at election time? Not for him who is already upon our side, but for him who wavers, whose judgment must be won over.

During the contest the term "turncoat" was freely bandied about, and was frequently resented. Yet what is there to barb the term and make it cause a rankling wound? "A foolish consistency is the hob-goblin of little minds," says Emerson; and then again he says: "With consistency a great soul has simply nothing to do. * * * Speak what you think now in hard words, and to-morrow speak what to-morrow thinks in hard words again, though it contradict everything you said to-day." He does not add, but the thoughtful mind will supply the hiatus, that both to-day and to-morrow should think well before speaking at all. Shall we remain dumb through youth and early manhood, that we may not contradict ourselves in age? Shall we, on the other hand, abide by our early opinions, correct, perhaps, for that time and age, but now grown waterlogged in the flux of ideas in us and the tide of change without? The birds are consistent, they build their nests in the one way; but the palace of a king is better than the Indian wigwam, because men have not been consistent. He who does not keep pace with the times shall be left behind, and it is the man whose brain is like a sensitive photographic plate, or rather like a thermopile, who shall sway the multitude and in the end achieve his purpose. Sir John Macdonald has been termed the Old Wiggler by Mr. Blaine, and the term is not inapt. Every gentleman is a wiggler more or less, preferring rather to reach his object by going round another's prejudices than by running up against them; and it is the gentlemen who win most of life's prizes.

The liberty of a subject to change his opinion is inalienable, and the man who can change his policy is better than he who cannot, for the one is a thinker while the other is a fossil. The only despicable turncoat is he whose coat alone is turned and whose convictions are unaltered ; and he is despicable because he sails under false colors. "I hope," says Emerson, "in these days we have heard the last of conformity and consistency."

To avoid the charge of "turncoatism" it were well that men should join no political party. It is not a party, but a policy, that we should support ; and unless we remember this, we shall be surprised to find the young politician on one side to-day and on the other in years to come, when his policy shall have been adopted with what modifications were found necessary.

One further reflection and I am done. I have remarked that scarcely was an opinion expressed by any one of importance which was not opposed by the cry of others that he was not a disinterested man. Show me a disinterested man in Canada and I will show you a man whose opinion is valueless. The man who, by years of unremitting toil, has honestly obtained an honorable position must be vitally interested in many undertakings, and must also be possessed of a practical knowledge that should make his opinion of greater value than that of the film-weaving dreamer of theories. Apply the test in other than political life, and note its absurdity. A bank manager, after careful study and the experience of years, speaks, say, at the annual meeting, and lays down laws regarding sound banking ; when some theorizer, who has never seen a ledger or discounted a note, remarks, "Oh ! you are interested," and proceeds to give advice as a disinterested person. To which of these men is the most attention likely to be given ? Carried out to its logical conclusion, the objection of being interested would result in legislation being handed over from men who have everything to lose, to paupers, tramps and outcasts of society.

The only adequate refutation of an argument is an argument, and flippant and impertinent retorts or deliberate falsehoods which have been common of late deserve the severest condemnation. A self-respecting people will some day awaken to the knowledge that they are being imposed upon by a too partizan press, and a happier era shall dawn. ARTHUR WEIR, in *The Dominion Illustrated*.

THE TRUE MERCHANT.

The true merchant is but the true man, illustrating a particular condition in life. He is no more, as he certainly should be no less. The ethics and moralities, prevailing in, and governing all other relations, should be those which suggest his mercantile life and conduct. He should have no one rule of right and wrong for the social circle and the drawing-room, and another for the counting-house and busy marts of trade.

The man is the same, or ought to be, wherever or however engaged, and neither opportunity, nor policy, nor the caprices of occasion or trade, should ever, even remotely, be allowed to insinuate the smallest deviation from the straight and strict line of honesty and honorable dealing between man and man. The merchant by his calling, of all men, stands especially in the way of temptation. "The Devil," says quaint old Burton, "is his fastest friend. He is always perched upon his shoulder, whispering in his ear, hanging upon his tongue, leering into his eye, or riding upon his pen-point, suggesting fraud, gilding deceit, obscuring vision, and intimating addition or subtraction, as debit or credit may be the subject of his entry."

This is too true, even putting aside, if you please, the more palpable and obvious forms known and legitimately recognized and acted upon as tricks of the trade. From the sale of a penny-worth of pins, or a yard of six-penny calico (warranted "fast colors"), to the purchase of an East Indiaman—

"Rich in barbaric gems and gold,"

opportunities are ever present, wherein money could be made, by even the veriest refinement of deception or the thinnest possible gloss and glaze of falsehood properly laid on. Happy is the true merchant and the true man, whose regard for the right rises equal to the exigency of such necessities, and who finds, when occasion demands, that he has not left his integrity at home with wife and children, to be put on, only with slippers and gown, when the labors and perplexities, and toils and temptations of the day are ended and gone.

It is said of the distinguished Athenian, Aristides, surnamed

the Just, that upon one occasion, during the representation of one of the tragedies of Æschylus, a passage occurred having reference to an honest, honorable, and upright man; and that the whole of the vast audience, actuated by a common impulse, arose as one man, and turned their eyes upon him, applying the passage to him alone, of all those who were present! Who would not rather be called ARISTIDES the JUST, than ALEXANDER THE GREAT?—the one, of thousands, in whom alone could be recognized the impersonation of the beauty of truth, than the hero of a hundred battles, weeping because he had no more worlds to conquer? Who would not rather be the honest laborer, whose lowly dwelling could not vie with his horses' stables, than Huntington the Forger, rioting in extravagance, dwelling in luxury, and aptly consummating a life of fraud in the gloomy walls of a felon's cell?—the humble weaver, whose swiftly-flying shuttle sings to him a daily song of golden content, than Schuyler, resplendent in crime, and magnificent in villainy, fleeing his country for his country's good, and filling up the measure of his iniquity far away from home, and kindred, and friends, in a dishonored grave?

Viewing the matter, therefore, in the cold light of success, the true merchant sees and governs his conduct accordingly. He looks upon mere money-getting as an art requiring the very lowest order of talent. "Put money in thy purse" is not, in his estimation, the chief command. Any one can, if he pleases, do that. Buy cheap and sell dear is the successful axiom of successful trade. The true merchant, as the honorable man, does not so look upon it. Not at all. He reflects upon the means. He magnifies his calling. He studies carefully the laws of trade, and compels success. He watches like a philosopher the thousand inclinations of the mercantile compass, and elevates his avocation to the certainty of an exact science. Chance and luck are with him words without meaning, while into his lap is always emptied the purse of Fortunatus, and for him the breezes ever blow, laden with myrrh, and frankincense, and spices, and perfume from Araby the blest.

At the merchants' board, on 'change, in the counting room, and on the street, without attestation, his word is as good as his bond. His promises ring out like true gold—his contracts are never violated—his drafts are never dishonored—he needs no indorser. "Protest" is an association with which he is never identified. His bank is integrity, and his bank book shows always a large credit side to his account. He values equities above legalities,

and moralities above advantages. He looks the sheriff and the constable full in the face, like an honest man; and lawyers and agencies he never invokes. Courts, or the places "where justice is judicially administered," he is entirely ignorant of; and the voice of the eloquent orator, though pleading with the gift and power of Cicero, he has never heard. Its bells ring out for him sounds as pleasant as the chimes of "the church-going bell," for he has to answer no "summons," and to enter no "plea." He dog-ears Webster to know the meaning of "suit," and "process," and "judgment," and "execution," and "stay;" and has never had, in any way, practical illustration of the power of parchment covered all over with the cabalistic words. "We command you," "Given under our hand and seal." Happy, happy, fortunate man! recalling the golden age of commerce, when old Tyre was queen of the seas, and the idyls of Arcady were sung upon oaten pipes by simple shepherd swains—

"Tityre tu patulae, recubans sub tegmina fagi."

Of such was Rogers, singing in stately classic rhythm his "Pleasures of Memory" amidst the clinking and ringing of gold in the room of the money changer, and, like a most devoted worshipper of the beautiful and the true that he was forgetting discount and per centum in the poetry and sentiment of an elevated and refined, though none the less diligent and laborious, pursuit of business.

Of this school, too, was Lawrence, the world's merchant, whether standing amidst the hum of a thousand busy spindles at Lowell, or in the presence of sovereigns and great ones of earth, scattering benefactions and largesses of love with an affluent and unsparing hand. And such are Peabody, princely in hospitalities, and regal in donations to every ennobling charity; and last and greatest of all the noble-hearted, philanthropic Grinnell, who of his own abundance, when the purse-strings of a nation tightened, sent forth heroes, in the guise of men, to far-off Arctic seas, to brave privation and peril, and, alas! death itself, to bring back tidings of the loved and lost!

These were true and successful merchants only because they were true men. Failing in this respect, in any degree, and we should look in vain for those results of life which have rendered them good and great in the world's estimation. "He who is diligent in business shall stand before kings."—HON. J. M. FITZPATRICK.

JOURNAL OF MERCANTILE LAW.

COMMENTARY ON THE BANK ACT OF 1890. (1)

CHAPTER I.

ORGANIZATION.

SECT. 1.—INTRODUCTION.

2.—ACTS OF INCORPORATION.

SECT. 1.—INTRODUCTION.

1. The exclusive power to legislate on all matters relating to the incorporation of Banks, the regulation of Banking and the issue of paper money is vested by the British North America Act of 1867 in the Federal Parliament.

2. At common law, the right of banking pertains equally to every member of the community ; but its free exercise can be restricted by legislative enactments emanating from the proper source, the evident effect of restraining acts being to secure the public welfare and safety from the inroads of incompetent and irresponsible men. This common law right has not, however, been restricted by the Legislature, except in so far as the provisions of the Bank Act may be construed as a restraint, in making the unauthorized use of the title of Bank or its equivalent a misdemeanor subject to heavy penalty. (2) It cannot be said to take away any of the privileges inherent in the business of banking, being a simple prohibition, denying the right to use as the firm name a word, or set of words, which by general acceptance conveys the idea of incorporation, and consequently of extra privileges conferred through motives of public interest. The provisions of the sixtieth section of the Act may also seem at first sight to be of the nature of a restraint ; but when we consider that the power to issue and circulate notes or paper certificates of any kind, intended to circulate as money, is the exclusive prerogative of sovereignty, it will be apparent that such a right has never been accorded to

(1) Copyrighted. (2) Section 100.

individual bankers. If such were the case, the exclusive power conferred upon the Federal Government over the currency would be wholly ineffectual.

3. The incorporation of banks is in itself, however, a restriction on private banking, for with the numerous connections of joint-stock associations, ramified through all ranks of society, the days of the private banker may be considered as almost numbered. A few of the most eminent may continue to flourish, maintaining their hereditary and long established connections for some time to come, but most of the new business will go to chartered corporations. Every case of failure and mismanagement on the part of a private banker tends to shake the credit of the remainder. But no failure of a joint-stock bank can destroy the system; for however much the shareholders may suffer, the customers and depositors seldom meet with loss. To discuss the comparative merits of private and joint stock banking is not within the province of this commentary. It is sufficient to know that business of this nature is free to all within certain limits. The public will maintain in existence a sufficient supply of representatives of the former class, if equal security can be assured.

4. In granting acts of incorporation to banks, the manifest intention of the Legislature is to afford additional accommodation to the business community, to provide safe institutions of deposit for the accumulations of the public, and to facilitate mercantile transactions by providing safe credits and a circulating medium. The restrictions placed upon the extra powers thus given are enacted with peculiar distinctness, and must be followed in every particular, or forfeiture of the charter will ensue.

5. The law of Banking forms part of the *lex Mercatorix* or Law Merchant, so called from being founded on the custom of merchants. The mercantile law of England is an edifice erected by the merchant with comparatively little assistance either from the Courts or the Legislature. The former have, in very many instances, only impressed with a judicial sanction, or reduced proper and reasonable consequences from those regulations, which the experience of the trader, whether borrowing from foreigners or inventing himself, had already adopted as the most convenient. The latter, wisely reflecting that commercial men are notoriously the best judges of their own interests, has interfered as little as possible with their vocations, has shackled trade with few of those formalities and restrictions which are mischievous, if only on account

of the waste of the time occupied in complying with them. The mercantile law of England is, perhaps, of all laws in the world, the most completely the offspring of usage and convenience, the least fettered by legislative regulations. (1)

6. The Legislature, in framing the present Bank Act, has not attempted to define the business of banking, nor yet has it essayed to explain the ordinary rules which regulate its operations. The sixty-fourth section confers upon banking associations the power to open branches, agencies and offices, and engage in and carry on business as dealers in gold and silver coin and bullion; to deal in, discount, and lend money and make advances upon the security of, and take as collateral security for any loan made by them, bills of exchange, promissory notes and other negotiable securities, or the stock, bonds, debentures and obligations of municipal and other corporations, whether secured by mortgage or otherwise, or Dominion, Provincial, British, foreign and other public securities, and to engage in and carry on such business generally as appertains to the business of banking. The court is left to decide wherein consists the business of banking in its widest sense, and by it this will be determined in accordance with the custom of merchants.

SECT. 2.—ACTS OF INCORPORATION.

7. Any five or more persons, who desire to associate themselves for the purpose of carrying on the business of banking in the form of a corporation aggregate, must proceed by a petition to the Federal Legislature, setting forth the proposed name of the bank, the place where its chief office is to be situate, the amount of capital stock, which should be not less than \$500,000 (2), and the names of five or more of the petitioners from whom a provisional board of directors may be chosen. The object of the petition having thus directly come under the scrutiny of the authorities, it rests with them either to refuse or to issue the desired Act of Incorporation.

The special Act of Incorporation, if granted, declares the amount of capital stock, the name of the bank, and the place where its chief office is to be situate, as declared in the petition. Provision is also made for a temporary board of management. (3)

(1) Smith's Mercantile Law. Introduction. (2) Section 10. (3) Section 9.

8. NAME.—The corporate name of the bank will be provided for in the charter, being that in which all suits for or against the bank may be had. A corporation being a fictitious person created by special authority, and endowed by that authority with a capacity to acquire rights and incur obligations, requires a name in order that its individuality may be established. The Legislature is to be the judge as to the propriety of the name recommended by the petitioners, and it will take all necessary precaution to avoid granting a title which, through confusion with one already in use, might lead to serious misapprehension. It is doubtful whether the Legislature would authorize the use by a banking corporation of any name which would lead the general public to infer that it occupied the position of a State Bank. In selecting a name, therefore, the promoters should avoid suggesting any word, or set of words, which might convey that impression. The title "Bank of Canada" may be instanced as one coming within the above conjecture.

9. Though partnerships are at liberty to change their firm name or style, after a bank has been once incorporated by a name set forth in the Act of Incorporation, such bank has not the right or power to change its name. The identity of name is the principal means for effecting that perpetuity of succession with members frequently changing, which is an important purpose of incorporation, and the corporate name can be changed only by the same power by which the corporate body has been created.

10. HEAD OFFICE.—The object of fixing and making public the place where the head-office or legal domicile of the bank is situated is to determine the jurisdiction to which the bank is amenable, and the place where service of any notice or legal process may be made. In other words, the main object of the provision is the protection of the creditors of the bank, affording such information in this respect as may at any future time be required in enforcing obligations which the company in the course of its dealings may have incurred.

The bank, however, may open branches and agencies and offices of discount and deposit, and may transact business at any place or places in Canada or elsewhere (1), subject to the approval of the Legislature having jurisdiction in the province or country in which the agencies are opened. Assent and recognition will

(1) Section 64.

be considered as having been given if, by law, no restraint is put upon the opening of such agencies. A banking corporation must be held to reside in the town where its principal office is as a local inhabitant. Its residence depends not on the habitation of the shareholders, but on the official exhibition of legal and local existence.

11. CAPITAL STOCK.—Of all the provisions set forth in the Act of Incorporation, the most important is that fixing the amount of stock which is to constitute, for the time being at least, the capital fund. By it the public are enabled to judge of the amount of credit of which the bank is worthy, and the extent to which it may be safe to go in dealing with it.

In making use of the word capital it may, perhaps, be well to note, that the term is used in an extended as well as in a limited sense. Viewing from an economic point of view the question of capital, we will find that it is defined as "any economic quantity used for the purpose of profit" (1), and that economic quantities are of three distinct species, symbolized by the terms *money*, *labor* and *credit*.

The actual capital of the bank is, therefore, the amount of its paid-up capital, the amount of money received for its notes in circulation and for its bills of exchange drawn on time, the amount of funds held on deposit, and the amount of undistributed profit. The capital stock paid in thus forms but a small proportion of the earning power of the bank, and while it may be taken as the basis of credit, it must never be considered as constituting the source whence all profit is to be derived.

The nominal capital of an association formed on the principle of limited liability, and dependent in a great degree on credit, should be considerably greater than the immediate necessities the corporation require, as the balance remaining uncalled will, if the shares are in the hands of substantial holders, be a sufficient security for the creditors. This security is further enhanced by the double liability clause. (2)

12. The capital stock of the bank, as fixed by the charter, may be increased from time to time by the shareholders at any annual general meeting, or at any general meeting specially called for that purpose; and such increase may be agreed on by such percentage or by such amount as the shareholders may determine,

(1) Macleod on Banking, vol. I., p. 48. (2) Section 89.

and will be decided by the majority of the votes of the shareholders present at such meeting in person or represented by proxy. (1) When the increase is thus decided upon, a certificate approving thereof must be obtained from the Treasury Board. Application for such certificate must be made within three months from the time of the passing of such by-law, and public notice of the proposed increase and of the intention to apply for such certificate must have been given by a notice published for at least four weeks in the *Canada Gazette*, and in one or more newspapers published in the place where the head office of the bank is situated. The issuing of such certificate is entirely discretionary with the Treasury Board, and the Board may refuse to grant it if it thinks best so to do. (2)

The capital stock of the bank may in like manner be reduced by a by-law passed on that behalf, at any annual general meeting, or at any meeting specially called for that purpose. (3) But such by-law will be without force or effect unless and until a certificate approving thereof has been issued by the Treasury Board. Such certificate must be applied for after the giving of such notices and within the delays already mentioned in respect of by-laws providing for the increase of capital stock. It is further enacted that no such certificate shall issue, unless it appears to the satisfaction of the Board that the shareholders voting for such by-law represent a majority in value of all the shares then issued by the bank. (4)

In addition to evidence of the passing of the by-law and the publication thereof in the manner above provided, statements showing the amount of stock issued and the number of shareholders, with amount of stock held by each, represented at such meeting, and the number of shareholders, with amount of stock held by each, who voted for such by-law, and also full statements of the assets and liabilities of the bank, together with a statement of the reasons and causes why such reduction is sought, must be laid before the Treasury Board at the time of the application for the issue of a certificate approving such by-law. (5)

The passing of such by-law, and any reduction of the capital

(1) Section 26.

(2) *Ib.*, sub-section 2.

(3) Section 28.

(4) Section 28, sub-section 2.

(5) *Ib.* do 3.

stock of the bank thereunder, will not in any way diminish or interfere with the liability of the shareholders of the bank to the creditors thereof at the time of the issue of the certificate approving such by-law. (1)

13. Before the passing of the recent amendments, introduced by section twenty-eight of the Bank Act, the capital stock of the bank could not be reduced without special authority, in the form of an amendment to the charter. The power thus to diminish the security afforded to creditors and the public in general was then, as now, justly reserved by the Legislature, as guardian of the public interest. The alternative method of obtaining legislative sanction to the proposed reduction of the capital stock still subsists, but at least one month prior to the introduction into Parliament of the Bill relating to such reduction, a copy of the by-law or resolution passed by the shareholders in regard thereto, together with statements similar to those already provided to be laid before the Treasury Board, must be filed with the Minister of Finance and Receiver General. (2)

It is provided that in no case shall the capital stock be reduced below the amount of two hundred and fifty thousand dollars of paid-up stock. (3)

14. The division of the capital into shares is one of the most striking features of a company organization, as distinguished from an ordinary partnership. It is this which enables all the world to contribute to its capital fund, by which its membership may undergo daily alteration without any derangement of its corporate functions, and which gives generally that elasticity to a company which forms its chief advantage. The amount of each share in banking corporations to be hereafter incorporated is placed at one hundred dollars. (4)

15. PROVISIONAL DIRECTORS.—In addition to these provisions, and for the purpose of organizing the proposed bank and of raising the amount of its capital stock, a provisional board of directors, from five to ten in number (5), are named in the Act of Incorporation, who are authorized to open stock books, after

(1) *Ib.*, sub-section 4.

(2) Section 28, sub-section 5.

(3) *Ib.*, sub-section 6.

(4) Section 10.

(5) Section 11.

giving due public notice, in order to record the signatures and subscriptions of such persons as desire to become shareholders of the bank. Such books will be opened at the place where the head office of the bank is to be situated, and may be opened elsewhere, in the discretion of the provisional directors, and be kept open for such time as they deem necessary. (1)

16. Until the first general meeting of the company, the persons named as provisional directors manage the affairs of the company, so far as concerns organization only. So soon as a sum not less than five hundred thousand dollars of the capital stock of the bank has been *bonâ fide* subscribed, and a sum not less than two hundred and fifty thousand dollars thereof has been paid to the Minister of Finance, the provisional directors may call a general meeting of its subscribers, paying due regard to the delays and other formalities precedent to such meeting provided for by the Act. These delays and formalities take the form of a public notice, published for at least four weeks previous to the holding of such meeting, in one or more newspapers published at the place where the head office is situated, and in the *Canada Gazette*. (2) Such first meeting will be held in the place where the chief office is to be situated, and at such time and at such place therein as is set forth in the notice, and should be convened as soon as convenient after the provisions of the Act are complied with, regarding the stock subscribed and the sum deposited with the Minister of Finance, so as to give ample time for the issue of a certificate by the Treasury Board before the expiry of one year from the passing of the incorporating Act. (3)

17. At the first meeting thus called, the subscribers of the stock of the bank, who have paid all calls made by the provisional directors which are then due and payable, and attend the meeting in person, or are represented by proxy in the person of other subscribers present, themselves eligible to vote, proceed with the determination of the day upon which the annual meeting of the bank is to be held, the election of directors who are to remain in office until the next annual meeting, and the enactment of by-laws for the regulation and government of the bank. Upon the elec-

(1) Section 12.

(2) Sections 13 and 102.

(3) Section 15.

tion of directors, as aforesaid, the functions of the provisional directors will cease. (1)

18. The bank is prohibited from issuing notes or commencing the business of banking, until it has obtained from the Treasury Board a certificate permitting it to do so; and no application for such certificate may be made until directors have been elected by the subscribers to the stock, in the manner hereinbefore provided. Every director, provisional director, or person, issuing or authorizing the issue of the notes of the bank, or transacting or authorizing the transaction of any business in connection with such bank, except such as is hereinbefore provided, before the obtaining of the certificate from the Treasury Board, will be guilty of an offence against the Act. (2)

No certificate will be given by the Treasury Board, until it has been shown to the satisfaction of the Board, by affidavit or otherwise, that all the requirements of the Act and of the special Act of incorporation of the bank, as to the payment required to be made to the Minister of Finance and Receiver General, the election of directors, deposit for security for note issue, or otherwise, have been complied with, and that the sum so paid was then held by the Minister of Finance and Receiver General; and no certificate will be given, except within one year from the passing of the Act of Incorporation of the bank applying therefor. (3)

Upon the issue of the certificate the Minister of Finance and Receiver General will repay to the bank the amount of money so deposited with him, after deducting therefrom the amount required to be deposited under section fifty-four of the Act; and in case no certificate is issued by the Treasury Board within the time limited for the issue thereof, the amount so deposited will be returned to the person or persons depositing the same; but in no case shall the Minister of Finance and Receiver General be under any obligation to see to the proper application of the same in any way. (4)

19. In the event of the bank not obtaining a certificate from the Treasury Board within one year from the time of the passing of its Act of Incorporation, all the rights, powers and privileges conferred on such bank by its Act of Incorporation will thereupon cease. (5)

(1) Section 13. (2) Section 14. (3) Section 15.

(4) Section 17. (5) Section 16.

REPLIES TO LAW AND MERCANTILE QUESTIONS.

QUESTIONS IN MERCANTILE LAW—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this Department. For these replies no charge is made. We are very particular to have the replies carefully considered before putting them in print, and our readers will readily understand that a great deal of time is occupied in some cases in preparing a very brief reply. For this reason, subscribers who desire an answer in the next number of the MAGAZINE, after receipt of the enquiry, should endeavor to send their questions in as early as possible in the preceding month.

A reasonable charge is made for Special Replies asked for by correspondents, to be sent promptly by mail. See advertisement on inside back cover.

BANKING AND FINANCIAL NEWS,

AND

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

This Department also includes: "OPEN LETTERS FROM BANKERS"—an interchange of opinion by those interested; "THE WORLD OF FINANCE"—extracts on monetary affairs from newspaper sources; and a complete list of NEW BANK AGENCIES, CHANGES IN OFFICERS, etc.

The Bank of Ottawa.—The annual report of this bank shows total profits for the year ending December, 1890, equal to 10½ per cent. upon the paid-up capital. Out of these earnings the bank has paid its usual dividend of 8 per cent., and carried \$25,000 to the Rest, which has now reached the substantial sum of \$450,000. or 42½ per cent. of the capital paid up. This satisfactory result has been attained, despite the depressed condition of the lumber trade and the losses sustained by the bank through the Russell-Seybold account. The ultimate loss which this failure is expected to impose, when the account is fully liquidated, will not be so severe as was at first anticipated, and ample provision to cover has been made out of the earnings for the past year. The affairs of the bank have been managed with commendable prudence and forethought, the result for the year recording a fair amount of progress in the face of adverse financial conditions. No change has been made in the personnel of the Board.

La Banque d'Hochelaga.—The report of this carefully administered institution, submitted at the annual meeting, held on the 18th January last, was a highly satisfactory one, and showed that despite the depression that characterized the past year, a net profit of 11 per cent on the capital was earned, after the usual deduction for bad and doubtful debts. An increase of \$7,431.90 over the net profits of 1889 has enabled the bank to add \$35,000 to the Reserve fund this year, an increase of \$10,000 on the amount credited to that fund in January, 1890. The Rest is now \$160,000, equivalent to 22½% of the capital. The conservative management of this institution is apparent in the amount of assets recorded as being immediately available, viz.:—\$826,900, being about 40 per cent. of deposits and circulation together. An increase of \$165,000 in interest-bearing deposits is noticeable, due to public confidence as well as to the fact that the bank has been paying 4 per cent. on such deposits, as against 3½, the ordinary rate allowed by savings banks. It is well known that very few losses have been met with by the bank during the past year, notwithstanding the prevailing hard times, and stock of the bank is quoted seven points higher than in January of last year. Two dividends of 3 per cent. have been paid, the policy of the directorate being to provide for an ample Reserve fund before declaring an increase in dividend, which the profits might otherwise warrant. The retiring board of directors were re-elected, and the date of annual meeting changed to the 15th of June.

* * *

The Halifax Banking Company.—On a paid-up capital of half a million, and a reserve of one-fourth that amount, this banking institution has earned \$75,351 net, equal to more than 15 per cent. on capital, and almost 12 per cent. on capital and rest combined. This creditable record of a year's business may be ascribed to several causes. Trade in the Lower Provinces has not suffered to the same extent as in the Central, during the past year. A general firmness has been apparent, and failures have been insignificant. While mining industries have shown increased activity, the fisheries have returned average results, and farming, there of a mixed character where reliance is not placed on a few staples, as elsewhere in the Dominion, has been fairly prosperous. Thus, a smoother tone has pervaded the markets, and we find it reflected in the bank statements. Moreover, banking is differently

carried on in the Maritime Provinces. With assets of \$3,079,000 for example, this Company has only \$327,000 in cash or funds immediately available. This, barely 10 per cent. of the total assets of the bank, would seem too small a cash reserve in the eyes of our Western financiers, some of whose institutions, as instance the Hochelaga Bank, hold as high as 40 per cent. in funds immediately available. A bank whose loans on call at low rates of interest amount to half a million cannot be expected to return as large profits as one whose money is loaned at ordinary rates of discount. Nor yet can a bank, situated where call loans are practically an impossibility, be expected to hold immediately available an equally large proportion of its funds. Bonds and city Debentures can alone be looked to if a large comparatively cash reserve is considered advisable. Being lent on prime mercantile paper at higher rates, a greater profit necessarily accrues to offset the greater risk, if such it be. The Halifax Banking Company has thus been enabled to pay a regular dividend of 6 per cent. ; carry \$40,000 to Reserve, which is now \$170,000 ; write something off bank furniture ; and leave a balance of \$5,000 to carry forward—a state of affairs not unpleasant for its shareholders to contemplate.

* * *

The Merchants Bank of Halifax.—Net profits of \$143,507, equal to more than 13 per cent. on the paid up capital of \$1,100,000, is the result of the business done by this bank during the year ending 31st December, 1890. A dividend of 6 per cent. absorbed \$66,000, and adding the amount carried forward from the previous year, \$24,802, to the balance, sufficient remained to enable the directors to add \$100,000 to the Reserve and carry forward \$2,310. The Reserve fund of this bank has now reached \$375,000, being rather more than 34 per cent. of the capital. The total assets of the bank were \$5,849,000, and of this \$1,339,000 was immediately available, including \$302,373, invested in Provincial and city Debentures. In addition, over \$675,000 was represented by cash credits and call loans. Overdue debts, secured and unsecured, reached the comparatively low figure of \$11,086, while the value of real estate, other than bank premises, is placed at \$2,000. From the above it will be at once remarked, that the board have their trust well in hand, and the statement they present leaves little to be desired. A material advance has been made on the earnings of the previous years, and despite the smallness of the

dividend, when compared with other like institutions, situated elsewhere in the Dominion, the shareholders of this bank have every reason to be proud of the sound and healthy financial condition of their corporation. Although not distributed in the form of dividends, the excess of profit still remains to their advantage, to still further increase the earning power of the bank. On the other side of the account total deposits of \$3,233,196 call for comment of which $\frac{7}{8}$ are subject to notice. Outstanding notes in circulation amount to \$396,192.

* * *

The Bank of Nova Scotia.—Now entering on the sixtieth year of its existence, this admirably conducted and sterling bank continues to show a marked progress. Notwithstanding the financial stringency, and the wave of depression that swept through the Central Provinces during the past year, touching with more or less disaster the Western and Eastern seaboard in its course, the Bank of Nova Scotia, in company with kindred institutions in the Lower Provinces, enjoyed a season of prosperity, and ended the year with earnings of \$212,303, or almost 20 per cent. on paid-up capital invested. With Reserve added to capital, the profits reached 12 $\frac{1}{2}$ %, a result that few banks may hope to excel, even in the most prosperous of years. After having paid in dividends to its shareholders the sum of \$78,001, the Reserve fund was increased by the addition of \$140,000, and now stands at \$700,000,—a substantial safeguard for the future. At the general meeting of shareholders, a resolution was adopted to increase the authorized capital from \$1,250,000 to \$1,500,000, and the additional stock is now being offered at a premium of fifty per cent. The total assets of the bank amount to \$8,920,000, of which over \$1,700,000 is immediately available, and \$852,000 finds investment in Provincial and other bonds. The amount of secured and unsecured overdue debts is placed at \$18,679, a trifling percentage on the total of loans and discounts, the latter of themselves aggregating nearly \$4,000,000. A circulation of \$1,307,196 is enjoyed by this bank, almost \$200,000 in excess of its paid-up capital; but such over-issue carries no penalty. It is accorded special privileges through the absorption of a minor institution some years since. The Directors of the Bank of Nova Scotia are all able and experienced men, whose private successes bring to the service of the bank a promise of continued prosperity.

La Banque du Peuple.—Net profits of \$100,141, or 8½ per cent. upon the paid up capital, shows the result of the past year's business to the shareholders of this bank. Of this sum, after paying the usual dividend of six per cent., \$25,000 has been carried to the Reserve, bringing that fund up to \$425,000, or 35½ per cent. of the paid-up capital of the bank. The cashier, Mr. Bousquet, whose administration is characterized by a wisdom that speaks well for so young a manager, entered into a discussion of the bank's affairs at the annual meeting held on the 2nd March, and his remarks call for attention. His address was an exhaustive and telling *résumé* of the unfavorable conditions of trade under which the management had to labor in common with kindred institutions, during the term covered by the report. A concise summary is all that might have been considered necessary by many managers, but Mr. Bousquet has entered into a clear and comprehensive consideration of facts, causes and remedies, and in his hands the subject, fraught as it is with difficulties, assumes a bolder and more striking aspect. These remarks, coming as they do at a time when our farmers are commencing to look forward to their year's work, have a particularly happy application. The present unhappy lot of the agricultural community in this Province, due to want of foresight as much as to adverse circumstances, calls for amelioration, and the remedy suggested by Mr. Bousquet, although no new text for dissertation, is handled in a manner that reflects considerable credit on the manager of this pre-eminently a provincial institution. It must not be considered that Mr. Bousquet intended to exhaust the causes of the present trade depression when he lays the source at the stagnant position of the farmer. Over-production and over-trading on the part of manufacturers and merchants, not to mention the unwise extension of credit for which merchant and banker are sometimes equally at fault, are also fruitful causes of trade demoralization. These are factors which have not been overlooked, if greater prominence has been given to the cause first mentioned. The charge laid at the door of the McKinley Bill, as being the real primary source of the condition of the farmer, through the shutting off of a former open market, contains a certain element of truth. But we believe that even had no such measure come into force, the barns would still have been as full of this and last year's hay crop as they are now credited with being. A good hay crop in the United States always tends to lower the

market to such an extent that the export of our own product is nearly prohibited. With hay at \$12 in Boston, when \$22 was readily obtainable a year ago, our farmer is left with his southern market killed for this year, McKinley Bill or no McKinley Bill; for what with costs of pressing, freight, brokerage and collection charges, the price to be at present obtained by the farmer, even on a free trade basis, does not exceed \$5 per ton. The home market is certainly the best market for our agriculturists to develop, and if their attention is given to the raising of cattle, hogs and sheep for local wants, as advised by Mr. Bousquet in his able address, an amelioration of their present condition must speedily follow.

* * *

The Bank of British Columbia.—The half-yearly general meeting of the shareholders of the Bank of British Columbia was held in London, Eng., on the 18th of February, when the statement for the previous six months was submitted for approval. The success achieved during the period covered by the report was highly gratifying to directors and shareholders alike, and the profits exceed those of any previous term. The marked progress and prosperity of this bank, in face of stringency in money, greater competition and an increased capital to find investment for, is matter for congratulation, and its welfare adds to the advancement of the Pacific Province, indicating a healthy condition of affairs in this field of its operations. Two new branches established at Tacoma and Seattle in the neighboring State have given returns fully up to expectations, and with the exception of that at Kamloops, which shows a slight deficit, all its branches have earned handsome profits. The total earnings amounted to £53,443, being £10,000 in excess of the statement submitted in December, 1889, and an increase of £18,000 when compared with the result attained in June last. This was distributed as follows: A dividend at the rate of six per cent. per annum called for £18,000; a special bonus to shareholders of three per cent. absorbed a like amount; the sum of £8,000 was added to the Reserve, now £228,000, and the balance of £9,443 was carried forward to next year. As indicating the progress made it may be well to refer to the steady increase in loans and discounts. These represented, on the 31st December, 1889, £1,600,000; in June, 1890, £1,696,000; while in December last they had risen to £1,981,229, showing a material increase over the two previous half-years. The capital of this bank is now fixed at £600,000. As to future

prospects, to quote the words of the President: "So far as we know, the crops promise fairly well. They were good last year, and, on the whole, our advices lead us to suppose that we are on the eve of renewed prosperity and success."

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The Bank of British North America.—The annual general meeting of the shareholders of this bank was held at the head office, 3 Clement's Lane, Lombard street, London, Eng., on Tuesday, 3rd March, 1891. The balance sheet submitted shows a total of net profits amounting to £90,818. Of this £75,000 was absorbed by the semi-annual dividends at the rate of 8% per annum, leaving £15,000, of which £10,000 was placed to Reserve and £2,000 to the Officers Pension fund, the remainder going forward. The Directors consider the Reserve, now £275,000, inadequate, and are desirous of seeing it still further increased. The effect of competition in the Dominion appears to have been felt severely by the bank, the advance to 4 per cent. for deposits, with no corresponding increase in the rates for loans and discounts, minimizing profits for the first three months of the year. The later advance to 7 per cent. on discounts gave more satisfactory returns. The financial crisis of last autumn occasioned no loss to the bank, and its high credit was everywhere maintained. A depreciation of £278,466 in deposits and current accounts is noted, but this records no permanent falling off in the business of the bank. A temporary and special deposit held at the time the last statement was drawn up unduly swelled the figures for December, 1889, and in reality an increase of £80,000 is to be recorded for the year last past. Investments have risen from £68,547 to £140,123, of which £100,000 is held in consols, written down at 95. New bank premises at Brandon, costing in the neighborhood of £5,000, have increased the real estate account by that amount. The chairman, Mr. Richard H. Glyn, in commenting on the outlook for the present year, paid a high tribute to the people of Canada for the manner in which they had grasped the situation occasioned by the United States new tariff. He said:—"The advices which we have received from the other side are favorable, and the volume of business generally in the Dominion appears to be very largely increasing. It is a little too soon to forecast what will be the outcome of the McKinley bill on the business of banks' customers in Canada, because it will not have any very serious effect anywhere until later in the year; but no doubt the uncertainty which prevails as

to the future calls for some caution on the part of bankers, and that is a matter to which the general manager is very fully alive. The Canadians, however, have shown such splendid energy in facing the situation, and in seeking for new outlets for their produce, and for new customers to take the place of the United States, that we may hope after all that the results will not be quite so disastrous as seemed to be anticipated in some quarters."

Messrs. J. J. Carter, Henry J. B. Kendall and J. H. Brodie, the retiring directors, were re-elected on motion of the chairman.

The following brief statement presents the condition of the bank as on the 31st December, 1890:—

ASSETS.			LIABILITIES TO THE PUBLIC.		
Sterling.			Sterling.		
	£	s. d.		£	s. d.
Specie	553,603	4 4	Circulation.....	262,957	15 3
Other Assets.....	4,614,747	9 0	Other liabilities	3,596,574	14 1
	<u>£5,168,350</u>	<u>13 4</u>		<u>£2,859,532</u>	<u>9 4</u>

British Canadian Loan and Investment Co.—This company, now in its fourteenth year, appears to have made satisfactory progress during the twelve months covered by its last annual report. Gross earnings of \$111,395, with expenses of \$77,992 (of which less than \$15,000 represented costs of management and commission), left net profits amounting to \$33,402, or 10½ per cent. on the paid-up capital. Out of these the directors, after payment of two half-yearly dividends at the rate of 7 per cent. per annum, have added \$12,000 to the Reserve fund, which now amounts to \$82,000, or over 25 per cent. on the capital paid up, carrying the balance forward to this year's account. The average rate of interest received was 6.46 per cent. and that of interest paid 4.54. Notwithstanding the financial disturbance which overtook Great Britain last autumn, no difficulty was experienced in placing debentures, and that in a larger proportion than the average of previous years. The report draws attention to the fact that payments of principal and interest by borrowers were highly satisfactory—"better than the average of former years."

People's Loan and Deposit Co.—The subscribed capital of this company (\$600,000) is now within \$570 of being entirely paid up. Its net profits for the past year, after payment of interest on deposits and debentures, and all running expenses, amounted to

\$54,098, 9 per cent. on capital, or $7\frac{1}{2}$ on capital and reserve. Half-yearly dividends at the rate of 7 per cent. were declared, and the Reserve and Contingent funds increased by the appropriation of \$2,000 and \$2,210 respectively. The latter now stands at \$10,436 and the former has risen to \$112,000. The policy of the directors has been to reduce the amount of deposits and to increase the borrowing on debentures, arrangement having been made to complete the sale of the company's debentures in Great Britain. By-laws 41 and 46 have been amended, the first named to meet the views of investors in Scotland, the latter to increase the power of the directors in regard to the issue of debenture stock.

Dominion Savings and Investment Society.—With operations still confined to Western Ontario, this society, now entering upon its nineteenth year, is able to present a statement for the twelve months ending 31st December last more in keeping with the success it deserves, and foreshadowing a brighter future. An increase in sterling debentures from \$326,000 to \$906,000 is to be noted, the result of an arrangement whereby the society issued its debentures in substitution for the unredeemed debentures of the Ontario Investment Association, taking as security therefor an assignment of the assets of the association. The net profits of the society for the year amounted to \$63,156. Out of this sum dividends at the rate of 6 per cent. per annum have been paid, and \$7,222 carried to Contingent account, which now stands at \$40,076, an amount considered adequate to cover all losses. A further sum of \$10,000 has been put aside as the nucleus of a Reserve. The average rate obtained for loans is placed at $6\frac{1}{2}$ per cent. Mr. Hy. E. Nelles has been appointed to replace the retiring manager, Mr. F. B. Leys, who severs his connection with the society, after having administered its affairs for over sixteen years.

Central Canada Loan and Savings Co.—Although this company has only completed the seventh year of its existence, its progress is marked by rapid strides, and the soundness of its affairs is clearly shown in the statement that its assets exceed its liabilities to the public in the sum of \$296,473. The net profits for the past year amounted to \$62,760, out of which dividends at the rate of 6 per cent per annum were declared and \$12,000 added to the Reserve Fund, bringing the latter up to \$192,000. In addition to the Reserve the company has a Contingent fund, to the credit of which there is now

\$21,546. The average rate of interest earned upon the investments of the past year was 6.35 per cent., showing a slight decrease as compared with the previous year. Touching this decline the president made some very sensible remarks which will bear repetition. "This," he said, "is not to be regretted. Those who have money to lend can better afford to pay the lower rate than those who are obliged to borrow can afford to pay the higher rate. While we borrow our money upon better terms, because we offer absolute security to our depositors and debenture holders, we must also be content to lend it at a lower rate to those who have absolute security to offer, no rate justifies the loan where the security is not adequate."

* * *

Ontario Loan and Debenture Co.—A steady advance in the progress of this company is to be noted. With earnings for the past year amounting to \$102,289, the regular semi-annual dividends of 3½ per cent. have been declared, and its Reserve Fund has been strengthened by the addition of \$19,000, making it now \$379,000, or 31½ per cent. of the paid-up capital. The management have endeavored to confine their loans to the better class of securities, improved farm and productive city and town property, contenting themselves with low rates of interest. This has necessitated the replacing of maturing five per cent. debentures by four per cents. A matured block of sterling fives, amounting to £137,000, will be thus renewed, and the company will wait rather than pay the old figure. The average rate of interest on outstanding sterling debentures has already been reduced to a little under 4¼ per cent. A circumstance that calls for special commendation is to be found in the statement, that out of a total 1619 mortgages, only 11 called for foreclosure, and the properties when brought to sale during the year realized such prices that no loss was entailed.

* * *

The Montreal Telegraph Company.—The forty-fourth annual meeting of the shareholders of this company was held in the offices, Montreal, on Friday, January 9th, 1891. In the report submitted, the directors referred to the suit entered against the company by its lessees, the Great North-Western Telegraph Company, for a reduction of its rent, and which, after having been decided in favor of the Montreal Company, in the Court of Appeals, last September, is now pending before the Supreme Court. There

is no reason to anticipate that the decision of this tribunal will be adverse to the company, but every reason to expect the contrary. A dividend of six per cent. per annum has been paid to the shareholders, and the additional two per cent. which has been paid to trustees under protest has been accumulating since April, 1889, and now amounts to \$70,000. No change has been made in the directorate, the members of which for the present year are:— Andrew Allan, W. Wainwright, H. MacKenzie, Jesse Joseph, John Duncan, H. Archibald, and W. Rae, Quebec.

The financial position of the company, as stated, is: Assets in lines and cables, \$1,659,277; offices and equipments, \$212,500; real estate and buildings in four principal cities, \$279,946. Cash, accounts receivable, etc., \$158,332. Total, \$2,310,155. As against this stands, shareholders' capital, \$2,000,000; available surplus funds, for contingencies, \$45,599; surplus of property over capital, not available, \$151,824; dividend on hand, \$40,000; dividend in trustees' hands, \$70,000; and unclaimed dividends, \$2,732.

* * *

The Dominion Telegraph Co.—The twenty-second annual general meeting of the shareholders of this company was held at the head office, 28 Toronto street, Toronto, on Wednesday, February 11th, 1891, Thomas Swinyard, Esq., presiding. In submitting the annual statement, the Directors reported that the quarterly dividend at the rate of 6 per cent. per annum guaranteed by the lessees, the Western Union Telegraph Company, had been duly paid, as well as the interest due upon the £60,000 stg. bonds of the Company, redeemable by the lessees in 1896. The company's lines have been efficiently maintained, and the financial position of the company continues in every way satisfactory, there remaining \$6,281 at the credit of Profit and Loss. The retiring board of Directors were unanimously re-elected, and at a subsequent meeting Mr. Swinyard was reappointed president, and the Hon. Frank Smith vice-president, of the company. The report submitted reads as follows:—

Liabilities—capital stock paid up \$1,000,000; mortgage bonds, £60,000 stg., \$292,000; dividends unclaimed \$1,354.14; dividend No. 58, \$15,000; profit and loss \$6,281.57; total \$1,314,635.71. *Assets*—capital expenditure, \$1,281,819.47; Toronto, Grey & Bruce Railway Company, 1983 bonds and interest thereon, \$1,596.24; cash in bank and on hand, \$31,220; total \$1,314,635.71.

The Canada Northwest Land Co.—The Canada Northwest Land Company (Limited), in their report for the year to December 31st, state that the receipts were £15,123, as compared with £16,933, and the charges £4,841, as compared with £6,067, leaving the net profits £10,282, as compared with £10,866 for 1889. Acting upon the resolution passed by the shareholders on the 29th of March 1890, as to the disposal of the "Town sites reserve account," the Directors have placed £17,634 to the profit account—that is, £22,634, as shown in the last balance sheet, less £5,000 placed to contingent account, thus converting the debit of £14,683, which appeared in the last balance sheet, into a credit of £2,951. To this sum is now added the net profit of the past year, making a total profit balance of £13,233. In these circumstances the directors ask the shareholders to authorize the repayment of a second instalment of capital, at the rate of 2s. 6d. per share, out of the funds applicable to this purpose.

The Starr Manufacturing Co. (Ltd.)—The annual meeting of the above company was held on Wednesday, March 25th, 1891, when the following statement for the year ending February 28th, 1891, was submitted. The following directors were appointed for the ensuing year: J. C. MacIntosh, Thomas Ritchie, Edward Stairs, G. E. Faulkner, and F. H. Oxley, the first named being the only member of the old board. A proposal emanating from the retiring directors to reduce the capital by \$50,000 was rejected. The new board were authorized to receive proposals, if thought expedient, for the disposal of the business. No dividend has been declared on the year's business. In March, 1882, the above company paid a dividend of 15 per cent. on the business of 1881.

LIABILITIES.

Capital Stock.....	\$200,000 00	
Debts due by the company.....	28,089 03	
Balance. Profit and loss.....	3,368 02	
		\$231,407 05

ASSETS.

Real estate and machinery.....	\$150,421 93	
Horse, waggons, etc.....	553 10	
Office furniture.....	300 00	
Stock, viz:—		
Manufactured and in process.....	\$59,724 48	
Unmanufactured material.....	9,514 45	
		\$69,238 93
Cash in bank.....	2,824 47	
Debts due the company.....	8,068 62	
		\$231,407 05

PROFIT AND LOSS ACCOUNT.

Dr.

1890.		
March 26.	To cash paid directors.....	\$1,750 00
1891.		
Feb. 28.	To balance.....	3,368 02
		<hr/>
		\$5,118 02

Cr.

1890.		
March 1.	By balance	\$1,777 43
1891.		
Feb. 28.	By net profit.....	3,340 59
		<hr/>
		\$5,118 02
		<hr/>
March 2.	By balance.....	\$3,368 02

* * *

Montreal Safe Deposit Co.—The first general meeting of the shareholders of the Montreal Safe Deposit Company was held on Tuesday, 27th January, Sir Joseph Hickson in the chair. Proceeding to the organization of the company, the following shareholders were elected directors, viz. : Sir Donald A. Smith, Sir Joseph Hickson, Hon. J. J. C. Abbott, Messrs. Hector Mackenzie, Hugh Paton, John S. Allan, John Gault, Allen R. Macdonnell and J. A. L. Strathy. At a subsequent meeting of the directors Sir Donald A. Smith was elected president ; Sir Joseph Hickson, vice-president ; and Mr. J. A. L. Strathy, managing director. The company is having handsome and strong offices fitted up in the Royal Insurance building. The fire-proof and burglar-proof safe deposit vaults will be of chrome steel and iron, constructed in accordance with specifications of the most modern kind. The directors intend to enlarge the company into a Trust company, to act as executors and trustees, and with functions like concerns now doing business in Ontario and in the United States. The list of shareholders includes the best known capitalists in the city of Montreal.

* * *

St. John Provincial Building Society.—Quite a sensation has arisen in St. John, N.B., over the exposures being made at the proceedings, placing the St. John Provincial Building Society into liquidation under the winding up act, and fixing the list of persons who should pay double liabilities. The Society two years ago claimed to have \$39,000 of assets and about \$1,600 liabilities. Just now, including its capital stock, the liabilities appear to be about \$60,000, and

the available assets only \$6,000. The capital stock consists of 457 shares, par value \$50, of which one Nathan Riley appears to own 175 shares. Some \$16,000 is due depositors and debenture holders, which must be paid in full. There is also \$27,000 in paid-up shares which have matured, the holders of which come in after the depositors and debenture holders. The holders of capital stock are liable for double liabilities. Now it turns out, a number of capital stockholders have transferred stock to persons who have no means of paying up. Nathan Riley states that he was paid for taking over the shares, and that if he had property he would not have taken them. Other stockholders transferred shares to domestics in their employ, and fully half the shares of the capital stock have been transferred to straw people. Among the people who transferred shares are ministers as well as lawyers and one or two merchants. There are also several stories told of the management, which smack of deception. People who simply thought they were depositors now turn out to be in for double liabilities. Messrs. Coster, who are applying on behalf of the depositors for a winding up of the concern, said, when interviewed, that they will bring witnesses to prove that stockholders transferred shares when they knew the Society was insolvent, and that it was done to escape the double liability.

THE WORLD OF FINANCE.

BANK AGENCIES.—It is certainly a sign of confidence in the future to observe the action of the chartered banks in opening branches at country towns. For a number of years the banks did little or nothing in the direction of extending their business throughout Manitoba. On the contrary, there was a disposition to withdraw their agencies and contract their business as much as possible. During the last year or two there has been a marked change in this policy with several of the leading financial institutions. The Commercial Bank, as a home institution, has perhaps taken the lead in opening branches through the country; but some of the Eastern banks, especially the Union and the Imperial, have not been far behind. The Merchants, the Bank of Montreal, and the Bank of British North America are also well represented, having branches at outside points, as well as their Winnipeg agencies. The Union Bank now has five branches in Manitoba and the Territories, and the Imperial has four.—*Winnipeg Commercial*.

ONTARIO LOAN COMPANIES.—The year 1890 has proved a fair one for the Loan Societies of Ontario as a rule. In several of the largest companies, payments by borrowers have been better than for years. The sound companies have been able to obtain British capital freely, at a rate which leaves

a living profit when it is prudently lent again to the farmer or builder. Indeed, the lending rates for the year have been fairly satisfactory, better, in the experience of some, than those of the previous year, and the demand was pretty steady. It appears from the experience of these companies that the competent and thrifty farmer did well last year, and was prompt in paying his interest. The indolent or slipshod farmer did not do so well, and did not pay so well; but it does not follow that this was the fault of his farm or arose from his lack of opportunity. The Ontario farmer has as good a chance as the agriculturist anywhere. In Manitoba the payments were remarkably good, although farmers had wet weather towards the close of harvest, and in spite of the fact that many of them, instead of realizing at once upon their crops, busied themselves getting their land ready for the next season.—*Monetary Times*.

NEW GOVERNMENT STOCK.—A new plan for drawing money into the coffers of the Government has been hit upon. A $3\frac{1}{2}$ per cent. stock, in amounts of \$100 and upward, is to be issued, payable at the end of five years. Just now there seems to be a tendency to put money into investment bonds issued by companies, and in the present state of the Ontario law, there is danger that companies without adequate security may go into the business. The collapse of the Alliance should operate as a warning. The Ontario law, under which companies of this kind are formed, needs revision, if it be true that companies can be chartered, which offer no further security than the requirement that their assets shall equal their liabilities. At the same time, it is not desirable that the Government should, by its competition, take from productive channels large sums of money and employ it unproductively or fix it in public works. If it wants to borrow, it is surely best that it should borrow in the open market of Europe. There is an expectation that British trust funds will be invested in the new short date bonds, and this is likely enough to happen.—*Monetary Times*.

GOVERNMENT SAVINGS BANK.—A new bid has been made by the Government for savings banks deposits. Heretofore, the amount which any one might deposit within a year has been \$300; in future the figure is to be raised to \$1,000, and the total limit which any one can have to his credit has been raised from \$1,000 to \$3,000. The limitations which have now been superseded are said to have considerably restricted the amount which some depositors desired to put in these banks. The lowering of the rate of interest has lessened the amount on deposit, and the raising of the maximums is probably expected to make up the leeway, and even to increase the total. The move is one which will not commend itself to the commercial class. To the banks it means the revival of competition for deposits, in a new form; to commerce and industry it means the diversion of savings from production to non-production, or at best, from individual enterprise to Government works. What effect the raising of the maximums will have on the amount of deposits cannot, of course, be accurately foretold. Some of the depositors have, no doubt, in the past, opened accounts with savings banks in more than one name, as a means of overstepping the barrier; but people who prefer not to run the risk of trusting their money in other names will now be able to

increase deposits in their own name, and in this way some increase is likely to take place.—*Monetary Times*.

THE FOURTH OF THE MONTH.—Of late years the importance attached to the fourth of the month, as affording an insight into the condition of trade, has somewhat lessened. Circumstances have so altered business methods, that now very little reliance can be placed on deductions drawn from such a source. The time was that a banker could gauge the state of a merchant's finances by the manner in which he met his foreign notes or drafts. With the indorser or the drawer in England, he must either provide funds to meet his paper, or suffer the consequences. Now, however, he buys largely from home manufacturers, and by arrangement with his indorser, days before his notes mature, he can obtain an extension, without enlarging the circle of those acquainted with his true financial standing. Again, in all branches of trade, dry goods alone excepted, retailers buy only at such times and in such quantities as their requirements warrant, and the dating of bills from the first of the month is largely on the decrease. For these reasons the fourth differs but little from any other day in the month, and the fact that notes have been well met on that day is no proof that a healthy condition of trade exists. Renewals, pre-arranged, are certain to be well looked after, and the phrase "part renewals, part new goods," passes current in many an inner sanctum without much comment. Renewals are now looked upon as a necessity, and bankers themselves admit that on a line of \$50,000 an extra 5 to 10 per cent. is often allowed to cover such.—*Trade Review*.

THE MONTREAL LOAN.—The following paragraph which appeared in the *Canadian Gazette*, of London, 19th Feb., reflects somewhat severely on the handling of the Montreal loan.

Mr. W. Robb and his colleagues have concluded their mission to London, and all the circumstances allowed for, they have, we think, done the utmost that was possible. Acting, apparently, under influences not easily reconciled with the necessities of financial operations, they hawked their business in and out of every likely doorway in London and Paris, until it seemed as if the city was trying to borrow in many directions at once. This was much against the main object, which was the sale right out of £480,000 of 3 per cent. debenture stock, in all respects identical with that already in the official list. Until the arrival of the deputation that stock was selling at prices ranging from 83 to 86½, but day by day it declined under the influence of the attempt to sell, until 79 was the highest price current. The deputation had then, they considered, no choice but to abandon the idea of disposing of the stock. The alternative was a loan, and in the end Messrs. Coates, Son & Co. agreed to lend the city £340,000, taking as security the £480,000 of stock. It was at the same time arranged that the National Bank of Scotland take charge of the transfer books of the debenture stock, and in future pay the interest to the stockholders. The terms of the loan are considerably in excess of what were offered the corporation before the deputation left Montreal, but they include certain compensations. The market for the stock is quickly recovering from the recent depression, and the price is now 80½ to 81½.

RECENT FAILURES.—The recent heavy failures in the wholesale dry goods trade have tended to unsettle business in that line, and the outcome is being watched with considerable anxiety. Already several of the retail trade, in this city and elsewhere, have found themselves so involved in transactions

with the larger firms, that it has been considered advantageous for them to close down, and await the compulsory liquidation of their affairs. The floating of accommodation notes, in order to tide over financial embarrassment, temporarily, is meeting with its just reward; yet we are at a loss to place the blame for such a condition of affairs on the proper shoulders. It may be difficult, perhaps, for bankers to single out such notes from a mass of presumably business paper presented for discount, more especially where a customer, having several bank accounts, has an opportunity of disguising the true nature of the transaction, of which the paper is the outcome. A firm, whose dealings are so large as to necessitate a second bank account, should be restricted in some way from hood-winking otherwise astute bankers. The latter should insist on having the paper of certain firms offered to them, and to them alone, and by two or more banks, thus dividing the discounts between them, over-trading or the floating of accommodation notes to any large extent can the more easily be detected.

The rivalry that exists in this city between bankers has never gone beyond legitimate limits, and the first idea of one and all is to see that commercial interests are not imperiled by any unwise or hasty action on their part. An unwise action would be to refrain from refusing an extension of credit, at a time when they are morally certain that such extension will result in the customer's downfall. It is better to shut down at the outset. It would be a hasty action to close down peremptorily on an account, after it has so grown by liberal credits that others have been drawn into the inevitable downfall. It is natural for a banker to seek to replace poor paper by better, even if the latter is accommodation; but in so doing the reaction is found to inflict greater loss than would originally have been met with in the community.—*Trade Review.*

A BANKERS' ASSOCIATION.—When the banking bill was under consideration, the necessity of some organization among the bankers of Canada was realized. They went to Ottawa without having had any opportunity for a preliminary discussion among themselves, and without any generally understood course of action. The interests at stake were serious, and the propositions made to them were at variance with their views, and not in consonance with the best interests of the banking community. The necessity of organization and the benefits that were likely to accrue from it were urged by some of the clear-headed ones, and a committee of three gentlemen was appointed, to prepare and submit at a future meeting a constitution and by-laws suitable to the requirements of the case. The bill was amended and subsequently became law. The bankers of the country accepted the measure, and since that time nothing has been heard of the proposed Bankers' Association. It may be that the interests of the profession do not call for it at present, but questions do arise from time to time when a consensus of bankers' opinions would be valuable. Toronto, it is true, has its Bankers' Committee in connection with the Board of Trade, but Toronto is not Canada. We desire to see an association formed for the Dominion, organized on the basis of the Bankers' Institute of England, the objects of which are to benefit the bankers' clerks as well as the bankers themselves.

Such an organization would exercise considerable influence, and the young bankers of the country would rise up in a body to call its founders blessed. Judging from appearances, however, none of our banking Solons aspire or covet to the application!—*The Shareholder*.

MUNICIPAL BONDS.—Both Toronto and Montreal have on their hands unsold bonds on which they desire to realize. In addition to this, the statement has been publicly made, by a leading banker, that of these bonds sold by Toronto within the last three years, not over one-third has been taken up by the public, the rest remaining in the hands of the takers who intended to act only as intermediaries. The fact is that more securities of various kinds have been offered in the British market than could be taken up by investors. At a result, unusual amounts have remained in the hands of underwriting promotion companies and other intermediaries. When the market became glutted, good securities felt the effect in common with the bad, doubtful, and indifferent. Under the circumstances, too high a figure was paid for some of the best of our municipal debentures. Toronto will have to slacken up in the issue of bonds, to preserve her credit unimpaired; and to do this she will have to adopt the rule of paying for a large part of her local improvements as she goes. In many cases, where the intervention of the credit of the cities is called in, private parties will have to take the burthen directly upon their own shoulders. Whatever may be thought of the local improvement system in vogue here, now that it has had a trial, we venture to say that no one foresaw the extent of the drain on the civic treasury which it has occasioned. We must retrace our steps before it is too late—*Monetary Times*.

THE MONEY OF THE WORLD.—The following tables from the New York *Commercial Bulletin* show the approximate amount of gold and silver, paper-currency, and the total paper and metallic money in the world.

Country.	Gold.	Silver.	Uncovered paper.	Total paper and metallic money.
United States....	\$702,018,869	\$482,071,346	\$440,000,000	\$1,524,090,215
United Kingdom.	550,000,000	100,000,000	63,000,000	714,000,000
France	900,000,000	700,000,000	96,000,000	1,696,000,000
Germany.....	500,000,000	145,000,000	160,000,000	805,000,000
Belgium.....	65,000,000	55,000,000	54,000,000	174,000,000
Italy.....	140,000,000	60,000,000	211,000,000	411,000,000
Spain.....	100,000,000	125,000,000	94,000,000	319,000,000
Austria-Hungary.	40,000,000	90,000,000	260,000,000	390,000,000
Russia.....	190,000,000	60,000,000	500,000,000	750,000,000
Turkey.....	50,000,000	45,000,000	.....	95,000,000
Australia.....	100,000,000	7,000,000	.....	107,000,000
Egypt.....	100,000,000	15,000,000	.....	115,000,000
Mexico.....	5,000,000	50,000,000	2,000,000	57,000,000
South America..	45,000,000	25,000,000	300,000,000	370,000,000
Japan.....	90,000,000	50,000,000	56,000,000	196,000,000
India.....	.....	900,000,000	28,000,000	928,000,000
China.....	.....	700,000,000	.....	700,000,000
Canada.....	16,000,000	5,000,000	40,000,000	61,000,000
Other countries ..	134,000,000	206,000,000	143,000,000	383,500,000
Totals	\$3,727,018,869	\$3,820,571,346	\$2,448,000,000	\$9,995,590,215

THE AMERICAN SILVER BILL.—The silver question now before Congress is causing no little excitement, not only in the United States, but in European countries as well. The latest advices from Washington are to the effect, that the bill for free coinage of silver is likely to pass both Houses, and, unless vetoed by the President, to become law. As, however, Congress is likely to adjourn early in March, and a consideration of such questions is usually made particularly discursive by American legislators, the hopes of those who favor the measure may still be dashed to the ground for this session at least. Should, however, the measure become law, the result will no doubt introduce a disturbing element in financial circles, the outcome of which it is difficult to foresee. Looking at the amount of silver certificates already in circulation, and consequent enormous accumulation of silver in the United States Treasury, any important addition to the amount already held must tend, at an early day, to upset the equilibrium between silver and gold, and bring about, sooner or later, a silver instead of a gold basis for the whole circulating medium of the United States. At the close of the year there were in the Treasury, in round figures, 226,000,000 of gold and 320,000,000 of silver dollars. While gold certificates in circulation amounted to but \$144,000,000, the silver certificates had reached \$368,000,000. The amount of the latter was therefore nearly double that of the entire National Bank currency, which was only \$174,000,000. In addition to the above, silver Treasury notes to the extent of \$22,000,000 were also in circulation. At the same time the issue of Treasury notes, redeemable in gold, that is, the old issue, amounted to \$343,000,000; so that including gold certificates and Treasury notes there was a total of \$487,000,000 in circulation against \$226,000,000 of gold in the Treasury. There is a feeling abroad that the passage of the free coinage bill will cause large withdrawals of gold, to avoid the loss of about 25 per cent. on American investments, should that country be forced, through loss of gold, to come to a silver basis.

Canada is considerably interested in the legislation now in progress, as there must be several million dollars of silver certificates in circulation in the Dominion; on all of which, should the gold coin become exhausted, there would be a loss of from 25 per cent. to 30 per cent. It is true that France continues to maintain the double standard, but the French nation, although given to frequent changes of their constitution, have sufficient good sense to put wise men at the head of their financial affairs, so that any over issue of silver by the Government is prevented, and the equilibrium between the two metals maintained.—*Trade Review.*

RECIPROCITY.—Mr. Hague, writing to the *Commercial Bulletin* of New York, says: The well-known fairness of the *Bulletin* in discussing international and commercial questions emboldens me to crave a line or two of space for comment on your article of Wednesday respecting Canada. The old reciprocity treaty, being one in natural products, did not affect the trade of Canada with Great Britain at all. But Unrestricted Reciprocity would simply mean admitting a large variety of manufactured goods from the United States free, while imposing a duty on the very same articles when imported from the mother country. To suppose that Great Britain would

quietly submit to this is preposterous. It would be dishonorable and unreasonable in Canada to ask it. It could not be done. It is against common sense and against all the laws that govern the intercourse of dependencies with the Mother Country. It would, moreover, necessitate the assimilation of our tariff to yours. The American people are not such fools as to allow us to import European goods at a lower tariff than theirs, and then to send them across the border free. But in an assimilation of tariffs how could we expect to have a voice equal to that of the United States, which outnumber us twelve to one. Our tariff would therefore be made for us at Washington. If our tariff were made at Washington, we might just as well have all our laws made there. This is where the charge of disloyalty comes in. In the one case, a disloyalty to Great Britain, and in the other, disloyalty to ourselves as a practically self-governing people. The truth is there are the most extraordinary misapprehensions on your side about this country. Americans have a fixed impression that Canada is slow, unprogressive and unenterprising. The exact contrary is the fact.

Since the Declaration of Independence your population has increased 2-fold; our population has increased 35-fold. Since the war of 1812, your population has increased 5-fold; ours has increased 12-fold.

Our first bank statistics were compiled about 30 years ago. The deposits in the banks in 1858 were less than 15 millions, and there was no other place of deposit in the country. Deposits now are made not only with the banks, but with Government and other savings banks and loan companies. They amount to about 220 millions:

Since 1878 the value of our bank stocks has increased	\$27,000,000
Bank and other savings deposits have increased	110,000,000
Bank discounts have increased	65,000,000
Railways have increased in length	8,000 miles
The freight carried yearly has increased	12,000,000 tons

In 1878 the tonnage was under two tons per head of population; to-day it is close upon four tons per head. Our principal western city, Toronto, has increased during the last 10 years at the same ratio as Chicago. Montreal has increased at nearly the same ratio as New York. Both these cities have swallowed up dozens of square miles of the surrounding country since I came to Canada in 1854. I have lived in both of them some years, and have seen the process.

More might be said, but this is sufficient for the purpose. I write as a man of business and not as a politician, and simply with a desire to prevent those misapprehensions which are so fruitful of bad consequences in the dealings of nations with one another.

MISCELLANEOUS BANK AND FINANCIAL ITEMS.

Toronto is flooded with American 50 cent pieces that have been plugged with base metal.

During the last fiscal year, silver and copper for Canada, to the amount of \$165,000, was coined.

John C. Allen & Co.'s bucket shop, Buffalo, N. Y., has finally passed into the hands of the sheriff.

Winnipeg loan companies report that payments of interest have never come in better than at present.

The balance at credit of depositors in the Dominion Savings banks on 31st December, 1890, was \$17,858,572.

The effort to drive out American silver now flooding Winnipeg has failed, and the street cars were the last to accept it at par.

Senator James D. Lewin, of St. John, N.B., has been re-elected for the thirty-seventh time president of the Bank of New Brunswick.

The boast is made that out of the hundreds of notes and bills that matured on the 4th February last at the banks in Port Arthur, only one piece of paper was protested.

Two banks made themselves liable last year to the penalty for over-circulation. The Halifax Banking Company was fined \$100, and the People's Bank of Halifax \$250.

The Imperial Trusts Company of Canada held its annual meeting on February 25th. This company has declared, in its second year, a dividend at the rate of seven per cent. per annum.

The deposits in the Government Savings banks for February were \$163,679, and the withdrawals \$288,962. The Post Office Savings banks deposits amounted to \$454,684, and the withdrawals of \$588,174.

Short date local improvement bonds, amounting to nearly \$1,200,000, issued by Toronto city, for the purpose of constructing pavements, sidewalks, etc., have been sold in London, England, at 95 per cent.

The Toronto City Council have passed a by-law to consolidate into ten several issues of 4 per cent. local improvement debentures, the broken amounts named in 72 local improvement by-laws to the amount of \$652,602.25.

The city debt of Quebec amounts to \$4,865,596, having been increased by \$255,162 during the past year. The annual interest charge is \$280,929, while the total amount of the appropriations for the present year is \$512,062.

Judge Benedict of the United States Circuit Court, New York, has sentenced General Peter A. Classen to six years imprisonment in the Erie County penitentiary. Classen was convicted of wrecking the Sixth National Bank.

\$10,000 of Guelph city debentures were sold on the 30th March to O'Hara & Co., Toronto. The bonds had 20 years to run, and realized 1.10. The sale was effected by the Guelph finance committee, and is considered satisfactory.

During 1890 the moneys deposited in the Savings Bank under the management of the Dominion Government aggregated \$9,854,332, while the total amount withdrawn from these banks was \$13,273,517. The interest allowed to depositors amounted to \$1,475,292.

Among the dividends recently declared by London, Eng., banks were the following: London and Westminster, 16 per cent.; Union of London, 12½; London Joint Stock, 12½; City, 11; Consolidated, 10; Alliance, 8; Imperial, 7; Capital and Counties, 18; Manchester and Liverpool, 20.

Baring Bros. Co. (limited) has received advice from the Argentine Government, saying it will be unable to remit the sums necessary to pay the cou-

pons of the 1882 and 1886 provincial sixes. Upon receipt of this information on the 19th March, Argentine securities dropped 1 per cent. on the London stock exchange.

At the meeting of the Toronto City Council, held on the 30th December, a by-law was passed, authorizing the City to deliver to the Bank of Montreal \$555,000 of local improvement short date 3 per cent. debentures, for the release of \$740,000 general consolidated 3½ per cent. four year debentures.

Mr. J. B. Charleson has completed the auditing and inspection of the books of the Lake Temiscamingue Colonization Society, which he was ordered to make by the Quebec Government. He found the books well kept, and was satisfied that every cent of the cash paid by the French capitalists was accounted for and has been properly expended for the clearance of lots in the colony.

The Quebec *Chronicle* is responsible for the statement, that a number of counterfeit one and two dollar notes of the Dominion of Canada, apparently manufactured in New York, were distributed in Levis and the neighboring counties during the recent elections. It warns the public against these notes, and says that some of the holders are reported to be ready to give the names of the parties from whom they received them.

One of the largest dividends ever paid by an insurance company was that declared by the Trustees and Executors Insurance Company of London, Eng., upon their founders' shares. It amounted to £533 on each £10 share; and as only £3 is paid up, the percentage is an enormous one. These £10 shares are now quoted at £7,000 on 'Change. One gentleman owning 8 shares, on which he had expended \$120, received \$21,320 as his year's dividend.

If President Harrison, says an American exchange, can bring about the great reform in American coinage, by which all the Republics, following the wisdom of Canada, would make their unit and fineness of gold and silver coin the same as established in the United States, his fame would go down to the future with much acclaim. Such a reform is worthy of the ambition, not of President Harrison only, but of the presidents and legislatures of all the Republics of the Americas.

English writers on financial subjects point out that of late years it has proved impossible to start a new private bank in that country, and that the old private banks have been losing ground so rapidly that, in increasing numbers, they have been either amalgamating or converting themselves into limited liability companies. The private banks publish no accounts or balance sheets, and the public, not knowing their real position, are unwilling to deal with them. So much for the advantages of publicity.

A number of forged telegrams bearing the name of Mr Camondo, a prominent banker of Paris, were received at London, on Friday, 6th February, ordering the sale of a large amount of Brazilian securities. The result was that until it was discovered that the telegrams were not genuine a panic prevailed in these securities on the Stock Exchange. It has since been discovered that the telegram emanated from Victor Mace, a French banker, who subsequently absconded, leaving liabilities of 20,000,000 francs.

The London, Eng., firm of Cristobal, De Murricta & Co., concerning which alarming rumors have been in circulation, owing to its dealings with the Société des Dépôts et Comptes Courants, and which was said to have been promised assistance from Paris bankers, has been formed into a limited liability company, with a share capital of two million pounds, with one million pounds in debenture fives. Trust companies have taken the debentures, and the share capital has been taken by members of the old firm.

An action for \$5,000 damages against the City and District Savings Bank has been taken by Charles G. Geddes. The plaintiff alleges in his declaration that some years ago, when he was a director of the Bank in question, he

was sued with others by the Bank for a loss which it sustained on its stock through, the Bank then declared, the fault of Geddes and others, who, it was further alleged, worked the market to their own interests. It is on account of the imputations contained in the Bank's declaration then that Geddes now sues.

One hundred certificates for 100 shares each of the American Sugar Trust, aggregate face value \$1,000,000, which had been placed in Chicago for sale, were sent to New York recently to be replaced by new certificates under the new name of American Sugar Refineries Company. Three of these certificates were returned to Chicago marked "Forgery." They had been sold on the floor of the New York Stock Exchange at \$85 per share, an aggregate of \$25,500, the face value of each genuine certificate being \$10,000, or 100 shares at \$100 each. It is believed that the fraud has been very extensive, and that many other forged certificates have been sold in New York.

The Mint authorities at Philadelphia have discovered a counterfeit five-dollar gold piece, designed and executed with such remarkable skill that few of the experts can distinguish the spurious coins from the genuine. It differs from the true coin only in size, being slightly larger in diameter, but the discrepancy is so small that it is very difficult to detect, and an assay has been found necessary to establish definitely its spurious character. In order to retire the spurious coin from circulation the Mint officials will purchase the bogus pieces at their face value, and then destroy them. The counterfeits have an intrinsic value of \$4.40. So far, only a few of them have been discovered in the Mint.

The most startling failures in the United States last year were among private bankers and State banks, of which there were thirty-two, with nearly \$19,000,000 gross liabilities. Next came twenty-five textile (mainly woolen and cotton) manufacturers, with nearly \$7,500,000 liabilities; lumber dealers being third in order (fourteen) with nearly \$8,000,000 liabilities. There were 104 failures in the country in 1890 (forty-four of them in December), with liabilities in each instance of \$100,000, an unusually large number, the total liabilities being nearly \$72,000,000. No year opened out with such brilliant prospects for business in every department, and yet, no owner did harvest set in than trouble began. "Let him that thinketh he standeth take heed lest he fall."

London financial journals of recent date give some figures on the process of the Baring liquidation from a report of the governors of the Bank of England, made at the "half-yearly count," March 12. The position, November 1, was that the liabilities amounted to £21,000,000, and assets were estimated at £24,800,000. On March 1 the liabilities were:—Liabilities to the public, £5,522,000; debt to the Bank of England, £9,650,000; total liabilities £16,172,000. The assets on the same day were:—Cash and bills, £849,000; debts due, £3,364,000; securities of readily ascertainable value, £1,250,000; partners' property, £1,000,000; total assets £6,463,000. The balances were in South American securities. The report says of the South American securities that their value is difficult to estimate.

It should not be a matter of surprise or alarm if considerable gold should go out this spring to help in paying for our importations, says the Banker's Monthly. Our exportables are not so ample as in previous years, except cotton; but cotton is more wanted at home under the McKinley bill, and what will go abroad cannot pay one-fourth of our importations, although this is an enormous contribution from one section of the country. So, commercial exchange may be scarce and bank high, and gold may be the cheapest exchange. Last fiscal year we only lost, net, \$4,200,000—a mere nothing, and some of this came back in the fall of last calendar year. We have \$67,000,000 of gold to draw on; and so long as the outflow is not caused by a plethora of silver, no anxiety need be felt at the export of a few millions of yellow metal merchandise. Silver will now probably export as it comes down to its production value.

The City of Halifax is asking for tenders on a loan of \$5,000 repayable in five equal annual instalments, with interest payable half-yearly. Offers will be received up to noon April 20th.

On the 9th of March, at a meeting of the committee of the London Joint Stock banks, the practicability of issuing monthly statements of liabilities and assets was fully discussed, and an affirmative decision arrived at.

The Canadian Pacific Railway Company will ask power at the coming session of Parliament to increase the amount of its consolidated debenture stock, to be issued for the purpose of completing the purchase of the Calgary & Edmonton Railway, exchanging the stock bearing 4 per cent interest for the bonds of the Calgary & Edmonton Railway Company bearing 6 per cent., but not exceeding twenty thousand dollars per mile of such railway.

The Hon. Messrs. Mercier and Shelyn have taken apartments in Paris for three months, and it is stated that they chiefly rely upon the Paris market to float the new Quebec loan, but do not expect to make the necessary arrangements very easily. While British financiers are not particularly anxious to treat with the Quebec ministers, London houses predict that they will be unsuccessful in their negotiations with the French bankers, and will eventually have to come to London for the money.

The banking returns of Victoria, Australia, for 1890 show total deposits on December 31 amounting to \$201,460,325, as compared with \$193,544,680 on December 31, 1889—an increase of \$7,605,645. Government deposits, however, decreased \$2,474,135, while the people's deposits increased \$10,089,780. The liabilities to the public on December 31, 1890, were \$209,850,875, consisting of the above deposits, and \$8,450,550 notes and bills in circulation. The total assets were, on the date last named, \$302,580,530, and the excess over and above liabilities \$92,689,655.

The Winnipeg *Free Press* learns from Mr. A. A. MacLellan, town solicitor, of Portage la Prairie, that a satisfactory arrangement has been arrived at between the town and its creditors. New debentures will be issued, bearing 3 per cent. interest for the first ten years and 4 per cent. for the next ten. The school indebtedness has also been assumed by the town council, and new debentures will be issued bearing four per cent. The indebtedness of the town on which the compromise was made exceeds \$200,000. It appears that by the new arrangement the town will save greatly in interest, as the original debentures were drawing a very high rate, having been issued in "boom" days.

The stock of a bank which failed in 1877 for nearly \$1,000,000 to-day is quoted at 170. with no sellers. The institution holding such a unique position was known fourteen years ago as the Third National Bank of Chicago, and J. Irving Pearce was its president. The final meeting of the stockholders was held in the last of 1877, when they were told that their stock was worthless, as every cent of the capital of \$750,000 and the surplus of \$200,000 had been taken to pay the claims which followed suspension. The appreciation in its assets is in two pieces of land, for which the receiver has been offered \$1,000,000, and which were saved from the wreck, but were thought almost worthless at the time.

The following bonds were sold by auction in the city of St. John, N. B., on Saturday, March 28th:—City bonds, \$1,000, due 1895, at 5 $\frac{1}{4}$ per cent. prem.; \$500, due 1913, at 22 per cent. prem.; \$500, due 1894, and \$500, due 1895, at 5 per cent. prem.; \$2,000, due 1895, at 4 $\frac{3}{4}$ per cent. prem.; \$500, due 1902, at 12 $\frac{1}{2}$ per cent. prem.; \$400, due 1895, at 5 per cent. prem.; \$1,000, due 1902, at 13 $\frac{1}{2}$ per cent. prem.; \$500, due 1899, at 9 $\frac{3}{4}$ per cent. premium. All the above bonds bear 6 per cent. interest. \$100 county Albert 6 per cent. bonds, due 1894, at par; \$1,000 city 4 per cent. bonds, due 1916, 98 $\frac{1}{2}$, and \$500 same, at 98; \$500 provincial 6 per cent. bonds, due 1918, at 26 $\frac{1}{2}$ per cent. premium; \$1,000 town of Moncton 5 per cent. bonds, due 1909, were offered. The auctioneer wanted 8 per cent. premium with no bidders. No buyer could be found for five shares St. John gas stock.

The recent decision of a New Hampshire court may be accepted, says the Boston *Journal of Commerce*, as dealing a death-blow to all the mushroom bond and investment companies that have come into existence within the past year, and received their charters from that State. The court has decided that all these companies are doing business in violation of the laws of the State, their status being that of lotteries, which are prohibited. The ventilation that the methods of these companies are receiving at the State House of this commonwealth, together with the adverse decisions of the courts, ought to put a stop to their nefarious acts. But the fact that they have been able to do a thriving and most profitable business, while undisturbed by official inquiry, shows that there exists a large number of people who are willing to take the most precarious chances for gain, which legitimate enterprises will not vouchsafe. The companies are no worse than their patrons.

The Board of Directors of the People's Bank of Halifax, empowered by a resolution passed at the annual meeting of shareholders, held on the 18th February, 1890, are about to issue five thousand shares of \$20 each, thus increasing the paid up capital of the Bank to \$700,000. The new stock will be issued on 1st April. The full amount of the original authorized Capital Stock of this Bank having never been subscribed for, the new issue of shares may be offered in open market; but the Directors have decided that to holders of six shares, or multiples of six shares, one share of new stock shall be allotted for every such six shares held and registered in the names of said holders at the close of business on 28th March. The new stock will be offered to shareholders at a premium of 10 per cent., or at \$22 per share. Shareholders accepting the stock allotted to them will have to inform the Bank thereof and make payment for the shares subscribed for on or before 1st April next.

The amount of British capital placed in new companies or new loans is tabulated regularly by the London *Economist*. That journal, in its issues of 7th March, gives the new issues thus far in 1891, and compares them with previous years. The total subscribed for full years was as follows:—

1890, subscriptions, £142,565,000; 1889, £189,436,000; 1888, £160,149,000; 1887, £98,666,000; 1886, £101,074,000.

Thus far in the present year the new issues have been, exclusive of vendors' shares, etc., £27,201,000. In the same period of 1890 they were £34,054,000; in 1889, £49,024,000; in 1888, £27,590,000; and in 1887, £25,057,000. The largest item in the then current week's subscriptions are, the Milwaukee & Detroit Breweries Co., £1,212,000 sterling, of which 10 per cent. has been paid, and the Produce Brokers' Co., £10 shares, 10 per cent. paid.

MONTREAL CLEARING HOUSE.

For Week ending	1891.		Corresponding Week 1890.	
	Clearings.	Balances.	Clearings.	Balances.
January 8	\$9,676,252	\$1,477,464	\$8,611,420	\$1,314,714
January 15	9,434,747	1,884,573	8,442,792	1,507,266
January 22	8,484,059	1,228,759	7,734,727	1,309,915
January 29	7,469,860	1,041,821	6,433,039	890,822
February 5	8,145,525	1,124,556	7,713,534	1,150,426
February 12	8,544,767	1,277,508	8,380,582	1,367,195
February 19	8,705,812	1,328,543	8,484,951	1,385,662
February 26	7,634,704	1,123,968	7,521,211	1,402,434
March 5	8,147,932	1,145,523	7,784,022	1,125,466
March 12	8,428,288	1,115,089	8,102,063	1,298,410
March 19	8,631,160	1,328,165	7,928,432	1,093,923
March 26	7,692,520	1,230,129	7,115,934	1,421,337

NEW BANK AGENCIES, CHANGES IN OFFICERS, ETC.

We shall esteem it a favor if readers of the *MAGAZINE* will notify us of any changes in the banks with which they are connected, as well as of new bank agencies and banking firms organized or recently opened in their place or vicinity, in order that the changes and additions may be made without delay in this department.

The Bank of Montreal have opened an agency at Victoria, B. C.

A branch of the Imperial Bank of Canada is being established at Rat Portage, Ont.

C. S. N. Strickland has opened an agency in North Sydney of the Union Bank of Halifax.

The Union Bank of Canada has opened a branch at Neepawa in the Province of Manitoba

Mr. A. A. C. Denovan, manager of the Molsons Bank, West Toronto Junction, has been transferred to Norwich.

Mr. T. B. Phepoe, manager of the branch of Molsons Bank at Norwich, Ont., has been transferred to the branch at West Toronto Junction.

The Union Bank of Canada has added Boissevain to the list of its branches in Manitoba, and the Globe National Bank of Chicago, Ill., to its foreign agents.

The office of the Toronto branch of the Bank of Hamilton has been removed to its new quarters in the new Canada Life building, on King street west.

Mr. Massey Morris has been promoted from the accountantship of the Canadian Bank of Commerce at Toronto to the managership of the branch at Seaforth, Ont.

The new Winnipeg branch of the Molsons Bank is situated in the Manitoba Mortgage Company's buildings, with W. G. Nichols, formerly of the Merchants, as manager.

The Dominion Bank has purchased the lot on the south-east corner of King and Jarvis streets, Toronto, for \$30,000, on which to erect a new building for its market branch.

The Canadian Bank of Commerce has added Kingston, Jamaica, to the list of places where it has established correspondents, the Bank of Nova Scotia being its representative.

A. M. Gildersleeve, discount clerk at the Merchants' Bank, Kingston, has been promoted to the bank in Galt. Mr. Hague, of Galt, brother of the manager at Kingston, has succeeded Mr. Gildersleeve.

The Union Bank of Canada have lately bought out the banking business of Le Jeune, Smith & Co., Moosomin, and will continue the business as a regular branch of the Union with A. E. Christie as manager.

It is stated in a telegram that the agency of the Merchants' Bank of Halifax, which for six years has been established at St. Pierre, Miq., has been withdrawn. A local French bank was started two years ago.

The Imperial Bank of Canada has opened a branch at Prince Albert, N.W.T. This bank has now branches in the West, in addition to above, at Calgary, Brandon, Portage la Prairie, Winnipeg and Sault Ste. Marie.

The offices of the East End branch of La Banque du Peuple, Montreal, which is under the management of Mr. Albert Fournier, have been removed to new premises on the corner of St. Catherine and St. Andre streets, where a general banking and savings bank business will be carried on.

MINES AND MANUFACTURES.

MINING AS AN INVESTMENT.—Mining operations are, unfortunately, regarded by the general public very much in the light of a lottery, in which, by chance, a prize may be drawn, but, with all the odds in favor of a blank ; and little trouble has been taken to discover whether, in reality, they are not as legitimate and profitable as any of those industries in which the great mass of the population are engaged. Unscrupulous company promoters have, it is true, time and again deluded investors into buying worthless properties, but it is a question if the latter have not themselves mostly to blame for being taken in. In any ordinary commercial transaction they exercise their business sagacity, but blinded by visions of sudden wealth, forget to do so at the moment when most of all it is needed. Properties have repeatedly been bought without examination, and what wonder, then, if some prove to be myths and others worthless. And yet, rightly considered and operated by practical men on a business basis, mining is a good investment, not necessarily a bonanza, but which, without more than the ordinary risks attendant on other business, may be made to yield far more than ordinary profits. The great essential, of course, is to have a good property, and with the known great mineral richness of this country, there are numbers ; the second, to work it with sufficient capital to allow of proper development and necessary plant. That, under these conditions, satisfactory returns may be had is evidenced by the statements of some American mining companies for the year just closed. Sixty-five companies showed a total of \$13,743,748 paid in dividends, against \$10,537,522 by sixty-one companies in 1889, the total dividends paid to date being \$116,950,302. Of these, eight Lake Superior copper companies paid \$3,415,000, an average of 8.5 per cent. Four paid over 10 per cent. and three over 13 per cent., the highest being 16.5 per cent. The total dividends paid amount to \$47,187,500. Silver mines made good returns, some paying as high as 13 per cent., and nearly all paid increased dividends. Gold mining was hardly as profitable as in 1889, but three mines of which returns were received declared dividends amounting to \$357,000, and have paid to date \$12,395,300 to shareholders. Among the gold and silver mining companies, profits have been enormous, one paying 40 per

cent., and others between 27 per cent. and 34 per cent. The actual return based upon the total dividends (\$11,475.428), paid by thirty-six companies, for the shares of which quotations have been obtained, viz., on a market value of \$89,200,500, was almost 13 per cent., as against a little more than 12 per cent. on \$78,111,150 in 1889. These are very high rates of interest, far higher than could be obtained in almost any other commercial enterprise. To come to our own country, many mines are paying good dividends on a limited outlay, and some, as asbestos, even large ones, and all are certain to do better year by year, as the demand enlarges. Yet how little capital is invested by Canadians in mines, as compared with the money put into stocks and other investments, such as the boot and shoe trade, in which competition has cut down profits to a minimum or to nothing at all, or in the dozens of other enterprises which might be cited, all yielding but small and often, no returns. In the commercial world all over, it is the same; competition is such that it is difficult even to hold one's own, and three and four per cent. will soon be considered a good return on investments. In view of this it is natural that capital should seek fresh outlets, and already there are indications of a movement in the direction of Canadian mining. Foreign capital is welcome, and will help to build up the country; but it is eminently desirable that Canadians themselves should take a direct interest in this, the most promising industry of their own country, put their money in it, and—most important—reap the returns from it, that are now in great part going out of the country. The outlook for the present year is favorable; the profits of existing mines promise to increase, and a number of new companies will commence operations; but there is room for many more to develop the great resources of this country, not in one particular mineral, but in all—*Mining Review*.

CANADIAN PIG IRON.—It may not be generally known that the Canada Iron Furnace Company, whose works are at Radnor, in the Three Rivers district, are turning out a splendid quality of charcoal pig iron, fully 30 per cent. better in point of strength than the best brands of American Salisburg charcoal pig iron, this result having been arrived at by actual test. The C.I.F. Company have decided after the first year's experience to double the capacity of their furnace, in order to keep pace with the increasing demand for their iron, which can be laid down in this city at \$28 to \$30 per ton, while the American product costs \$35 per ton laid down here. It is stated

by high authorities in the trade that the Canadian demand is ample to support two or three other furnaces such as the above. The managing director of the Canada Iron Furnace Company is Mr. G. E. Drummond of Messrs. Drummond, McCall & Co.

The value of the Three Rivers deposit has been known since a very early period in the history of Canada. The Jesuits seem to have recognized its great value in the sixteenth century, and official examinations were made by order of the Government of France as far back as 1668, Sieur la Potardien, Frontenac, and De Denonville, each reporting upon them at different periods; tests were made before the year 1700, and finally in 1737 a company was formed, to erect a furnace and commence the manufacture of charcoal pig iron. The Government of France seem later on to have obtained control of the work, for in 1752 the St. Maurice Forge (erected and operated by the Government) was "blown in," and the old stone stack bearing date 1752, and the Government insignia, the Fleurs des Lis of France, still remains to dispute with that of Principo in Maryland the right to be considered the oldest in America. The Government, even at that early period, when the population of the country amounted to a mere handful of pioneers, employed in connection with the furnaces upward of 300 men, whose directors had obtained their skill in Sweden. According to the record and reports of Colonial Secretary Tranquet, the works were very successfully carried on and extended. In addition to pig iron, wrought iron of a very high quality was manufactured from the product of the bog ore, shot and shell were cast there during the war, and pigs and bars were even exported to France. After the conquest the works were leased to private parties, and since then they have passed through several hands, never being worked to anything like the capacity that the vast ore and wood supplies of the district would warrant. Many samples of the articles—notably stoves—manufactured from the pig iron made in those early days at the St. Maurice and the Radnor forges still remain to attest the exceptionally grand quality of the iron, so fine, in fact, that the Nineteenth Century Stove Founders and Machinery Makers of Western Canada should hail the reappearance in the market of such a brand of iron as a great boon in this age of cheaper grades.—*Trade Bulletin.*

OFFICIAL ESTIMATES OF NICKEL.—A definite estimate of the extent of our nickel deposits around Sudbury is found in the report recently made to the United States naval authorities by

Commander Wm. Folger and Lieutenant B. H. Buckingham, of the United States Navy. The report of these officers to their Government gives the following summary of the acreage and operations of the three companies :—

	Canadian Copper Co.	Dominion.	Vivian's.
Acres owned known to us.....	13,000	480	320
Additional claimed .....	.....	5,000	4,000
Amount of ore taken from mine to Oct. 1st	105,000	45,000	8,000
Daily crushing capacity, ore.	1,200	400	150
Daily furnace capacity, matte.	72	14	5

The estimate made by these gentlemen of the number of tons of nickel ore "above the surface of the ground in deposits seen by us" is :—Canadian Copper Company, 650 million tons ; Dominion Copper Company, 2½ million tons ; Vivian Mine, 240 thousand tons. There is something definite here, at all events. These are calm official figures and deliberate estimates by unprejudiced persons, very different from the spread eagle statements and rose-colored guesses so often indulged in by mining prospectors or mineral enthusiasts. We observe it stated in recent newspapers that nickel has been found in Frontenac county, not far from the Kingston and Pembroke Railway.—*Monetary Times*.

BRITISH COLUMBIA MINERALS.—Some interesting facts are made known in the annual report of the British Columbia Minister of Mines, just issued. The growth of the coal industry in that province is remarkable, and may be seen from a comparative statement. Says the report : The total output of coal for 1874 was \$1,000 tons, and in 1880, 268,000 tons ; in 1885, 369,000 tons. But in 1890 the quantity had increased to 699,000 tons, thus almost doubling in one year. It will be observed that the yearly output of the black diamonds is increasing at a very rapid ratio. As to the precious metals : The total amount of gold produced in the province for 1890 is valued at \$381,555, and of silver at \$73,984. The three mining districts making returns are Cariboo, which is divided as follows : Barkerville, \$61,200 ; Sydney Creek, \$38,000 ; Quesnellemouth, \$62,800. Kootenay—Western division, \$35,000 ; Eastern division, \$37,400 ; Lillooet, \$71,455 ; Lillooet. Hope, Yale and Lytton divisions, \$9,000 ; Osoyoos division, \$17,000 ; Similkameen division, \$23,450. Cassiar has yet to be heard from.

RAILWAYS AND NAVIGATION.

COMPARATIVE RAILWAY TRAFFIC RECEIPTS.—A comparison of the weekly returns of the earnings of our two great trunk lines for the past month will show what, to the uninitiated, will seem inexplicable figures. Both roads run through practically the same territory in Ontario and the eastern Provinces, both have valuable connections with the United States railroad system, and both have terminal facilities at the seaboard. Yet we find the oldest, most firmly established and most popular line showing frequent deficits in the volume of its weekly earnings, as compared with last year's figures, while its rival, whose system is still largely in the experimental stage, chronicles constant and large increases in its receipts.

It is evident to the most casual observer that this astonishing difference cannot be due to any increase in the volume of traffic carried by the C. P. R. Compare the arrival or departure of any train at Windsor street with a similar one at Bonaventure, and we venture to say the number of passengers coming or going by the older road will be three times as large as that of its young rival. The difference then is certainly not in the number of passengers carried. And in the case of freight a similar condition of affairs prevails. The yards at Point St. Charles and at Hochelaga present widely different appearances. The C. P. R. freight trains are fewer, contain less cars, and are more lightly loaded than those of the G. T. R. The most casual observer cannot help observing that the lion's share of the freight, both local and through, goes by the older road. Where then does the enormous disparity in the earning power of the two roads come in?

The reply is a simple one. There is no such disparity at all. The nominal advance in the earnings of the C. P. R. is simply due to a difference in their method of computation. In the case of the Grand Trunk the earnings for the week cover only the actual traffic receipts, and nothing more. All other sources of revenue are credited direct to their appropriate accounts, and their traffic returns are a true criterion of the volume of their trade. In the case of the C. P. R. all revenue, no matter from what source derived, is lumped into the receipts for the week. The receipts from their hotels, steamboats, sleeping cars, restaurants, dining cars, telegraph service, express freight or barber shops, all go in as part of the week's earnings.

It is needless to say, under these circumstances, that the weekly statement of earnings of the C. P. R. is not to be estimated from the ordinary point of view, and that any comparison of their figures with those of the Grand Trunk would be simply misleading. The statistics of the two roads are made on such widely different bases that it is impossible to draw any parallel between them. In the one case the totals contain only the actual tariff receipts, while in the other case they represent the receipts of a number of heterogeneous departments often wholly unconnected with the actual traffic of the road. Which of the two systems is the better must be a matter of opinion. But undoubtedly that of the Grand Trunk affords fewer opportunities for departing from the old-fashioned methods of railway account keeping, with which the British investor is most familiar. — *Journal of Commerce*.

GRAND TRUNK RAILWAY TRAFFIC RETURNS.

<i>Week ending</i>		<i>1891.</i>	<i>1890.</i>
March 7	Passenger train earnings	\$104,842	\$99,546
do	Freight do do	219,699	266,189
March 14	Passenger do do	101,954	100,178
do	Freight do do	239,663	261,248
March 21	Passenger do do	105,544	110,360
do	Freight do do	254,106	269,587
March 28	Passenger do do	125,508	113,009
do	Freight do do	265,023	260,296
		<u>\$1,416,339</u>	<u>\$1,480,413</u>
			1,416,339
Decrease.....			\$64,074

CANADIAN PACIFIC RAILWAY TRAFFIC RETURNS.

<i>Week ending</i>		<i>1891.</i>	<i>1890.</i>
March 7	Traffic earnings	\$317,000	\$257,000
do 14	Do	329,000	267,000
do 21	Do	341,000	289,000
do 28	Do	497,000	387,000
		<u>\$1,484,000</u>	<u>\$1,200,000</u>
		1,200,000	
Increase.....		\$ 284,000	

The earnings of the New Brunswick railway are included in the earnings for both years.

From January 1st to February 28th, 1891, the gross earnings were \$2,703,715.18; working expenses \$2,637,169.31; net profits, \$666,546. For the same period in 1890 the net profits were \$374,361, an increase of \$292,184.87 for the two months of 1891. The net profits by months show as follows; January, 1891, \$329,726; February, 1891, \$336,820; January, 1890, \$205,488; February, 1890, \$168,873.

The earnings and expenses of the New Brunswick railway are included in the figures for both years.

* * *

At the annual meeting of the Ontario & Sault Ste. Marie Railway, held at the company's offices in the Union Station, Toronto, on the 26th March, the following gentlemen were elected directors: L. J. Seargeant, Edmund Wragge, R. Jaffray, G. A. Cox, H. M. Baird, John Bell, J. M. Ferris, D. Bergin and Kenneth Chisholm. The Board of Directors subsequently elected Mr. L. J. Seargeant president and Mr. Edmund Wragge vice-president.

* * *

It is proposed to form a new company, of which the Naval Construction & Armament Company of Barrow-in-Furness, presided over by the Marquis of Hartington, and the Allan Line Company will be the chief promoters. The intention is to have the new company take over the existing Allan line steamers, and run them principally as freight steamers. The new line will be under control of the Allans, and will be neutral as between the Grand Trunk and Canadian Pacific Railways. The new company is working to secure the Government subsidy. Three or four fast steamers will be built similar to those running to New York, and it is expected that the traffic to and from Chicago and the Northwest will be thus directed towards Montreal, the natural route. Montreal will be the summer port, and either Halifax or St. John the winter port. The steamers will be built by the Naval Construction & Armament Company.

MEETINGS AND REPORTS.

THE BANK OF OTTAWA.

The Sixteenth Annual General Meeting of the Shareholders of the Bank of Ottawa was held at the Bank, on the 10th of December, 1890. Among those present were Messrs. G. B. Burland, Robert Blackburn, Hon. Francis Clewlow, E. Mohr, of Arnprior; Alex. Fraser, Westmeath; George Hay, Andrew Masson, Jas. MacLaren, Chas. Magee, John Mather, Dennis Murphy, David MacLaren, Wakefield, and J. G. White.

On the motion of Charles Magee, Esq., seconded by George Hay, Esq., the President, James MacLaren, Esq., took the chair, and the Cashier acted as Secretary.

The President then called upon the Cashier to read the following:

REPORT OF THE DIRECTORS:

The balance at the Credit of Profit and Loss Account, on 30th November, 1889, was.....	\$30,630 88
Net Profits for the year ending 29th November, 1890, after deducting expenses of management, reduction in Bank Premises, and making necessary provision for interest due to depositors, unearned interest on current discounts, and for all bad and doubtful debts.....	105,448 95
	<hr/>
	\$130,079 83

Appropriated as follows:—

Dividend No. 28, paid 1st June, 1890	\$40,000 00
Dividend No. 29, payable 1st December, 1890.....	40,000 00
Carried to Rest Account	25,000 00
	<hr/>
	105,000 00

Leaving a balance to be carried forward at the credit of Profit and Loss Account.....	\$ 31,079 83
And making the Rest Account.....	425,000 00

While the past year has been characterized to some extent by a depression in trade, the business of the Bank has, on the whole, continued to progress satisfactorily.

The various offices of the Bank have been carefully inspected during the year.

The Directors have satisfaction in expressing their approval of the manner in which the officers of the Bank continue to perform their respective duties.

JAMES MACLAREN,
President.

General statement of Liabilities and Assets as on 29th November, 1890.

LIABILITIES.	
Notes in Circulation.....	\$ 857,374 00
Deposits bearing interest.....	\$2,666,121 90
Deposits not bearing interest.....	479,091 57
	3,145,213 47
Total Liabilities to the Public.....	\$4,002,587 47
Capital paid-up.....	1,000,000 00
Rest.....	425,000 00
Dividend No. 29.....	40,000 00
Former Dividends unpaid.....	404 00
Reserved for Interest and Exchange.....	26,520 00
Rebate on Current Discounts.....	27,426 26
Balance of Profit and Loss Account carried forward.....	31,079 83
	1,550,430 09
	\$5,553,017 56
ASSETS.	
Specie.....	\$115,461 14
Dominion Notes.....	95,497 25
Notes of and Cheques on other Banks.....	92,118 73
Balances due from other Banks in Canada.....	86,723 71
Balances due from other Banks in Foreign Countries.....	49,828 07
Balance due from other Banks in United Kingdom.....	25,752 22
Dominion Government Debentures.....	122,630 00
Loans on Call.....	388,046 18
	\$ 976,070 30
Loans and Bills discounted.....	4,465,544 75
Loans overdue not specially secured.....	6,662 28
Loans overdue secured.....	12,916 33
Real Estate, the property of the Bank other than the Bank premises.....	29,713 92
Mortgages on Real Estate sold by the Bank.....	8,710 00
Bank premises.....	53,400 00
	\$5,553,017 56

The President, Mr. MacLaren, in moving the adoption of the report, said that the year had been a good one with the Bank and its branches generally, the business, as a whole, having proved satisfactory. Unfortunately, the Bank had suffered to some extent by a recent local failure. He was glad to be able to assure the Shareholders, however, that the loss in this account had been amply provided for before the books were closed, and for this reason the addition to the Rest was not so large as the Directors would have liked.

The following gentlemen were elected Directors for the ensuing year: James MacLaren, Esq., Charles Magee, Esq., R. Blackburn, Esq., Hon. Geo. Bryson, sen., Alexander Fraser, Esq., Geo. Hay, Esq., John Mathier, Esq.

LA BANQUE D'HOCHELAGA.

The Seventeenth Annual Meeting of the Banque d'Hochelaga was held on the 16th January, 1891, in the Bank offices, St. James street, Montreal. On motion of Mr. Adolphe Roy, seconded by Mr. F. H. Montmarquet, Mr. J. A. Prendergast was requested to act as Secretary.

On motion of Dr. N. H. Ladouceur, seconded by Mr. Candide Roy, Messrs. Joseph Mercier, J. A. Vaillancourt and Joseph Richard were appointed scrutineers.

THE ANNUAL REPORT.

The Seventeenth Annual Report, reading as follows, was submitted:—

To the Shareholders of the Banque d'Hochelaga:—

GENTLEMEN,—The report that your Directors have the honor of submitting to you for 1890 shows at once, that in spite of the bad times, your Bank has not only been able to maintain its position, but to make some progress.

Not having, as in years of abundance, the advantage of employing with profit a part of your capital in the movement of the harvest, we have been obliged to seek other uses for it. Nevertheless, we have been enabled to pay the ordinary dividends, forty-two thousand six hundred and six dollars (\$42,606), and to place thirty-five thousand dollars in the Reserve fund; this, altogether, representing an interest of eleven per cent (11 p.c.) upon the capital, and bringing our Reserve up to twenty-two and a half per cent. (22½ p.c.). We have also provided for probable losses.

The prices current for our stock are much higher than during former years, and our deposits bearing interest have increased by one hundred and sixty-five thousand dollars (\$165,000) since our last report; important facts which indicate the appreciative confidence with which the public honors us.

The amount immediately realizable of our assets will show you besides that we have always acted with great prudence.

The Inspector of the Bank has, during the year, verified with care the values and accounts of the Montreal Bank and the branches.

The resumé of the Profit and Loss Account, as well as the balance sheet of December 31st, will give you fuller details:—

PROFIT AND LOSS ACCOUNT, 1890.

Dr.

Dividend No. 28.....	\$21,303 00
Dividend No. 29.....	21,303 00
Carried to Reserve Fund	35,000 00
Balance Profit and Loss, 31st December, 1890.....	7,543 13
	<hr/>
	\$4,949 13

Cr.

Balance Profit and Loss, 31st December, 1889.....	\$ 7,599 61
Net profits for the year, after deducting cost of management, interest on deposits, bad debts and provision for doubtful debts.....	77,439 52

 \$84,949 13

The whole respectfully submitted,
(Signed)

F. X. ST. CHARLES,
President.

ANNUAL STATEMENT.

The annual statement of the Bank to 31st December, 1890, shows :—

LIABILITIES.

Paid-up capital.....	\$ 710,100 00
Reserve Fund.....	160,000 00
Profit and Loss.....	7,343 13
Dividend No. 29—payable January 2nd, 1891.....	21,303 00
Unclaimed Dividends.....	920 90
Notes in circulation.....	581,970 00
Deposits payable on demand.....	465,104 41
Deposits bearing interest.....	1,017,135 40
Branch drafts unpaid.....	11,219 11

 \$2,975,095 95

ASSETS.

Specie.....	\$ 65,277 10
Legal Tenders.....	151,469 00
Notes and Cheques on other Banks.....	116,839 25
Due by other Banks in Canada.....	12,972 56
Due by other Banks in Foreign Countries.....	98,831 91
Call Loans.....	381,513 03

Amount immediately available.....	\$ 826,902 75
Bills discounted.....	1,991,555 51
Bills overdue.....	1,540 42
Claims in liquidation.....	58,443 99
Mortgages on Real Estate sold by the Bank.....	23,400 00
Real Estate.....	55,523 93
Furniture and Fixtures.....	17,729 25

 \$2,975,095 95

Proposed by Mr. F. X. St. Charles, seconded by Mr. M. Laurent, that the report just read be adopted. Carried.

Proposed by Mr. Adolphe Roy, seconded by Mr. F. X. Roy, that the thanks of the Shareholders are due to the President, Vice-President and the Directors for their able administration of the affairs of the Bank during the past year. Carried.

Proposed by Mr. F. X. Montmarquet, seconded by Mr. F. Dubreuil, that thanks are also due to the Manager and to other officers of the Bank for the zeal they have displayed in carrying out their respective duties. Carried.

Proposed by Mr. Joseph White, seconded by Mr. Gedeon Thibaudeau, that this meeting proceed to the election of Directors.

After the taking of the vote, the scrutineers made the following report:—

“We, scrutineers, duly sworn, at the Annual Meeting of the Shareholders of the Banque d’Hochelaga, this day, declare the following gentlemen elected Directors of this Bank for the current year: Messrs. F. X. St. Charles, M. Laurent, R. Bickerdike, Chas. Chaput and J. D. Rolland.”

DATE OF THE ANNUAL MEETING.

Proposed by Mr. F. L. Beique, seconded by Mr. Jos. Melançon: That in the hope of offering to the Shareholders of this Bank greater facilities for assisting in the Annual General Meetings, the date of these meetings be changed for the future to the 15th of June (or the judicial day following if the 15th of June be a legal holiday), the next meeting being held on the 15th of June, 1892; that the dividends be paid the 1st of June and the 1st of December, each year, beginning the 1st June, 1891; and that the transfer books be closed during the fifteen days preceding such payments. Carried.

Proposed by Mr. J. A. Vaillancourt, seconded by Mr. Joseph Richard: That for the special end of authorizing the Board of Directors to create under the provision of the new Banking Act (53 Vict., chap. 31, coming into force July 1, 1891) a guarantee fund and a needed relief fund for the officers of this Bank, and to appropriate to this end such amounts as they believe necessary; that this meeting adjourn to Wednesday, the 5th of July, 1891, at 3 o'clock of the afternoon, in this place, to take this question into consideration. Carried.

Proposed by Mr. Joseph Mercier, seconded by Mr. Elie Plante: That the report of meeting be printed and distributed to the Shareholders for their information. Carried.

The meeting then adjourned.

At a subsequent meeting of the Directors, Mr. F. X. St. Charles was re-elected President and Mr. M. Laurent Vice-President.

NOTE.—The death of Mr. M. Laurent, on the 7th March, 1891, created a vacancy on the Board which was filled by the appointment of Mr. J. A. Vaillancourt. Mr. R. Bickerdike was at the same time appointed Vice-President.

THE MERCHANTS' BANK OF HALIFAX.

The Annual General Meeting of the Shareholders of this bank was held in Halifax on the 11th February, 1891, when the following report was submitted and passed :—

GENERAL STATEMENT,

DECEMBER 31ST, 1890.

LIABILITIES.

TO THE PUBLIC.

Deposits at call	\$1,034,741 48
Deposits subject to notice	2,198,455 79
Interest reserved on deposits	44,409 08
Due to other Banks in Canada.....	6,335 85
Due to Foreign Agents.....	386 47
Notes in Circulation.....	996,192 48
Drafts drawn between Head Office and Agencies—outstanding	58,186 61
	<hr/>
	\$4,338,707 76

TO THE SHAREHOLDERS.

Capital, paid up	\$1,100,000 00
Reserve Fund.....	375,000 00
Profit and Loss	2,310 09
Dividend No. 42, payable 2nd Feb'y., 1891.	33,000 00
	<hr/>
	\$1,510,310 09
	<hr/>
	<u>\$5,849,017 85</u>

ASSETS.

Specie.....	\$ 145,819 43
Dominion Notes	398,081 25
Notes and Cheques of other Banks.....	217,130 43
Balances due from other Banks in Canada ..	49,710 02
Balances due from Foreign Agents	168,578 40
Balances due from London Agents, including Bills of Exchange remitted to London, not matured.....	60,171 35
Provincial and City Debentures.. ..	302,373 33
	<hr/>
	\$1,339,864 21

BANK MEETINGS.

Loans to Dominion Government.....	\$ 44,982 96	
Loans to Provincial Governments.....	405,788 08	
Loans to Municipalities.....	27,739 44	
Loans to Corporations.....	136,422 15	
Cash Credit Accounts and other authorized Loans	415,564 17	
Call Loans on Stocks and Bonds.....	262,572 75	
Notes and Bills Discounted Current.....	\$3,158,547 82	
Less rebate of Interest on un- matured Bills.....	28,000 00	
	<hr/>	3,130,547 82
Notes overdue, not specially secured	6,626 41	
Overdue Debts, secured	4,459 86	
Bank Premises.....	64,000 00	
Safes at Agencies and Office Furniture.....	7,000 00	
Stationery on hand.....	1,450 00	
Real Estate other than Bank Premises.....	2,000 00	
	<hr/>	\$4,509,153 64
		<hr/>
		<u>\$5,849,017 85</u>

PROFIT AND LOSS.

1889.		
Dec. 31st.	By Balance.....	\$ 24,802 44
1890.		
Dec. 31st.	“ Net Profits (a11 bad and doubtful debts provided for).....	143,507 65
		<hr/>
		\$ 168,310 09
June 30th.	To Dividend No. 41, payable 1st August, 189c.....	33,000 00
Dec. 31st.	“ Dividend No. 42, payable 2nd February, 1891.....	33,000 00
	“ Reserve Fund.....	100,000 00
	“ Balance carried forward.....	2,310 09
		<hr/>
		<u>\$ 168,310 09</u>

RESERVE FUND.

1889.		
Dec. 31st.	By Balance	\$ 275,000 00
1890.		
Dec. 31st.	“ Transferred from Profit and Loss Account.....	100,000 00
		<hr/>
		\$375,000 00
Dec. 31st.	To Balance carried forward.....	<u>\$375,000 00</u>

The following gentlemen were re-elected as Directors for the ensuing year: Thos. E. Kenny, Esq., M.P., President; Thomas Ritchie, Esq., Vice-President; Michael Dwyer, Esq., Wilcy Smith, Esq., H. G. Bauld, Esq., Hon. H. H. Fuller, M.L.C.

THE BANK OF NOVA SCOTIA.

The Fifty-ninth Annual General Meeting of the shareholders of this Bank was held in Halifax on the 18th February, 1891. The following report submitted by the retiring Directors was read and adopted :—

GENERAL STATEMENT,

31ST DECEMBER, 1890.

LIABILITIES.

Deposits at call.....		\$1,524,623 16
Deposits subject to notice.....	\$3,971,606 21	
Interests reserved on Deposits	89,625 08	
	<hr/>	4,061,231 29
Due to other Banks in Canada	4,603 66	
Due to other Banks not in Canada.	30,923 00	
	<hr/>	35,526 66
Notes in circulation.....	1,307,196 09	
Drafts drawn between Head Office and Agencies outstanding.....	136,423 09	
	<hr/>	1,443,619 18
Capital paid-up.....	1,114,300 00	
Reserve Fund	700,000 00	
Profit and Loss.....	7,276 36	
Dividends unpaid.....	250 00	
Dividend No. 114, payable 1st February, 1891.....	39,000 50	
	<hr/>	1,860,856 86
	<hr/>	<u>\$8,925,857 15</u>

ASSETS.

Specie.....		\$ 292,232 62
Dominion Notes		377,819 75
Balances due from other Banks in Canada.....	\$ 173,166 48	
Notes and Cheques of other Banks.	320,656 18	
Due from Agencies of the Bank or from other Banks in Foreign Countries.....	108,323 32	
Due from Agencies of the Bank or from other Banks or Agen- cies in the United Kingdom.....	446,871 15	
	<hr/>	1,049,017 13
Investments (Provincial and other Bonds).....		\$52,852 02

BANK MEETINGS.

Loans to or Deposits made in other		
Banks secured	324,054	00
Loans to the Government of the		
Dominion.....	10,680	87
Loans to Provincial Governments..	15,351	82
Loans secured by Bonds, Debentures and Stocks.....	301,879	29
Loans to Municipal Corporations..	1,831	04
Loans to other Corporations	1,523,032	21
Cash Credit Accounts and Secured		
Overdrafts	96,353	07
Authorized Overdrafts, not specially secured.....	20,629	35
Notes and Bills, discounted and current.....	\$3,977,078	99
Less rebate on Unmatured Notes....	63,088	21
	<hr/>	3,913,990 78
Notes and Bills overdue and not specially secured.....	11,420	55
Notes and Bills overdue and other overdue debts secured.....	7,558	56
Real Estate Mortgages on Real Estate sold and other property not realized.....	41,672	97
Bank Premises, Safes and Office Furniture.....	84,193	28
	<hr/>	6,352,647 79
Stationery.....		1,287 84
		<hr/>
		<u>\$8,925,857 15</u>

PROFIT AND LOSS.

1889. Dec. 31. By Balance.....	\$	12,973	81
1890. Dec. 31. " Net Profits for current year, after providing for doubtful debts and losses.....		212,303	55
		<hr/>	<u>\$225,277 36</u>
1890. June 30. To Dividend No. 113, payable 1st August, 1890.....		39,000	50
Dec. 31. To Dividend No. 114, payable 1st February, 1891.....		39,000	50
" Transferred to Reserve Fund.....		140,000	00
" Balance carried forward....		7,276	36
		<hr/>	<u>225,277 36</u>

RESERVE FUND.

1889. Dec. 31.	By Balance	\$560,000 00	
1890.	“ Transferred from Profit and Loss	140,000 00	
			<u>700,000 00</u>
1890. Dec. 31.	To Balance carried forward		<u>700,000 00</u>

The following gentlemen were elected as Directors for the current year :
 JOHN DOULL, Esq., ADAM BURNS, Esq., DANIEL CROFTON, Esq., JAIRUS HART,
 Esq., and JOHN Y. PAYSANT.

At a subsequent meeting of the Directors, Mr. JOHN DOULL was re elected
 President, and Mr. ADAM BURNS, Vice-President.

 THE BANK OF BRITISH COLUMBIA.

The half-yearly general meeting of the Bank of British Columbia was held at the City Terminus Hotel, London, England, on Wednesday, the 18th February, 1891, Mr. ROBERT GILLESPIE, chairman of the board, presiding. The following is a summary of the proceedings:—

The chairman amongst other remarks said: The half year just passed has been fraught with anxieties unprecedented in commercial history during this generation, and while everyone must feel great sympathy for the sufferers, there is a great lesson to learn from these incidents, and I hope it may not be lost. The period under review has seen great disturbances in the monetary centres of the world, in none more so than in London, New York and San Francisco—especially the two latter places, where we are all much interested, but I am proud to add that by prudent action we have passed the ordeal with satisfaction. The success of the half-year's business is again a matter of congratulation, for you will observe we have now to deal with larger profits than on any former occasion, and this in the face of much stringency in money, greater competition, and an increased capital to earn dividend upon. This marked progress fully justifies the demand made upon you last year for an increase of capital, and I am happy to inform you that the success attending the opening of the new branches at Tacoma and Seattle has fully warranted the expectations of your directors; indeed, except in Kamloops, which shows a small deficit, all our branches have earned handsome profits. The difficulty now seems to be to wisely check too much ambition on the part of our staff, to whom much is due for the advancement of the Bank's business. I ask you to follow me while I make a comparison of the accounts for the past half-year with those ending December 31st, 1889, and June 30th, 1890. At the end of 1889, our capital was £500,000, in June we increased it to £600,000. The reserve fund in 1889 was £115,000. It has since been raised to £200,000, and we purpose to-day with your approval to add to it. Notes in circulation show a very material improvement. I always value it for this reason: It shows increas-

ing confidence in the institution. The amount in circulation at the end of December, 1889, was £175,000, while in December last it was £212,751. Since then it has further increased business. Bills payable indicate considerable increase—nearly £500,000, as compared with the June half-year, and £150,000 as compared with December, 1889. Other current liabilities, £46,901, are rather less than June, 1890, and a little more than December, 1889. Taking the assets, our specie at branches, cash at bankers, and gold bars and gold dust represent £321,590, showing an increase upon the two previous half-years—not much in June, but considerable in December, 1889. These figures are equal to $37\frac{1}{4}$ per cent. of our immediate liabilities and notes, and about $22\frac{1}{2}$ per cent. upon the total deposits and note circulation. The investments indicate an increase of something like £40,000. The values entered in our balance sheet are current market values at the close of last year, and after allowance for deduction. The bills discounted and loans are now, I believe, the largest we have ever seen them stand at. They represented on June 31st, 1889, £1,600,000; in June 1890, £1,696,000; and in December last. £1,581,229. So with our increased resources we have been able to add materially to our business. Bills receivable also indicate a very large increase. They amount to £752,000, as compared with £680,000 in December, 1889, and £370,000 in June last. "Other securities" represent only a small sum, and call for no special remark. The bank premises are £46,570, and indicate a slight diminution as compared with June, 1890. I should think their value is something like 35 to 40 per cent. higher than we indicate here. The profit and loss account, which perhaps is the most interesting feature of these figures, ought to be satisfactory. Our gross profit for the half year is in excess of that of any previous half year. The gross profit shows an increase of £10,000 as compared with December, 1889, and of £18,000 as compared with June last. The charges amount to a large sum, but we now have a very large staff; I think it numbers seventy-six. I have got a list of twenty-six colonial and Indian banks working much on the same lines as we are, and out of that number we are the lowest but two, and they do a very small business. Therefore I do not think it is extravagant. We endeavor to do our best to keep down expenses, but we must have efficient men. We have written off the premises account £1,134, and the directors' fees are as usual £1,500. Now, gentlemen, the question we have to ask is how we shall distribute £53,443 net profits. We propose a dividend at 6 per cent. per annum, which will absorb £18,000; we propose also a bonus of 3 per cent., or £18,000; and we propose further to carry £8000 to the Reserve fund and £9,443 forward to next year. With regard to the future, so far as we know, the crops promise fairly well. They were very good last year, and on the whole, our advices lead us to suppose that we are on the eve of renewed prosperity and success. Everything indicates, I hope, a sound basis, and I have no reason to anticipate any evil. All I hope is your continued good will and support. With these observations I sit down, simply moving the resolution—"That the report and statement of accounts, as now submitted, be received and adopted."

LA BANQUE DU PEUPLE.

The Annual General Meeting of the Shareholders of La Banque du Peuple was held on Monday, 2nd March, 1891, at the Head Office of the Bank, St. James street, Montreal. Among the Shareholders present were: Messrs. Jacques Grenier, J. S. Bousquet, W. Thomas, John Crawford, D. B. Muir, W. Evans, John Morrison, Alph. Leclair, Nolan DeLisle, Geo. Brush, Louis Armstrong, P. P. Martin, Ant. Branchaud, R. Bickerdike, McCulloch, G. C. Dunlop, Daigle, J. Y. Gilmour, J. Birch, Leop. Galarneau and Dr. Desjardins.

The President, Mr. Jacques Grenier, occupied the chair, and after a brief address, in which he stated that, as was customary, the condition of the Bank and the detail of its affairs would be considered in full by the Cashier in his annual address, he called upon that gentleman to read the Report of the Directors for the past year.

REPORT.

The Directors beg to submit to the Shareholders the statement of the affairs of this Bank for the year ending 28th February, 1891.

Dr.

Dividend, 3 per cent., paid September 1st, 1890.....	\$ 36,000 00
Dividend, 3 per cent. payable March 2nd, 1891.....	36,000 00
Amount carried to Reserve Fund.....	25,000 00
Balance carried to Profit and Loss account.....	3,141 43
	\$100,141 43

Cr.

Net profits of the year after paying expenses and providing for all bad and doubtful debts.....	\$100,141 43
	\$100,141 43

The net profits of the year, after having provided for all bad and doubtful debts, and deducting costs of management, have amounted to \$100,141.43. Out of this sum we have paid dividends at the rate of six per cent. per annum, and carried to the Reserve an amount of \$25,000, which raises that fund to \$425,000.

Our deposits show an increase, while our advances to the public and our circulation show a small diminution. The decrease in this last item results from the small requirements of the country for the removal of the crop. The increase in the Real Estate item arises from our having found it absolutely necessary to increase the space of accommodation which is required by the number of clients and the growth and expansion in the volume of

our business, and our having, for the purpose of erecting Bank Premises to suit our wants, bought the two adjoining properties.

An agency of this Bank was opened in August last on St. Catherine street east. The large amount of business and the various industries, now progressing in that section of the City, lead us to believe that a profitable business can be carried on. A Savings Department has also been attached to that agency, and the success realized, so far, has reached our expectations.

During the year, the Banking Act has been considered by the Legislature, and renewed for ten years. We beg to state to our Shareholders that a renewal of our Charter has been granted. The Government, however, in granting a renewal of our Charter, has judged it advisable to insert a clause, limiting the power of issue of our note circulation to seventy-five per cent. of our capital. But the Bank may issue such notes in excess of the said seventy-five per cent. upon depositing, with respect to such excess, with the Minister of Finance and Receiver-General, in cash or Bonds of the Dominion of Canada, an amount equal to the excess; provided always that in no case shall the total amount of our notes in circulation at any time exceed our paid-up Capital.

Our agencies have been inspected during the year, and are working satisfactorily.

We beg to acknowledge to the Shareholders the good services rendered to our administration by the fidelity and attentive work of our officers.

The result of the year has not reached our expectations; but taking into consideration the somewhat difficult conditions under which banking operations had to be carried on, we hope the Shareholders will be satisfied.

By order of the Board,

J. GRENIER,

President.

Montreal, 2nd March, 1891.

GENERAL STATEMENT AT CLOSE OF BUSINESS, 28TH FEBRUARY, 1891.

Dr.

To circulation.....		\$ 709,524 00
To deposits not bearing interest.....		1,550,535 28
To deposits bearing interest.....		2,411,254 45
To amount due to other Banks.....		71,551 78
To Capital paid-up.....	\$1,200,000 00	
To Reserve Fund.....	425,000 00	
To Profit and Loss.....	53,349 82	
To Dividend No. 90 payable 2nd March, 1891...	36,000 00	
To Unclaimed Dividends	5,798 67	
		<hr/>
		1,720,148 49
		<hr/>
		\$6,463,317 00

Cr.

By Specie	\$ 50,189 95
By Dominion Notes	324,507 00
By notes and cheques on other Banks	210,471 25
By balances due by other Banks.....	43,288 09
By call and short loans on stocks and bonds.....	447,206 58
Immediately available.....	\$1,075,662 87
By loans and discounts current.....	5,100,928 34
By notes and bills overdue, secured.....	26,115 27
By notes and bills overdue, unsecured.....	18,967 14
By mortgages and hypotheques.....	85,271 15
By Real Estate.....	89,611 79
By Bank premises.....	66,760 44
	<hr/>
	\$6,463,317 00

J. S. BOUSQUET,
Cashier.

We, the undersigned Auditors, named at the last General Annual Meeting of the Shareholders, after having examined the Books, verified the Specie and Legal Tenders on hand, in a word, after having taken cognizance of the Assets and Liabilities of the Corporation of "La Banque du Peuple," have the honor to report that we have found the whole to be correct and deserving our approval.

P. P. MARTIN,
NOLAN DELISLE,
LOUIS ARMSTRONG,
Auditors

Montreal, March 1st, 1891.

The reading of the report over, the Manager continued: I have but very few words to add to the Directors' report, which covers all the ground with regard to our own affairs since the last meeting of the Shareholders of this institution. This year has been characterized by a great number of disasters in all branches of trade. The total of our loans, now amounting to \$5,595,217.33, will tell you that we are interested in the success of almost every line of trade in the province, for the whole of our advances are made in this province; and that the risks and responsibilities of your Directors in the administration of the Bank's affairs have been a cause of anxiety to them during the year. The Bank has now over fifteen thousand customers to whom money is lent, six thousand depositors, and its yearly money transactions passing through the hands of its fifty-five officers amount to a sum of over \$140,000,000. To carry on successfully, and without loss, a banking business of this size, under such adverse circumstances as the field of our operations now covers, is practically impossible, and it is useless for me to represent that we have not made losses. We have had amongst our customers a few failures, which have been more or less disastrous, and have experienced our proportion rata in the general losses.

The decrease in the net results of the operations of the year may lead you to the belief that a decline in our volume of business has taken place; but such is not the case. Although a decrease of \$80,000 in the amount of our loans is noticeable, our deposits stand now at £3,961,792.73, against £3,911,638.50 last year. The decrease in our circulation is accounted for by the small movements of the crops.

The gross earnings, although not quite as large as for the last twelve months, have exceeded thirty per cent. (30 p.c.) of our capital, and the diminution in net follows entirely on an increase in the interest paid on deposits and heavier losses in failures.

Taking all things into account, the report of affairs now submitted, although not to your Directors' satisfaction with regard to net profits realized, will, however, show that the forward movement and the legitimate progress of our affairs has been well maintained, considering the general depression of business.

GENERAL REVIEW.

The year 1890 was one of general depression and stagnancy in the financial, commercial and agricultural communities of the province. A material decline in the volume of business has been felt all around, and the condition of trade, as disclosed by the number of failures, is not at all reassuring. According to the returns of our mercantile agencies, the total liabilities of insolvents amounted to \$8,580,257.83, against \$6,856,110.76 in the previous year, and \$4,467,826.14 in 1888.

So far as any inference may be drawn from these disasters, it is decidedly in support of the conclusion that the trade of the country has beyond question experienced, through a combination of adverse influences, a severe shock; and that, as a whole, the situation, illustrated from the balance sheet, shows that returns have not contributed to add much to the wealth of the country.

The business failures of the year were governed to a great extent by the following causes: The severe and extraordinary pressure in the money market throughout the year; the shrinkage in grain values, as well as the unprecedentedly low prices of hay, and, more notably, the adoption in October last, by the United States Congress, of a new tariff, by which it was found by our neighbors that amongst other things to be protected were their agricultural interests. To attain their purpose they have increased the duties on foreign produce to such an extent as to render their market prohibitive to foreign produce, therefore affecting one of the most important branches of our foreign export, by virtually closing their door to our agricultural produce. Its coming into effect at a season when our farmers, as in years past, were anticipating a ready market, always favorably disposed to buy all surplus production, has been sudden, unforeseen and disastrous.

Depending in early spring on their usual market, farmers unfortunately had raised produce in this expectation, to be suddenly deprived of it, and this has upset their calculations, and involved great loss. The consequences have been that most of their agricultural produce, and more especially their hay, now lies in their barns, already overloaded with the crop of 1889, with no demand for it, and no prices. In fact, prices offering for hay do not realize above the cost of marketing. Hence the depreciation in farm value,

the poverty of farmers, and their inability to meet interest due on mortgages. A great number being unable to effect new loans in order to carry them temporarily have been severely tried, and many have succumbed under the pressure.

The first set-back in business therefore originated with the country store-keepers, who depend entirely for activity on farmers' returns, and from them it spread to the community. This accounts for the numerous failures, the great falling off in the wholesale trade, the complaints of bad collections from the rural districts, and the stagnancy and depression that now prevails in business. The inability to effect the sale of our crop has deprived the country of millions of dollars and lowered our purchasing power to that extent. It also accounts for the scarcity of money.

THE AGRICULTURAL SITUATION.

We must admit that the new American tariff, known as the McKinley bill, has to a certain extent temporarily disturbed our trade relations, and that it has given rise to a crisis in our entire agricultural community. In order to calculate to what extent the blow received by our agricultural community will be felt, and in order to measure its effects upon production, consumption, and mercantile activity, it is necessary to look over the list of produce exported and its value. The value of agricultural produce exported by the Dominion in 1889 to the United States, according to Government returns, has been nine millions and a quarter. Out of that amount the Province of Ontario is to be credited with a very large proportion. For instance, its exports in barley and eggs amounted in that year to close on \$8,000,000. Hay from this province has been the most important item, figuring in the exports to an amount of \$600,000. Therefore, taking for granted that the new United States tariff renders their market prohibitive to our farm produce, the disturbance in our agricultural exports for the Dominion will be nine millions and a quarter, each province taking its share. The agricultural community of the Province of Quebec, for its share, will then be deprived of an outlet in its produce, to the extent of at most \$1,000,000, \$600,000 of which is accounted for by the hay export. Now, supposing that the McKinley bill puts an end to hay raising in this province, the question that arises is, what is to be done by our farmers to parry the evil and to make up for the loss of a market which for years past had been a source of revenue to them?

The opportunities offered and the chances left to our farmers to make good the loss of that market are numerous. First, to relieve them from their present alarming state, new methods of producing have to be at once adopted to supply the wants of other countries, and unless we can quickly effect a change in our mode of farming, and not later than this spring, the chances are that disagreeable consequences will follow. The agricultural interest, like all other producing power, is apt to make mistakes, and over-production bears as disastrous consequences to them as it does to any manufacturing interest. For instance, hay raising has been overdone for two or three years past in this province. The consequences have been that a large surplus exists, with no demand for it, explaining therefore the shrinkage in its value. The farmers should then regulate their production by the wants

of the local consuming power first, and then adapt all surplus of production to the wants of the most profitable and suitable foreign markets. To depend on foreign markets for the sale of the bulk of their production, and to neglect local wants, has seemed to be our way of doing in this province.

I cannot too severely blame the neglect by farmers of our domestic market, for the domestic want is of far greater importance in its relation to the condition of the people and to the prosperity of the province. For the purpose of showing at a glance the great advantages and benefit that can be derived from our local markets by farmers adapting their mode of farming to its wants, the table below will furnish a graphic illustration, as accurate as possible, of the most important items of farmers' produce for which the city of Montreal had to provide for its consumption during the year, indicating also whence its supplies came :—

ONTARIO.

	Number.	Weight lbs.	Average price.	Average amount.
Butchers' cattle	57,580	800 to 1,100	\$4.00	\$2,303,000
Live hogs.....	30,300	200 to 300	5.00	378,000
Dressed hogs.....	105,935	100 to 175	6.50	964,000
				<hr/> \$3,645,000

QUEBEC.

Butchers' cattle	12,200	500 to 1,000	\$4.00	\$ 366,000
Live hogs.....	7,480	150 to 225	5.00	71,000
Sheep	25,946	75 to 115	6.00	155,000
				<hr/> \$ 592,000

It is to be noted from the above that the City of Montreal has to provide outside of this province for eighty-five per cent. (85 p.c.) of its meat consumption, and the amount paid for it reaches over \$3,645,000. Why should we not keep that money in this Province? Why should we deprive our farming interests, trade and industries of so large an amount, to the benefit and advantage of other provinces? Farmers have just lost a market for their hay of \$600,000 to \$800,000 a year. Here is an opportunity offered to compensate for that loss, and one of far greater importance to them and to our local general trade.

The raising of hogs is carried on in Upper Canada with considerable profit, and is becoming an important feature in their farming, in fact, the impulse lately given to it has been such that in one year they have supplanted American hogs in the Montreal market. In 1889, 49,000 hogs from the United States were imported into Montreal, while in 1890 hardly any have been seen. Who can deny the ability of our farmers to raise hogs and cattle, in order to supply the wants of the city? As for all surplus of production, England will offer a ready market if our farmers care to familiarize themselves with the conditions and requirements of the English market.

The cattle trade of the Dominion is assuming large proportions, and the probabilities are that in the coming years it will assume still larger proportions.

tions. The table of exports given below will offer a comparison, and will demonstrate that we do not take our share in this important item of revenue to farmers, and that proper attention should be directed to it.

Export cattle—		Weight lbs.
From the Northwest.....	8,300	1,000 to 1,300
From Ontario.....	112,336	900 to 1,400
From Quebec, Eastern Townships.....	2,500	1,100 to 1,400
Export sheep—		
From Ontario.....	42,172	130 to 200
From Quebec.....	1,200	100 to 130

Dairy products from their great demand in foreign markets are assured an outlet for all we can raise, and in that direction a movement of progress seems to have been made; but a great deal more remains to be done, and a closer attention should be given to the work.

It is of service to refer to these matters here, because of their bearing upon the future. The remedy to our stagnancy in business lies, to a great extent, in the hands of our farmers, and to comment upon the salient points of agriculture with regard to prosperity in trade is a duty of every business man. Mixed farming has often been advocated, and this mode of culture will have to be adopted in order to save our farmers from their alarming state. There exists a shrinkage in our present mode of culture, and farming is not properly attended to in this province. It is certainly this that ails the agricultural interest, and it is because of this that commercial interests have been disturbed.

THE OUTLOOK.

The year closes with an unsatisfactory condition of business, which suggests no pleasing retrospects or hopeful anticipation of the revival of industrial development in the near future. Symptoms evidencing uneasiness are displayed, but we must not conclude for all that that the country is going to the dogs. This would be a grave error, for if we examine the general condition of trade, we find that it rests on a sound basis, although returns as a whole have not been satisfactory for a year or two back.

In cities with new industrial enterprises to be developed, bank and other monetary institutions paying their usual dividends, manufactures well employed with orders on hand ahead of production, large sums of money to be spent by governments and corporations for harbor and other improvements, and a great number of buildings for investment purposes by capitalists to be erected, we have every reason to believe that the working class will be well employed at remunerative wages, and that general activity in business will set in during the year.

But in the country, unless farmers realize their situation and grapple energetically with it at once, the country trade will experience further disasters.

On motion of Mr. John Crawford, seconded by Mr. John Morrison, it was resolved that the annual report just read be received and adopted.

The retiring Directors were re-elected for the ensuing year.

BRITISH CANADIAN LOAN AND INVESTMENT COMPANY (LIMITED).

The Thirteenth Annual Meeting of the above Company was held at the Head Office, Imperial Buildings, 32 Adelaide Street E., Toronto, on Wednesday, 4th February, 1891, when the following report was submitted for the year ending 31st December, 1890 :—

REPORT.

The Directors beg to submit the thirteenth annual report of the affairs of the Company.

The amount of sterling debentures sold and renewed during the past year was \$267,480. The amount redeemed was \$99,255, making an increase of \$51,912 upon the amount outstanding 31st December, 1889. On currency debentures there have been received \$13,800, and redeemed \$8,024, the balance current being \$153,176, making the total amount of money borrowed for investment \$1,387,079.

During the year the sum of \$199,168 has been received in repayment of loans on mortgage, and \$274,871 paid out for new investments, and mortgages to the amount of \$25,277 were extended for a further term, the securities being found unquestionable. The loans on mortgage with interest to 31st December last amounted to \$1,799,758, being an increase of \$77,944 over the previous year.

Since last report there have been received applications on loans amounting to \$428,567 on real estate valued at \$1,039,865. Whereof were declined \$171,845 on real estate valued at \$347,220, and accepted \$256,722 on real estate valued at \$692,645.

The net earnings for the year have been \$33,402.74, out of which the Directors, after payment of two half-yearly dividends at the rate of seven per cent. per annum, have added \$12,000 to the Reserve Fund, which now amounts to over twenty-five per cent. on the paid-up capital, the sum of \$8,048.90 being carried forward to next year's account.

From the above *résumé* of the Company's transactions during the year, it will be seen that satisfactory progress has been made in the business generally.

It was feared that the financial disturbance which overtook Great Britain last autumn would diminish investments in the debentures of loan companies to some extent. This has not, however, been the experience of your directors, a larger proportion than usual of the sterling debentures payable at the last term having been renewed, and new investments received, to a greater extent than the average of previous years. An active demand throughout the year for loans on mortgage of real estate has enabled the board to keep the Company's funds fully employed at remunerative rates.

Payments of principal and interest have been satisfactory—better than the average of former years.

The balance sheet and profit and loss account, duly audited, are herewith submitted.

A. H. CAMPBELL,
President.

Toronto, 20th January, 1891.

STATEMENT OF AFFAIRS FOR THE YEAR ENDING 31ST
DECEMBER, 1890.—BALANCE SHEET.

LIABILITIES.

Capital stock, 16,200 shares of \$100 each, \$1,620,000, of which \$20 on currency and £4 on sterling shares have been paid..	\$322,607 47
Sterling debentures.....	\$1,185,200 55
Currency “	153,176 06
Investors' mortgage certificates.....	48,702 47
	<u>\$1,387,079 08</u>
Provincial Loan and Savings Company (amount due by them: to their depositors).....	10,339 88
Due agents in Britain.....	1,020 98
Int. on debentures, &c., accrued to date.....	15,543 40
Sundry creditors (borrowers' balances, &c.).....	2,160 38
Dividend No. 26, at 7 per cent. per annum, payable 2nd January, 1891.....	11,291 25
Reserve Fund.....	82,000 00
Balance at credit of Profit and Loss.....	8,048 90
	<u>\$1,840,091 34</u>

ASSETS.

Loans on mortgage on real estate.....	\$1,790,758 36
Loans on stocks, debentures held, &c.....	5,815 43
Stock in Royal Bank of Scotland (investment on account Reserve Fund).....	15,058 98
	<u>\$1,811,632 77</u>
Cash on hand.....	\$ 2,240 66
Cash in banks in Canada.....	8,381 41
Cash in banks in Britain.....	16,103 45
	<u>26,725 52</u>
Sundry debtors (disbursements re-payable by borrowers, &c.).....	1,287 25
Office furniture.....	445 80
	<u>\$1,840,091 34</u>

PROFIT AND LOSS ACCOUNT.

Dr.

To interest paid and accrued to 31st December, 1890.....	\$ 63,488 95
Expenses of management (salaries, rent and taxes, directors' and auditors' fees, printing and stationery, inspection charges).....	\$ 9,462 25
Com. paid loan agents.....	1,674 76
Advertising, commission and other expenses connected with the sale of debentures.....	3,367 01
	<u>\$14,504 02</u>
Dividend No. 25 at 7 p. c. per annum, paid 2nd July, 1890.....	11,290 11
Dividend No. 26 at 7 p. c. per annum, payable 2nd January, 1891.....	11,291 25
Carried to Reserve Fund.....	12,000 00
Balance carried forward.....	8,048 90
	<u>\$120,623 23</u>

Cr.

By balance from 31st December, 1889.....	\$9,977 52	
Less vote of annual meeting.....	750 00	
		9,227 52
Interest received and accrued to 21st December, 1890.....		111,395 71
		\$120,623 23
December 31st, 1890.		
By balance to next year.....		\$8,048 90
	R. H. TOMLINSON, Manager.	

AUDITORS' CERTIFICATE.

We have made a careful audit of the books and accounts of the British Canadian Loan & Investment Company (Limited) for the year ending 31st December, 1890, and have examined the securities; and we hereby certify that the above balance sheet and profit and loss account are correct.

DAVID HIGGINS,
HENRY WM. EDDIS, F.C.A., } *Auditors.*

Toronto, 26th January, 1891.

The scrutineers reported the election of the following gentlemen as directors for the ensuing year, viz.: A. H. Campbell, George Greig, Wm. Ince, John Burns, Samuel Trees, J. K. Kerr, Q.C., Henry F.J. Jackson, and W. R. Brock.

At a subsequent meeting of the board of directors, A. H. Campbell, Esq., was elected president, and Mayor George Greig, vice-president.

PEOPLE'S LOAN AND DEPOSIT COMPANY.

The Sixteenth Annual Meeting of the shareholders of the above Company was held at the Company's office, Toronto, on Monday, 9th February, 1891. The following financial statement for the year ending 31st December, 1890, was submitted.

REPORT.

The Directors beg to submit the Sixteenth Annual Report of the affairs of the Company.

The authorized capital of \$600,000 is now paid up within about \$500. In accordance with the general policy of your directors, the amount of deposits has been reduced during the past year, and borrowings on debentures have been increased. Arrangements having been nearly completed for the sale of our debentures in Great Britain, it is expected that as much money as it will be prudent to borrow will be acquired in that way; but in consequence of the stringency of the money market and the unfavorable rate of exchange, profits on such operations will be somewhat curtailed. It is believed our stockholders will be satisfied with the earnings of the Company,

securing the usual rate of dividend, and adding a little to reserve and contingent accounts.

In accordance with the notice you have received, you will be asked to consider some changes in the by-laws of the Company. Some of them are required to meet the views of capitalists on the other side of the Atlantic. The one authorizing the issue of the debenture stock may not be brought into requisition very soon, but inasmuch as such issue, when practicable, would reduce the expense of borrowing, it may be of profit to stockholders to give the Directors power to issue such stock when practicable to do so.

The change of qualification of Directors has not been suggested by your Board, but by some outside shareholders, who expressed an opinion that the high qualification might preclude some well qualified individuals from the directorate, and it has, therefore, been considered proper to submit this question to the shareholders.

Yours respectfully,
WILLIAM ELLIOT,
President.

Toronto, January 19th, 1891.

BALANCE SHEET.

Assets.

December 31st, 1890.	
Amount loaned.....	\$1,330,433 95
Real estate.....	2,414 59
	<hr/>
	\$1,332,848 54
Office furniture.....	508 00
Cash on hand.....	800 00
Cash in Bank of Commerce.....	1,263 17
	<hr/>
	\$1,335,419 71

Liabilities.

December 31st, 1890.	
Capital stock paid up.....	\$599,429 45
Reserve Fund.....	\$110,000 00
do 1890.....	2,000 00
	<hr/>
	112,000 00
Contingent Fund.....	9,576 11
Less Directors' and Auditors' fees.....	1,350 00
	<hr/>
	8,226 11
Appropriated from profits, 1890.....	2,210 65
	<hr/>
	10,436 76
Dividend on stock unpaid.....	20,942 83
	<hr/>
Total liabilities to shareholders.....	742,809 04

LOAN COMPANIES.

Deposits.....	419,507 95	
Debentures.....	162,866 67	
Interest on do.....	2,362 94	
Owing to Dominion Bank.....	6,033 74	
Sundry accounts.....	939 37	
Total liabilities to the public.....		592,610 67
		<u>\$1,335,419 71</u>

PROFIT AND LOSS ACCOUNT.

Dr.

Dec. 31st, 1890.		
To interest on deposits.....	\$20,316 77	
Interest on debentures.....	7,495 66	
Dividend No. 30.....	20,928 75	
" " 31.....	20,957 96	
Rents, salaries and current expenses.....	7,221 23	
Municipal taxes.....	596 30	
Furniture account 10 per cent.....	56 00	
Commission account.....	128 00	
Reserve Fund.....	2,000 00	
Contingent Fund.....	2,210 65	
		<u>\$81,911 32</u>

Cr.

Dec. 31, 1890.		
By interest accrued.....	\$81,756 32	
Premium on stock.....	155 00	
		<u>\$81,911 32</u>

We, the undersigned, beg to report that we have made the usual thorough examination of the books of the People's Loan and Deposit Company, for the year ending 31st December, 1890, and hereby certify that the above statements are strictly correct and in accordance with the same.

[Signed]

ROBERT SEWELL, }
EDWARD B. FREELAND, } Auditors.

Toronto, Jan. 17th, 1891.

The President, in moving the adoption of the Directors' report, said :

The anticipated sale of our debentures in Great Britain has not yet been realized except to a small extent. Financial stringency there, of which all are aware, has operated against that expectation ; but as financial matters become more settled, and general confidence restored, it is believed that this difficulty will soon be out of the way.

Most of you are aware that, during the boom in St. Catharines, when the

expenditure on the enlargement of the Welland Canal was in progress, Toronto loaned considerable amounts there. Amongst others we made some loans, repayments of which were very slow, but I am happy in being able to state that, with the exception of about four inconsiderable amounts, all are now settled.

The demand for money on good security during the year was active, but for reasons intimated the Board had to decline a great many applications for loans.

The number of shareholders now in the Company is 319, which averages \$1,879 for each. The number of depositors is 681, averaging \$427.63.

The following resolutions were adopted, after the usual vote of thanks to the Board and its officers:—

That By-law No. 41 be and the same is hereby abrogated, and the following substituted therefor:—

“Notwithstanding anything in the by-laws of this Company contained, or any powers given by any Act of Parliament in that behalf, it is hereby declared and enacted that the borrowing by shareholders upon the shares of the Company be and the same is hereby restricted to the amount of \$50,000 at most as the sum total to be so borrowed.”

That the following clause be added to the by-laws of the Company and numbered 46:—

“The Directors may in their discretion issue debenture stock not exceeding in amount the limit fixed by Revised Statutes of Ontario, cap. 169, or any other Act in that behalf, it being understood that power be reserved to redeem after twenty years, on giving one year's notice. And that for the purpose of more fully carrying out and utilizing the above power, the Directors may apply for such further and other legislation, special or otherwise, as they may be advised.”

The proposed alteration of by-laws as to the qualification of Directors having been suggested by persons outside the Board, the President now gave anyone desiring such change an opportunity of moving such amendment; but no one coming forward to move such a resolution, the matter dropped. The following gentlemen were unanimously elected Directors for the ensuing year, viz.: William Elliot, James Carlyle, John Aikins, F. W. Walker, and Joseph C. Patton. At a subsequent meeting of the Board, William Elliot was elected President, and James Carlyle, Vice-President.

THE DOMINION SAVINGS AND INVESTMENT SOCIETY.

The Eighteenth Annual Meeting of the stockholders of the above Society was held at their office in London, on Tuesday, the 10th day of February, 1861, at 11 o'clock a.m.

There were present: Robert Reid, Esq., President in the chair; and Messrs. W. J. McIntosh, James A. Blair, Col. Lewis, J. H. Flock, Q. C., T. H. Purdon, Rev. James Gordon, James A. Kennedy, W. M. Spencer, W. J. McMurtry, Toronto; Rev. J. H. Starr, Toronto; John Leys, Q. C., Toronto;

P. Birtwistle, Rev. W. Laird, Rev. W. A. Young, Goderich; Samuel Wright, Richard Thompson, C. R. Somerville, John Ferguson, C. H. Elliott, Dr. Bettridge, Strathroy; E. J. Parke, Q. C., John Sinclair, M.D., St. Mary's, and others.

The Directors submitted the Eighteenth Annual Report of the affairs of the Society, together with the accounts relating thereto.

REPORT.

The net profits of the Society during the year amount to \$63,156.22. Two half-yearly dividends at the rate of six per cent. per annum have been paid. The sum of ten thousand dollars has been carried to the Reserve Fund, leaving at the credit of the Contingent Account the sum of \$49,576.11, and which the Directors think should be maintained as sufficient to meet all possible losses.

In estimating the earnings of the Society, no interest has been added for properties on hand, but instead thereof the rents or other income have been taken.

The large increase in sterling debentures is the result of the satisfactory completion of the negotiations referred to at the last annual meeting, whereby the Society issued its debentures in substitution for the debentures of the Ontario Investment Association then remaining unredeemed, and took as security therefor an assignment of the assets of the Association. The Directors regard this as a very satisfactory transaction. The security obtained is sufficient, and the profits sure. In addition to the direct profit, the Directors anticipate great benefit in future, as the amount thus issued is large, \$300,841.68, and the terms very advantageous.

The general business of the year in other departments has also been satisfactory, and the business of former years maintained. The average rate obtained for loans has been 6½ per cent.

The Directors have observed the strictest economy, and while the volume of business done during the year, including the transaction referred to, is very much larger than any previous year, the accounts show a reduction of expenses amounting to \$2,110.55.

The books of the Society have been regularly audited by the Society's Auditors, Mr. C. R. Somerville and Mr. Thomas Miller, until the death of the latter, which occurred in the month of September. The Directors sincerely regret the loss of one in whom they had entire confidence, and whose honesty and ability were recognized by all. They appointed Mr. A. A. Tocker, who is well known as an accountant and auditor, to fill the vacant position.

The Directors have also to regret the resignation of the Manager, F. B. Ley, who has filled the position during the past sixteen years. His genial manner secured numerous friends, who aided materially in building up the Society. The Directors have appointed as his successor Mr. Henry E. Nelles, in whom they have confidence, and whose appointment they trust will prove satisfactory. He will assume his duties in a few days.

A personal inspection by the Society's valuator is still the rule adhered to, and the securities are still all confined to Western Ontario.

The Directors congratulate the shareholders on the improved condition and prospects of the Society, as the result of the policy of the past few years, and they believe that a continuance of the same policy would be attended with still greater advantages.

All the Directors retire, and are eligible for re-election.

Respectfully submitted,

ROBERT REID,
President.

London, Ont., January 31st, 1891.

FINANCIAL STATEMENT FOR YEAR ENDING 31ST DECEMBER,
1890.

PROFIT AND LOSS.

DR.

To two permanent stock dividends—June 30th.....	\$27,856 50
December 31st.....	27,856 50
To two accumulating stock dividends—	
June 30th, \$168.88; December 31st, \$112.15.....	221 03
To interest paid depositors.....	26,104 41
To general expenses.....	9,926 70
To commissions.....	1,824 29
To sterling debenture coupons.....	26,486 31
To sterling debenture interest accrued but not due.....	5,062 40
To currency debenture coupons—June and December, \$1,801.53 each.....	3,603 06
To income tax.....	1,268 91
To rent paid.....	675 00
To rent due but not paid.....	225 00
To petty ledger expenses.....	149 32
To Surplus carried to Contingent Fund.....	7,222 19
	<hr/>
	\$158,481 62

CR.

By Interest Earned.....	\$158,481 62
	<hr/>
	\$158,481 62

ASSETS AND LIABILITIES.

DR.

Liabilities to the Public.

To Savings Bank depositors.....	\$546,727 49
To sterling debentures.....	5,062 40
To sterling debentures, interest accrued, but not due.....	5,062 40
To currency debentures.....	72,061 00
To currency debentures coupons due January 1st, 1891.....	1,801 53
To currency debentures coupons due, not called for.....	295 06

LOAN COMPANIES.

91

Liabilities to Stockholders.

To permanent stock.....	\$928,550 00
To permanent stock dividend, December 31st.....	27,856 00
To accumulating stock and dividends.....	3,851 62

Reserve Fund.

To amount at credit.....	\$10,000 00
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Contingent Fund.

To amount at credit.....	\$4,076 11
--------------------------	------------

Other Liabilities.

To National Bank of Scotland.....	25 86
To rent due but not paid.....	225 00

\$2,543,481 06

CR.

By cash value of mortgages.....	\$2,455,409 52
By cash in Bank of Toronto.....	76,645 73
By cash in Union Bank of Scotland.....	10,224 37
By cash in office.....	201 44
By office furniture.....	1,000 00

\$2,543,481 06

F. B. LEYS,
Manager.

I hereby certify that I have made a monthly audit of the books of the Dominion Savings and Investment Society (in conjunction with the late Mr. Thomas Miller, until his death, near the close of the year), that I have checked all postings and compared all payments with vouchers, and the statement of "Profit and Loss" for the year ending December 31st, 1890, and "Assets and Liabilities" on that date, hereto annexed, are correct and in accordance with the books.

C. R. SOMERVILLE,
Auditor.

By request of the Board of Directors, I have examined the foregoing statement and compared it with the accounts in the General Ledger of the Society, and with the list of securities, and find it to be in accordance therewith.

ALFRED A. BOOKER,
Auditor.

The following Directors were elected: Messrs. Robert Reid, C. H. Elliott, T. H. Purdom, Rev. J. H. Starr, W. J. McMurtry, John Leys, jr., Wm. Bettridge, M. B., Hugh Moore, Geo. Boyd, John Ferguson, Col. R. Lewis and James A. Kennedy.

At a subsequent meeting of the Directors, Mr. Robert Reid was elected President, Mr. C. H. Elliott, Vice-President, and Mr. T. H. Purdom, Inspecting Director.

CENTRAL CANADA LOAN AND SAVINGS CO.

The Seventh Annual Meeting of the shareholders of the above Company was held on the 11th February, 1891, at the head office, George Street, Peterborough.

Mr. Geo. A. Cox, President, occupied the chair.

After routine, the Secretary read the following.

REPORT.

The Directors have pleasure in laying before the shareholders their Seventh Annual Report.

The interest earnings for the year (with \$2,894.44 at credit of profit and loss) amount to \$167,346.92. After providing for payment of interest on deposits and debentures and all expenses of management, two half-yearly dividends at the rate of 6 per cent. per annum, amounting to \$48,000, have been paid, \$12,000 transferred to the Reserve Fund, and \$5,655.15 to the Contingent Fund.

The Reserve Fund now amounts to \$192,000.00, and the Contingent Fund to \$21,546.06.

The sterling debentures paid off during the year amounted to \$340,325.09, while new debentures were issued to the amount of \$559,715.32, showing an increase of \$219,389.33. The currency debentures paid off during the year amounted to \$161,000, while new debentures were issued to the amount of \$228,000, showing an increase of \$67,000.

The invested funds of the Company now amount to \$3,003,696.14, making, with the unpaid subscribed capital stock of \$1,200,000, a total of \$4,203,696.14, or \$2,206,473 13 in excess of the total liability to the public.

The assets of the Company were increased during the year by \$361,885.34.

The demand for money has continued good throughout the year, the funds of the Company were kept well invested, and the prevailing rates of interest have been very fair.

All of which is respectfully submitted,

FRED. G. COX,

Manager.

GEO. A. COX,

President.

FINANCIAL STATEMENT FOR THE YEAR ENDING 31ST
DECEMBER, 1890.

ASSETS.

Cash value of securities.....	\$2,052,213 98
Canadian Bank of Commerce	47,019 61
Bank of Montreal.....	446 09
Bank of Scotland, London.....	975 05
British Liners Co. Bank, Glasgow.....	191 82
Cash on hand.....	733 73
Sundry accounts due to Company.....	2,115 86
	<hr/>
	\$3,003,696 14

LIABILITIES.

To the Public :—	
Currency debentures and deposits, with interest.....	\$857,374 31
Sterling debentures with interest.....	1,049,848 67
Amount retained to pay encumbrance, and for loans in progress.....	57,934 66
Sundry accounts due by Company.....	1,892 41
To the shareholders:—	
Capital stock subscribed.....	\$2,000,000
Upon which there is paid up.....	\$300,000 00
Reserve Fund.....	192,000 00
Contingent Fund.....	21,546 06
Dividend Number 13, due 2nd January, 1891.....	24,000 00
	<hr/>
	\$3,003,695 14

PROFIT AND LOSS ACCOUNT.

DR.

Interest on debentures, deposits and bank balances.....	\$73,465 52
Expenses in connection with and commission paid on sale and renewal of sterling debentures.....	12,653 84
Inspection charges.....	2,551 27
General expenses [including cost of management, Directors' and Auditors' fees, officers' salaries, tax on dividend, rent, postage, advertising, etc.].....	13,021 14
Dividends Nos. 12 and 13.....	48,000 00
Transferred to Reserve Fund.....	12,000 00
Transferred to Contingent Fund.....	5,655 15
	<hr/>
	\$167,346 92

CR.

Balance at credit, 1st Jan., 1890.....	\$2,894 44
Interest on investments and bank balances.....	164,452 48
	<hr/>
	\$167,346 92

We hereby certify that we have carefully audited the books and accounts of the Central Canada Loan and Savings Co. of Ontario, at Toronto and Peterborough respectively, for the year ending 31st December, 1890. The postings and balances of the Company's ledgers have been examined, and we find the whole correct, and in accordance with the above statements.

HENRY M. PELLATT, } Auditors.
W. M. MANSON, }

We hereby certify that we have made a careful examination of the securities of the Central Canada Loan and Savings Co'y. of Ontario, that we have checked the same with the mortgage register, and find them correct and in accordance therewith.

J. M. FERRIS, } Inspection.
E. S. VINDIN, } Committee.
F. C. TAYLOR, }

Peterborough, January 27th, 1891.

The report was unanimously adopted.

The following Directors were elected :—

President—Geo. A. Cox.

Vice-presidents—Richard Hall and J. R. Dundas.

Directors—Wm. Cluxton, D. W. Dumble, H. J. Lefebvre, J. M. Ferris, Robt. Jaffray, F. C. Taylor, E. S. Viandin, and James Stevenson.

ONTARIO LOAN AND DEBENTURE COMPANY.

The Twentieth Annual Meeting of the shareholders of the above Company was held at the Company's office in London, on the 11th February, 1891.

The following shareholders were present :—

Rev. James Harris, Rev. James Gordon, Rev. William Birks, Joseph Jeffery, John McClary, Thomas Partridge, R. N. Currie, Thomas Rowe, William McDonough, William Bowman, A. S. Emery, John G. Richter, Alexander Johnston, Charles F. Hanson, William Percival, etc., etc.

The President, Joseph Jeffery, in the chair.

The Manager, William F. Bullen, acted as Secretary.

The Annual Report, as follows, was submitted and taken as read :

Twentieth Annual Report of the Ontario Loan and Debenture Company incorporated and established A. D. 1870.

The twentieth year of the Company's existence having terminated, it is now the duty of the Directors to lay before the shareholders the results of the year's business, together with the duly audited balance sheet of the Company.

Your Directors are pleased to say that payments, as a rule, have been promptly met ; out of 1,619 mortgages it was found necessary during the year to take extreme proceedings for sale in eleven cases only ; these 1,600 properties were all disposed of with one exception, which is ample security for the amount advanced, and has been temporarily leased for a sum sufficient to pay all rates and taxes, as well as interest on the Company's claim.

The sum of \$795,915.17, principal and interest, has been repaid on mortgages ; and \$455,584.76 has been loaned during the year.

Rates of interest on the best class of real estate securities have again ruled low through the year, with little prospect of better rates. The net earnings, after paying and providing for due and accrued interest on debentures and deposits, and after paying expenses of all kinds, and writing \$650.79 off office premises, amount to \$102,289.84 ; this, with the sum remaining at credit of Revenue Account for the previous year \$877.87, together amount to \$103,167.71 ; out of which two half-yearly dividends of 3½ per cent. each, amounting to \$84,000, have been paid, and \$19,000 added to the Reserve Fund, leaving \$167.71 at the credit of Revenue Account.

Sterling debentures amounting to £137,265 matured during the year. New and renewed debentures were placed to the extent of £69,265. Your Directors deemed it advisable to pay off all debentures maturing during the year, which could not be renewed at rates remunerative to the Company. Sterling debentures now amount to £268,668, as against £336,968 at end of previous year. Your Directors are pleased to state that on nearly the whole of the debenture issue the interest is now reduced to rates which leave a fair margin of profit to the Company.

Currency debentures amount to \$97,980, being an increase of \$30,780 during the year.

The Company now hold mortgages on real estate amounting to \$3,303,140.77 on property valued by the Company's Inspectors and Appraisers at \$7,500,000.

The accounts of the Company have, as usual, undergone a careful monthly scrutiny at the hands of thoroughly competent Auditors, whose certificate is attached.

All of which is respectfully submitted,

JOSEPH JEFFERY,
President.

WILLIAM F. BULLEN,
Manager.

London, 19th January, 1891.

REVENUE ACCOUNT.

Interest paid and accrued on sterling debentures.....	£83,214 16	
Less amount provided for last year	18,204 60	
		£65,009 56
Expenses in connection with sterling debentures.. ..		6,091 96
Interest paid and accrued on currency debentures....	4,685 46	
Less amount provided for last year.....	1,033 76	
		£3,651 70
Savings Bank interest		19,247 10
Commission and expenses in connection with loans.....		2,955 11
Expenses of management.....		15,517 50
Income tax paid.....		1,881 60
Written off office premises.....		650 79
Dividend No. 53, paid July 2, 1890.....		42,000 00
Dividend No. 54, due January 2, 1891.....		42,000 00
Carried to Reserve Fund		19,000 00
Balance carried forward.....		167 71
		<hr/>
		£218,203 03
Balance from last year.....		£877 87
Interest earned on mortgages, etc., etc.....		217,325 16
		<hr/>
		£218,203 03

FINANCIAL STATEMENT.

ASSETS.

1. Mortgages on real estate.....	\$3,303,140	77
2. Loans on debentures.....	21,574	63
3. Loans on this Company's stock (in no case exceeding par value).....	11,775	59
4. Office premises (freehold).....	72,000	00
5. Cash with Bank of Scotland.....	5,941	53
6. Cash with the Molsons Bank.....	100,952	43
7. Cash with The Traders Bank of Canada.....	4,460	13
	<u> </u>	<u> </u>
		\$3,518,945 08

LIABILITIES.

Liabilities to the public :

Sterling debentures.....	\$1,307,519	26
Accrued interest on same.....	13,712	00
Currency debentures.....	97,980	00
Accrued interest on same.....	1,314	70
Savings Bank deposits	477,251	41
	<u> </u>	<u> </u>
		\$1,897,777 37

Surplus.....\$1,621,167 71

Liabilities to the shareholders :

Capital stock, paid-up	\$1,200,000	00
Dividend No. 34 (since paid).....	42,000	00
Reserve Fund.....	\$360,000	00
Carried to do.....	19,000	00
	<u> </u>	<u> </u>
		379,000 00
Balance at credit of Revenue Account.....		167 71
	<u> </u>	<u> </u>
		\$1,621,167 71

To the Shareholders of the Ontario Loan and Debenture Company :

We hereby certify that we have audited the books and accounts of the Ontario Loan and Debenture Company for the year 1890, comprising a monthly cash audit, and the verification of the postings and balances in all the Company's books, and we find the whole correct and in accordance with the above statements. We have also examined the securities, and find them in order.

GEO. F. JEWELL, F.C.A., } *Auditors.*
A. S. EMERY, }

London, Ontario, January 16th, 1891.

The retiring Directors, Joseph Jeffery, John McClary, Alexander Johnston, William Bowman and William McDonough, were then re-elected for the ensuing year.

George F. Jewell, F. C. A., and A. S. Emery were reappointed Auditors for the ensuing year.

At a subsequent meeting of the Board, Joseph Jeffery was re-elected President and John McClary, Vice-President.

THE SUN LIFE ASSURANCE CO.

The annual meeting of the Sun Life Assurance Company was held at its head office, St. James street, Montreal, on Thursday, March 26th, at 2 p.m. There was a large attendance of gentlemen, not only from the city, but from all sections of the Dominion. The following report was presented :

DIRECTORS' REPORT.

It is with no little satisfaction that your directors present their annual report, covering the transactions of the company for the year ending 31st December, 1890. An examination of the accompanying statements will show that while the progress of the company has always been steady and gratifying, yet in no corresponding period has such a marked advance been made in all the details that account for strength and general prosperity.

Early in the year arrangements were made with the Citizens' Insurance Company of Canada, by which the life business of that company, as it stood at 31st March, 1890, was assumed by us. It is hoped that the transaction will prove profitable in the ordinary course, while directly aiding our regular business by extending our connections.

During the year we received 2,834 applications for life assurance of \$4,536,005.79, and 1,196 applications for accident insurance of \$2,114,069, making a total of \$6,650,074.79. These figures do not include the policies transferred from the Citizens' company. After deducting the declined and not completed cases the policies written were as follows :—

	Policies.	Amount.
Our ordinary life business.....	2,689	\$4,046,979 79
Re-assured from the Citizens' Insurance Co.....	1,372	1,807,800 23
Total life policies issued during the year.....	4,061	5,854,780 02
Accident policies issued.....	1,186	2,079,069 00
Total new policies issued.....	5,247	\$7,933,849 02

The directors have for many years been able to report that the new life business of each twelve months had been in excess of anything previously attained in the company's history ; and the same gratifying condition is present this year also. The regular life applications alone, not including the re-assurance contract, were 79 for \$433,295.24 in advance of those of 1889, which again were ahead of those of all previous years.

The amount in force in the life branch at 31st December was \$16,759,555.92 under 11,266 policies, being an increase of \$3,421,372.84 in amount and 2,315 in number. There were in force, in addition, exactly 2,000 accident policies covering \$3,939,235.00.

The financial statements presented herewith are the best possible evidence of the rapidity of the company's growth and the flourishing condition of its affairs. The cash income for premiums and interest reached the large sum of \$889,087.87, which is an advance beyond the figures of 1889 of \$325,938.35. If we deduct the \$187,906.25 received from the Citizens' company, the

increase in the regular business is seen to be \$138,032.10. This amount alone is almost equal to the total income of the company ten years ago.

The assets also were increased by \$677,691.57, bringing the total up to \$2,173,514.19, or, including subscribed capital, to \$3,911,014.19. The progress here shown is remarkable and most gratifying. It has, moreover, been accompanied by the satisfactory addition of \$75,639.05 to the surplus, which now amounts to \$232,175.69 beyond all liabilities and capital. This large sum promises well for the division of profits, which will take place at the close of the current year.

The sum paid for death claims, matured endowments and other payments to policyholders during the year was \$149,132.43. The total amount thus returned to policyholders from the company's foundation to the close of the year was \$1,334,815.76. The benefit which the disbursement of this large sum has been to the widows and orphans of the land can hardly be appreciated.

The building which we are now erecting as the Head office of the company is now nearing completion, and your directors expect that those parts to be occupied by the Union Bank and ourselves will be in a condition to be entered upon by 1st May next.

The investments have as usual been carefully examined by a committee of the board and found in perfect order. They have pleasure, moreover, in certifying to the very high character of the assets. The auditors, also, as in previous years, have made their usual thorough examination of the books and communicated with the individual borrowers, and ascertained that the amounts charged against them in the company's mortgage accounts are correct. Their certificate is attached hereto.

The directors who retire this year are:—Hon. A. W. Ogilvie and Messrs. Robert Anderson and J. P. Cleghorn, all of whom are eligible for re-election..

R. MACAULAY,
President.
A. W. OGILVIE,
Vice-President.
T. B. MACAULAY,
Secretary.

STATEMENT OF ACCOUNTS FOR 1890.

Income.

Premiums:—

Ordinary life business.....	\$574,254 96	
Citizens' Ins. Co.....	187,906 25	
	<hr/>	
Total life premiums.....	\$762,161 21	
Accident.....	23,995 32	
	<hr/>	
Total premium income.....	\$786,156 53	
Less paid for re-assurance.....	411 61	
	<hr/>	
		\$785,744 92
Interest.....		102,217 03
Rents.....		1,116 92
		<hr/>
Total income.....		\$889,078 8

Disbursements.

Death claims, including bonuses.....	\$109,912 20	
Matured endowments, including bonuses.....	10,857 45	
Annuity payments.....	1,840 30	
Accident claims.....	9,352 91	
Cash profits paid policyholders.....	2,875 00	
Surrender values.....	14,294 57	
		<hr/>
Dividends on capital.....	7,500 00	\$149,132 43
Expense account.....	98,728 65	
Commissions.....	62,662 08	
Medical fees.....	12,336 97	
		<hr/>
Total disbursements.....		\$330,360 13
Surplus over disbursements.....		558,718 74
		<hr/>
		\$889,078 87

ASSETS.

Debentures—Market value :

City of New Westminster.....	\$107,843 75	
City of Vancouver.....	36,000 00	
City of St. Catharines.....	5,400 00	
Town of Valleyfield water works.....	20,089 41	
Town of Richmond school bonds.....	8,583 74	
Town of St. Jerome.....	19,360 00	
Town of Berthier.....	17,409 57	
Town of Brandon.....	2,320 00	
Town of Iberville.....	3,030 00	
Town of Smith's Falls.....	1,060 00	
Town of Sorel.....	7,210 00	
Town of Danville school bonds.....	4,747 00	
Town of Sault Ste. Marie.....	71,612 64	
Village of Merrilton.....	12,314 79	
Village of Wyoming.....	2,730 00	
Village of Portage du Fort.....	4,590 00	
Village of Granby school bonds.....	8,240 00	
Township of East Farnham.....	14,186 67	
Township of Aldborough.....	858 50	
Township of North Stukely.....	6,300 00	
Parish of St. Jean Chrysostome.....	5,805 75	
Montreal Turnpike Trust.....	2,884 00	
		<hr/>
		\$562,665 82
Stock—Montreal Loan and Mortgage Co., market value.....	30,615 00	
Loans on real estate, first mortgages.....	1,573,792 74	
Real estate, including company's building.....	138,930 78	
Loans on company's policies (reserves on same, \$220,000).....	100,041 42	
Cash in bank and on hand.....	12,228 93	
Bills receivable.....	661 57	
Office furniture.....	2,330 70	

Agents' balances (most of which have since been paid).....	4,670 39
Interest due.....	10,310 63
Interest accrued.....	36,661 43
Rents due and accrued.....	541 00
Outstanding premiums on policies in force (com- posed largely of amounts on which the days of grace are current).....	\$ 77,885 19
Deferred premiums.....	56,378 97
	<u>\$134,264 16</u>
Less 10 cent. for collection.....	13,426 41
(These are secured by reserves on the policies in- cluded in the liabilities, of over \$500,000).	<u>\$120,837 75</u>
Balance due by the Citizens Insurance Company.....	79,159 59
Sundry accounts (petty cash).....	66 44
	<u>\$2,473,514 19</u>
Net assets.....	\$2,473,514 19
Capital stock subscribed, but not called up.....	437,500 00
	<u>\$2,911,014 19</u>

LIABILITIES.

Life reserves (Institute of Actuaries <i>Im.</i> table, 4½ per cent. interest).....	\$2,101,169 41
Annuity reserves.....	10,394 90
	<u>2,111,564 31</u>
Less reserves on policies re-assured.....	2,341 63
	<u>\$2,109,222 68</u>
Unearned accident premiums.....	10,774 73
Death claims (life) unpaid, reported but not proved or awaiting discharge.....	32,520 35
Accident claim—balance awaiting discharge.....	454 55
Profits due policyholders.....	2,403 08
Sinking Fund deposited for maturing debentures.....	8,910 60
Canadian Bank of Commerce on account of debentures pur- chased.....	10,075 50
Dividend to shareholders due 2nd January, 1891.....	3,750 00
Sundry debts.....	726 91
	<u>\$2,178,838 50</u>
Cash surplus to policyholders.....	294,675 69
Capital paid up.....	\$62,500 00
Surplus over all liabilities and capital stock.....	232,175 69
	<u>\$294,675 69</u>
Including uncalled capital, the surplus to policyholders is	
\$732,175.69.	<u>\$2,473,514 19</u>

The president explained several items in the report, and moved its adoption. He was followed by a number of speakers, who expressed in the strongest terms their satisfaction at the admirable statement now before them. Attention was particularly drawn to the high quality of the investments. They are first-class in themselves, as is shown by the small amount of overdue interest on the mortgages, and in addition to this the company has for years followed the wise course of writing off annually various amounts, so that a contingency fund has been placed to the credit of various items in the assets. This does not mean that losses have occurred, but that the company in its prosperous years is quietly setting aside amounts to which any losses which may arise in the future can, if need be, be debited. The average interest earned on the investments during the year was 6.04 per cent., and the total amount of real estate owned by the company as the result of foreclosures is but 4 per cent. of the current mortgages. This is indeed a remarkable showing. The company now does as much business in one year as formerly in five, and while the growth of the institution in size of late years has been marvellous, it has at the same time been accompanied by a most gratifying increase in surplus, the accumulation of which in one year alone is now almost equal to the total surplus accumulated during the five years of the previous quinquennium.

The progress already made has been very great in every respect, and the company now stands among the most powerful financial institutions of the Dominion. But the indications are that it has but entered upon the tide of prosperity, and that the future will eclipse anything in the past, great as are the results already attained.

INSURANCE DEPARTMENT.

MUTUAL INSURANCE.—The Mutual Fire Underwriters' Association of Ontario held their annual meeting on the 12th March, at the Walker House, Toronto. The President, Mr. John Beattie, Fergus, occupied the chair, and the number of members in attendance was very large.

During the meeting a question was submitted to the President, as to whether assessments may legally be levied in advance, or should the cause previously exist. In reply it was stated that assessments can be levied at any time (see Sec. 124, Insurance Act) for losses, expenses and reserve; but to meet the case referred to, Section 2, 53 Vic., cap. 44, provides that a first payment may be exacted at the time the application is taken.

The executive committee reported in favor of requesting the Ontario Government to legislate, and take action regarding the distance at which steam-threshers should be placed from barns and

stacks. A distance of 100 feet was recommended. In adopting the report, it was decided to invite the Canadian Fire Underwriters Association to join with the Mutual in seeking this legislation.

From the President's address in opening the meeting we cite the following remarks, which will prove of general interest. Mr. Beattie said :—

It is hardly necessary to say there is a wide difference between mutual and stock fire insurance companies. In a mutual each member is alike interested in the prosperity and successful management of the company. No call is made on the members beyond what is deemed sufficient to meet annually the losses and working expenses of the company. In a stock company the directors are necessarily compelled to collect a premium, not only sufficient to meet losses and expenses, but, in addition, a sum sufficient to meet interest annually on the paid-up stock of the company. It is therefore quite evident that in a mutual company, carefully managed, the cash premium and assessments are much lower annually than in a stock company. Our Mutual Fire Underwriters' Association was established, as you are all aware, with a view, amongst other objects, to secure uniformity in the working of the various companies connected with the association. A good deal has been accomplished in this direction, but, I submit, more might be done advantageously for the benefit of all, without injury to any. There is, so far as I am aware, very little discrepancy in the blank forms of our applications, premium notes and policies, etc., but there is too much variation in the mode of carrying the risks and the proportions of losses paid by different companies. Some issue blanket policies, and pay, in the event of loss, the full amount covered. Others issue similar policies, and pay only two-thirds of the loss. Other companies again issue specific policies, and pay the full amount of loss on the property specified, but on nothing else. Take, for instance, the case of the contents of a farmer's barn covered by a specific policy—say, \$600 on live stock, \$400 on implements, and \$500 on hay and grain—and a fire takes place immediately after the harvest, when the whole of the crop is in the barn and half of the implements, but all the live stock and half of the implements are in the fields; and suppose the loss on hay and grain amounts to \$1,200, and on the implements to \$200, the policy holder would receive only \$700 as compensation, although he paid the assessments on a \$1,500 risk all the time. I submit, therefore, that a specific policy of this description is often misleading and unjust to the insured. While holding this view, however, I am just as strongly opposed to the insurance company paying a loss in full. I think in every case the policyholder should carry, say, one-third of the risk. No company should place a policy holder in such a position, that a fire would convert the whole of the property covered into cash at the current market value. I am strongly in favor of the principle of

issuing blanket policies in every case, as nearly as circumstances will permit, with a proviso that the company shall be liable to pay, in the event of loss, not more than two-thirds of the appraised value of the property destroyed. In recommending the adoption of this principle, I mean, of course, the application of it by mutual companies carrying isolated risks, such as private dwelling houses, farmers' out-buildings and contents, etc. I don't recommend the adoption of it by companies carrying grain or merchandise in warehouses or in transit, on which others, besides the insured, are interested. I am not sanguine enough to believe, gentlemen, that I can induce all the members of our association to adopt my views in regard to mutual insurance. I submit them in writing, more with the view that they may be considered at leisure and discussed at some future meeting, in the hope that a majority may agree to adopt the principle I have recommended, or some modification of it; this will tend to create more uniformity in the working of the companies connected with the association.

LOANS ON A COMPANY'S CAPITAL.—The question, whether a financial corporation should be permitted to either purchase or advance money on the security of its own stock, has many very important bearings. In the charters of many companies, an express prohibition of all such transactions has been inserted by the Legislature. But even where no such prohibition exists, the legal aspect still remains somewhat hazy. The general tendency of English decisions has been that such a power is not to be considered as existing, unless specially named in the charter; while, on the other hand, American decisions have been rather in the direction that it exists unless specially refused. However this may be, there can be little doubt but that the principle is unsound, and should be discouraged. The capital of an insurance company, for example, is a special reserve held as a guarantee against any disaster or loss which may happen to the institution. It has no other *raison d'être*. It and all the assets should therefore be most carefully invested, so as to be undoubtedly available whenever misfortune happens. But if any portion of the assets be loaned on a security of the company's own stock, the very fact of disaster happening to the company renders that investment valueless; and thus, just when it is needed, it is gone. Assets which are good only during the company's prosperity are manifestly not only undesirable but dangerous. The prohibition which the Dominion Parliament has already applied to our banks and to several individual corporations should be extended to all.

We are pleased to notice that none of our Canadian fire offices have indulged at all in this weakness, and with one exception the

same may practically also be said of our life companies. The exception referred to is the London Life Ins. Co. In its list of assets we notice \$19,725.83 loaned on the security of 1,418 shares of its own stock of a par value of \$21,270. In this case the whole paid-up capital is but \$33,650, so that nearly two-thirds of the whole capital is in the hands of the company itself, and thus largely unavailable as a security to policyholders. An unpleasant feature, moreover, is that the amount so loaned increased during the year 1889 by over \$10,000, having been only \$10,751.65 on December 31st, 1888. Mr. Richter has done much to bring the London Life to the front, and has greatly improved its position. We congratulate him on the success which has attended his efforts, and would suggest to his earnest consideration the advisability of removing this objection also, and by this means placing the policyholders and friends of the company under still greater obligations to him.—*Insurance & Finance Chronicle.*

DEFRAUDING LIFE COMPANIES.—A practice which has become too common in England, that of giving wrong descriptions in applications for life insurance, has received a merited rebuke from Judge Griffiths of the Walsall County Court in England. In the case of a son effecting an insurance on the life of his father, the latter was described as a brushmaker, living in Sandwell street, Walsall, whereas it appeared that he was a pauper in the Union workhouse. Says the London *Daily News* with respect to the case:—

The insurance company resisted the claim on the ground of mis-statement; and though it was alleged by Mr. Cotterill, the plaintiff's solicitor, that the company's agent was well aware of the position of the insured, the Judge ordered a non-suit to be entered. Before he arrived at this decision, the following pointed colloquy is reported: "Mr. Cotterill: Then it is open to insurance companies to employ fraudulent agents to obtain insurance from people in humble positions." His Honor: "It is; and if people in humble circumstances lend themselves to these frauds, they will have to suffer for it." So far, so good. But what about the agents who encourage these frauds? There ought to be some way of reaching them, in addition to the mere act of dismissal which follows such and similar exposures.

It is not only in England where this habit of making fraudulent descriptions in applications prevails. We hear of it very frequently in our own country, says the *Court Journal* of New York, and it would be well if both principals and agents engaged in the

nefarious business could be gotten rid of, root and branch. In any case, a few more decisions such as given above will have a wholesome effect on both sides of the water.—*Monetary Times*.

FARM PROPERTY AND INSURANCE.—Just how to deal with farm property is and has been a perplexing question for the insurance companies, especially in the older portions of Canada and in the Eastern and middle States over the border. In the regions named, farm property, as a whole, shows decided tendencies toward deterioration in value; much of it is heavily mortgaged, and not a very large proportion can be said to be profitable to the owners. It is tolerably obvious that in a good many cases the two latter facts constitute a moral hazard of uncomfortable proportions.

One thing, however, and a most essential thing, can be done without prejudice, and that is to inaugurate more thorough inspection of the moral hazard, and for the companies to know better than they now do *whom* as well as *what* they insure. Is the owner in a condition which would make a sweeping fire a welcome "calamity," and would he be likely to assist the calamity? A combination of rigid inspection and unwavering firmness on the part of the companies would materially assist in the desired reduction of the loss ratio on farm property. Let the spirit of undue competition, which allows such elasticity both to the conscience and the judgment of the agent, be cast out, and the taking of farm risks be reduced to a strict system of control of free and easy agents, as well as of inquisition, which shall mean in practice all that that word means in the dictionary. The three-quarter or other value clause introduced in policies of the class under consideration would undoubtedly be a very desirable arrangement; but if, on investigation, it is found that this, like a good many other desirable things, is unattainable, the companies need not feel compelled to abandon the farm field for lack of other methods which are attainable, and which, if adopted and continued, would materially improve the situation.—*Insurance and Finance Chronicle*.

MONTREAL AND TORONTO STOCK EXCHANGE QUOTATIONS.

Revised according to the official lists up to the first day of the month. The following tables include all securities listed on the Montreal and Toronto Stock Exchanges; these are designated by the letters "M" and "T."

The Quotations indicate the last bid or asked price. Quotations marked * are the ruling prices, ex-dividend. The highest and lowest price for the year 1890, actual sales are given for comparison.

BANKS.

NAME.	Share Value.	Last Divid'd per cent.	Year 1890.		Montreal.		Toronto.		
			Per cent. High.Low.		Per cent. March 31, 1891.				
			Bid.	Ask.	Bid.	Ask.	Bid.	Ask.	
Toronto	M & T	100	5	225	207	.....	.....	223	224
Commerce	M & T	50	3½	131	122½	.....	.....	128	128½
Dominion	M & T	50	5 & 1	234½	234	.....	.....	233½	224
Ontario	M & T	100	3½	133½	109*	.....	.....	115	118
Standard	M & T	50	3½	148	139½	.....	.....	146½	.....
Imperial	M & T	100	4	150½	150	.....	.....	160	.....
Traders . . . . .	.....	100	3	.....	.....	.....	.....	.....	.....
Hamilton	M & T	100	4	162	151½	.....	.....	153	154
Ottawa . . . . .	.....	100	4	.....	.....	.....	.....	.....	.....
Western . . . . .	.....	100	3½	.....	.....	.....	.....	.....	.....
Montreal	M & T	200	5	234½	214½	223½	226	223	224
British North Am..	M	243	4	.....	.....	150	158	.....	.....
Du Peuple	M	50	3	.....	.....	97	100	.....	.....
Jacques Cartier . . .	M	25	3	.....	.....	94	100	.....	.....
Ville-Marie	M	100	3½	.....	.....	94½	.....	.....	.....
Hochelega	M	100	3	.....	.....	108	115	.....	.....
Molson	M & T	50	4	166	156	152	157½	.....	.....
Merchants of Can..	M & T	100	3½	147	140	143	144½	142	144½
Nationale	M	50	2	.....	.....	.....	.....	.....	.....
Quebec	M	100	3½	.....	.....	117	.....	.....	.....
Union of Canada . . .	M	60	2	.....	.....	.....	.....	.....	.....
St. Jean . . . . .	.....	.....	2	.....	.....	.....	.....	.....	.....
St. Hyacinthe . . . . .	.....	.....	3	.....	.....	.....	.....	.....	.....
Eastern Townships . .	M	100	.....	.....	.....	135	.....	.....	.....
Nova Scotia . . . . .	.....	100	3½	.....	.....	150	152½	.....	.....
Merchants of Halifax .	.....	100	3	.....	.....	129	131½	.....	.....
Peoples of Halifax . .	.....	20	3	.....	.....	110	111½	.....	.....
Union of Halifax . . .	.....	100	3	.....	.....	113½	115	.....	.....
Halifax Banking Co . .	.....	20	3	.....	.....	113½	115	.....	.....
Yarmouth . . . . .	.....	75	3	.....	.....	.....	.....	.....	.....
Exchange of Yarmouth .	.....	.....	.....	.....	.....	.....	.....	.....	.....
Commercial of Windsor .	.....	40	3	.....	.....	.....	.....	.....	.....
New Brunswick . . . . .	.....	100	6	.....	.....	.....	.....	.....	.....
Peoples of N.B. . . . .	.....	50	4	.....	.....	.....	.....	.....	.....
St. Stephens . . . . .	.....	100	2	.....	.....	.....	.....	.....	.....
Summerside . . . . .	.....	.....	.....	.....	.....	.....	.....	.....	.....
British Columbia . . .	.....	20	6	.....	.....	.....	.....	.....	.....
Commercial of Manitoba .	.....	.....	3½	.....	.....	.....	.....	.....	.....
London . . . . .	.....	.....	.....	.....	.....	.....	.....	183	.....

STOCK EXCHANGE QUOTATIONS.

Revised according to the official lists up to the first day of the month. The following tables include all securities listed on the Montreal and Toronto Stock Exchanges: these are designated by the letters "M" and "T."

The Quotations indicate the last bid or asked price. Quotations marked * are the ruling prices, ex-dividend. The highest and lowest price for the year 1890, actual sales, are given for comparison.

LOAN COMPANIES.

NAME.	Share Value.	Last Dividend per cent.	Year 1890.		Montreal.		Toronto.	
			Per cent. High.Low.		Per cent. March 31, 1891.			
			Bid.	Ask.	Bid.	Ask.	Bid.	Ask.
Agricultural Sav. and Ln.....	50	3½						
Brit. Can. Ln. and Inv..... T	100	3½	115	110½			113	
Brit. Mortgage Loan.....	100	3½						
Building and Ln. Ass..... T	25	5	108½	105			110½	
Can. Landed and Nat. Inv... T	50						124	
do Permanent Ln. and Sav. T	50	6	207	198½				199
Ditto 20 per cent.... T	50		200	184½*			183	
Canadian Sav. and Loan..... T	50	3½						
Cent. Canada Ln. and Sav... T	100	3	124				122	
Ditto New Stock..... T	100							
Dom'n. Sav. and Inv. Soc... T	50	3	89½	80½			88½	
Farmers' Ln. and Sav..... T	50	3½	123½	119½			123	
Ditto 20 per cent.... T	50		115	110			113	
Freehold Ln. and Sav..... T	100	4	159½	132½			156	
Ditto 20 per cent.... T	100		146	121½			150	
Hamilton Prov. and Ln. Soc. T	100	3½	126	125				125
Home Sav. and Ln.....	100	3½						
Huron and Eric Ln. and Sav. T	50	4½	160	159				150
Ditto 20 per cent.... T	50		148½	145*				
Huron and Lambton Ln.....	50	4						
Imperial Ln. and Inv..... T	100	3½	124½	119½			122½	
Landed Banking and Ln.....	100	3						
Land Security..... T	25	5	125					
London & Canada Ln. & Agy T	50	4	134½	122½			125*	
London and Ontario Inv... T	100	3½	114½	113			116	
London Loan..... T	50	3½						
Manitoba Investment.....	100	4						
Do and Northwest Ln... T	100	3½						
Montreal Building Assn.....	50							
Do Ln. and Mortgage... M	100	3					124½	
Montreal Inv. and Building... T	25	3						
National Investment.....	100	3						
Nor. of Scot. Canada Mortg... T	50	5					150	160
Ontario Ind. Ln. and Inv... T	100	3½	118	115				
Do Inv Ass.....	50	4						
Do Ln. and Deb..... T	50	3½					125½	150
Do Ln. and Sav.....	50	3½						
Peoples Ln. and Dep..... T	50	3½	118½	113½				116
Real Estate Ln. and Deb... T	50		41	37			45	
Royal Ln. and Sav.....	50	4						
Toronto Land and Inv. Cor... T	50	3						120

STOCK EXCHANGE QUOTATIONS.

Revised according to the official lists up to the first day of the month. The following tables include all securities listed on the Montreal and Toronto Stock Exchanges: these are designated by the letters "M" and "T."

The Quotations indicate the last bid or asked price. Quotations marked * are the ruling prices, ex-dividend. The highest and lowest price for the year 1890, actual sales, are given for comparison.

LOAN COMPANIES—Continued.

NAME.	Share Value.	Last Dividend per cent.	Year 1890.		Montreal.		Toronto.	
			Per cent. High.Low.	Per cent. High.Low.	Per cent. March 31, 1891.			
					Bid.	Ask.	Bid.	Ask.
Toronto Land and Loan.... T	50	3	.....	.....	.....	.....	.....	.....
Do Real Estate and Inv. T	100	3	.....	.....	.....	.....	.....	.....
Union Ln. and Sav. T	50	4	134½	131½	.....	.....	133	.....
Western Canada Ln. and Sav. T	50	5	182	178	.....	.....	.....	179
Ditto 25 per cent. T	50	.....	172½	168	.....	.....	.....	167

INSURANCE COMPANIES.

Accident of North Am.	100	3	.....	.....	.....	.....	.....	.....
British America. T	50	3½	111½	102	.....	.....	.....	98½
Canada Life T	400	5	.....	.....	.....	.....	.....	.....
Citizens of Canada.	85	3	.....	.....	.....	.....	.....	.....
Confederation Life Ass. T	100	6	.....	.....	.....	.....	.....	.....
Guarantee of N. A. M	50	3	.....	.....	.....	.....	.....	.....
Quebec Fire.	100	2½	.....	.....	.....	.....	.....	.....
Queen City Fire.	50	5	.....	.....	.....	.....	.....	.....
Royal Canadian.	25	3½	.....	.....	90	96	.....	.....
Sun Life.	100	5	.....	.....	.....	.....	.....	.....
Western. T	40	5	151½	135	.....	.....	143½	144½

NAVIGATION AND RAILWAY COMPANIES.

Canada Shipping. M	100	5	.....	.....	.....	.....	.....	.....
Canadian Pac. Ry. M & T	100	2½	.....	.....	78½	78½	78½	78½
Rich. and Ont. Nav. M	100	3	.....	.....	59½	60	.....	.....
St. Paul, Min. & Man. Ry. M	100	3	.....	.....	.....	.....	.....	.....

GAS AND STREET RAILWAY COMPANIES.

Consumers' Gas. T	50	2½	180	170	.....	.....	.....	165*
Montreal Gas. M	40	6	.....	.....	203½*	204*	.....	.....
Ditto New Stock. M	.....	.....	.....	.....	197½	205	.....	.....
Montreal Street Railway. M	50	6	.....	.....	189	195	.....	.....
Ditto New Stock. M	.....	.....	.....	.....	179	181	.....	.....

STOCK QUOTATIONS.

109

STOCK EXCHANGE QUOTATIONS.

Revised according to the official lists up to the first day of the month. The following tables include all securities listed on the Montreal and Toronto Stock Exchanges: these are designated by the letters "M" and "T."

The Quotations indicate the last bid or asked price. Quotations marked * are the ruling prices, ex-dividend. The highest and lowest price for the year 1890, actual sales, are given for comparison.

TELEGRAPH, TELEPHONE AND ELECTRIC LIGHT COMPANIES.

NAME.	Share Value.	Last Dividend .. nt.	Year 1890.		Montreal. Toronto.					
			Per cent. High.Low.		Per cent. March 31, 1891.					
			Bid.	Ask.	Bid.	Ask.	Bid.	Ask.		
Bell Telephone..... M	100	4	.....	.....	.....	.....	.....	.....	112	
Commercial Cable.....	100	1 $\frac{3}{4}$	.....	.....	.....	.....	.....	.....	110	
Dominion Telegraph..... T	50	1 $\frac{1}{4}$	89	83 $\frac{1}{2}$	.....	.....	.....	.....	88	90
Montreal do..... T	40	2	101 $\frac{1}{2}$	93	.....	.....	.....	.....	.....	110
Royal Electric..... M	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

COTTON COMPANIES.

Canada Cotton..... M	100	.....	.....	.....	22 $\frac{1}{2}$	50	.....	.....
Coaticook Cotton.....	100	.....	.....	.....	.....	.....	.....	.....
Dominion do.....	100	5	.....	.....	129	140	.....	.....
Dundas do..... M	100	.....	.....	.....	.....	.....	.....	.....
Hochelaga do..... M	100	5	.....	.....	.....	.....	.....	.....
Kingston do.....	100	.....	.....	.....	.....	.....	.....	.....
Montreal do..... M	100	3	.....	.....	.....	.....	.....	.....
Stormont do..... M	100	3	.....	.....	75	95	.....	.....
Merchants' Manf..... M	100	3	.....	.....	.....	50	.....	.....

MINING AND MANUFACTURING COMPANIES.

Canada Paper..... M	100	5	.....	.....	.....	.....	.....	.....
New England Paper.....	100	.....	.....	.....	.....	.....	.....	.....
Starr Manf.....	100	.....	.....	.....	.....	.....	.....	.....
Intercolonial Coal.....	100	.....	.....	.....	25	40	.....	.....
Londonderry Iron.....	.....	.....	.....	.....	.....	.....	.....	.....
Ditto Preferred.....	.....	.....	.....	.....	.....	.....	.....	.....

MISCELLANEOUS STOCKS.

Canada Nor.W. Land.. M & T	4.176	.....	.....	.....	.....	.....	.....	.....
Dominion Cattle Co.....	.....	3 $\frac{1}{2}$	.....	.....	76	80	76	76 $\frac{1}{2}$
Globe Printing Co..... T	\$500	.....	.....	.....	.....	.....	.....	.....
Out. and Qu'Appelle Land.....	100	.....	.....	.....	.....	.....	.....	.....
Montreal City 4 % Stock.....	.....	.....	.....	.....	.....	.....	.....	.....
Ditto 5 % do.....	.....	.....	.....	.....	.....	.....	.....	.....
Ditto 7 % do.....	.....	.....	.....	.....	.....	.....	.....	.....
Victoria Rolling Stock..... T	5000	5	.....	.....	.....	.....	.....	150

STOCK EXCHANGE QUOTATIONS.

BONDS.

NAME.	Share Value.	Last Dividend per cent.	Year 1890.		Montreal.		Toronto	
			Per cent. High.Low.		Per cent. March 31, 1891.			
			Bid.	Ask.	Bid.	Ask.		
Bell Telephone	M							
Canada Central Ry.....					116½			
Canadian Pac. Ld. Grant.....	T	2½			109	110		
Canada Cotton.....								
Champ. and St. Law. Ry.....					99	105		
Dundas Cotton.....								
Montreal Harbour 5 %.....								
Intercolonial Coal.....	M							
Kingston Cotton.....								
Merchants' Manf.....								
Montreal Cotton.....								

CANADIAN SECURITIES IN ENGLAND.

NAME.	LONDON.			
	Mar. 5.	Mar. 12.	Mar. 19.	Mar. 26.
Canada, 3 per cents.....	95	95	94	94
Ditto 3½ per cents.....	103	103	103	104
Ditto 4 per cents., 1885.....	111	111		
British Columbia 4½ per cents.....	109	109	110	110
Ditto 5 per cents., 1865.....		105	106	106
Manitoba 5 per cents., 1888.....	114	114		
Quebec Prov. 4 per cents.....	100	100	99	98
Ditto 4½ per cents.....	104	103		
Montreal 3 per cents.....	81	81½	81½	81½
Ditto 5 per cents., 1873.....	105	106		
Ditto 5 per cents., 1875.....	105	106		
Quebec City 6 per cents., 1872.....		102	101	
Ditto 6 per cents., 1873.....		103	102	
Ditto 6 per cents., 1875.....		113	112	
Ditto 6 per cents., 1878.....		103	102	102
Toronto 3½ per cents.....	93	93	94	94
Ditto 4 per cents.....	102	102		
Winnipeg 5 per cents.....	109	109		
Canadian Pacific Shares.....	78½	77½	78½	80
Ditto 1st Mortgage Bonds.....	115	115	115	115
Ditto 3½ per cent. Ld. Grant Bonds.....	97½	97½	97½	97½
Ditto 4 per cent. Debenture Stock.....	103½	103½	103½	104½
Ditto Columbia and Kootenay Bonds.....	98½	98½	98½	99½
Grand Trunk Ordinary Stock.....	9½	8½	8½	8½
Ditto 1st Preference.....	61½	55½	57½	57½

STOCK QUOTATIONS.

CANADIAN SECURITIES IN ENGLAND—Continued.

NAME.	LONDON.			
	Mar. 5.	Mar. 12.	Mar. 19.	Mar. 26.
Grand Trunk 2nd Preference.....	40 ³ / ₈	35	37 ¹ / ₄	37 ³ / ₄
Ditto 3rd do	22	19 ⁵ / ₈	20 ³ / ₄	20 ³ / ₄
Ditto 4 per cent. Guaranteed.....	74 ³ / ₄	70	71 ¹ / ₄	72 ³ / ₄
Ditto 4 per cent. Debenture Stock...	98	98	97 ¹ / ₂	97
Ditto 5 per cent. do	126	126	124	124
Ditto Great West. 5% do .....	.....	123	122	121
Ontario and Quebec Shares.....	143	143	.....	143
Ditto Debenture Stock.....	128	127	126	126
Qu'Appelle & Long Lake 1st Mrtg. Bds.	102	.....	.....	.....
Quebec & Lake St. John 1st Mrtg. Bonds	.....	89	88	.....
St. Lawrence and Ottawa do .....	.....	99	98	.....
Temiscouata 1st Mortgage Bonds.....	.....	97	96	95
Ditto St. Francis Branch.....	.....	95	94	93
St. John and Maine shares.....	30	27 ¹ / ₄	.....	.....
Canada Settlers' Loan	2 ³ / ₄	1 ³ / ₄	1 ¹ / ₂	.....
Manitoba Mortgage.....	1 ¹ / ₈	.....	.....	1 ³ / ₄
Trust and Loan, £5 paid	5 ¹ / ₄	5 ¹ / ₄	.....	5 ¹ / ₄
Ditto £3 paid.....	3	3	.....	3
Canada Company.....	47 ¹ / ₄	47 ¹ / ₄	47 ¹ / ₄	49 ¹ / ₄
Canada Northwest Land	3 ³ / ₈	3 ³ / ₈	3 ³ / ₄	3 ³ / ₄
British America Land.....	.....	29	30	29 ³ / ₄
Land Corporation of Canada.....	1 ¹ / ₄	1 ¹ / ₄	.....	.....
Hudson Bay.....	19 ¹ / ₄	19	19	18 ¹ / ₄

MINING COMPANIES.

NAME.	Value of Share.	Paid-up Capital.	LONDON.	
			March, 1891.	
			Bid.	Asked.
(1) Excelsior Copper (Lt'd).....	£ 1	£410,738	.....	.....
(2) Nicola (Lt'd).....	1	35,000	.....	.....
(3) Shuniah Weachu (Lt'd)	1	99,888	.....	.....
(4) Silver Wolverine	1	68,465	.....	.....
(5) Tilt Cove Copper.....	2	160,000	.....	.....
Ditto £80,000 5 ¹ / ₂ % Deb. ....	.....	.....	.....	.....
(6) General Mining (Lt'd).....	8	219,752	3 ¹ / ₄	3 ³ / ₄
(7) Low Point, Barrasois and Lingan...	100	509,100	.....	.....
(8) New Vancouver, Coal Mining and Land (Lt'd)	1	185,000	1 ¹ / ₄	1
(9) North Western Coal and Nav. (Lt'd)	10	.....	.....	.....
Ditto Preferred Stock	100	900	.....	.....
Ditto £160,000 6% Deb. coupons	.....	.....	.....	.....
(10) Sidney and Louisburg Coal and Ry.	.....	.....	.....	.....
Ordinary Shares	10	.....	1 ¹ / ₄	1 ³ / ₄
1st Preference 10% cumulative....	10	30,000	7 ¹ / ₂	8 ¹ / ₄
2nd Pref. 6% non-cumulative	10	14,560	3	5
(11) Anglo-Canadian Asbestos (Lt'd)...	2	11,500	.....	.....

MINING COMPANIES—Continued.

NAME.	Value of Share	Paid-up Capital.	LONDON.	
			March, 1891.	
			Bid.	Asked.
(12) Anglo-Canadian Phosphate (L ^t d) ..	£ 10	£46,510	.....	.....
Ditto Deferred Shares.....	10	25,000	.....	.....
(13) Bell's Asbestos (L ^t d)	5	140,000	12 $\frac{3}{8}$	12 $\frac{3}{8}$
Ditto £68,400 5% Deb.....	.....	.....	.....	.....
Canadian Phosphate (L ^t d).....	1	100,000	.....	.....
General Phosphate (L ^t d)	10	.....	.....	.....
Ditto Founders' shares	10	5,000	.....	.....

(1) *Excelsior Copper*.—Registered September 26, 1888. Accounts to December 31, submitted in April. No dividend yet. Liquidation and reconstruction have been decided upon.

(2) *Nicola*.—Accounts to December 30, submitted in November. No dividend yet.

(3) *Shuniah Weachu*.—Accounts to November 20, submitted in February. No dividend yet. Shares for £12,870 held by the Company.

(4) *Silver Waterline*.—Registered October 17, 1888.

(5) *Tilt Cove*.—In March, 1890, the properties were leased for 99 years to the Cape Copper Company, Limited, at a rent of £4,400. The Cape Copper Company advance £15,000 at 5 per cent. interest, and when this is repaid out of profits, surplus profits are to be divided equally between the Cape Copper Company and the Tilt Cove Company. The lease may be determined by the Cape Copper Company at any time on twelve months' notice. Accounts annually to March 21, submitted in November.

(6) *General Mining*.—Accounts to December 31, submitted in April, but an interim meeting is held in November. Dividend for 1884, 5 per cent.; for 1885 and 1886, 3 $\frac{1}{2}$ each year; for 1887, £4 13s. 9d. per cent., and for 1888 and 1889, 3 $\frac{1}{2}$. Reserve fund, £26,850.

(7) *Low Point*.—Accounts to December 31. For 1887, 1888, and 1889, 5 per cent. was paid each year on the ordinary shares publicly held; for 1888, the ordinary shares issued to the vendors got 3 $\frac{1}{2}$ per cent., and for 1889, 2 $\frac{1}{2}$.

(8) *New Vancouver Coal*.—Reconstructed in 1889. Accounts to June 30, and December 31, submitted in November and May. For the two half-years to June, 1889, 5 per cent. per annum was paid, and for the two half-years to June, 1890, 4. Debentures, £60,000.

(9) *North-Western Coal*.—The deferred shares receive no dividend until 15 per cent. per annum (cumulative) has been paid on the ordinary. Accounts to June 30. Dividend for 1887-8 and 1888-9, 5 per cent. per annum.

(10) *Sydney and Louisburg Coal*.—Accounts to December 31, submitted about May. In respect of 1889, 15 per cent. was paid on the first preference, leaving arrears of 50 per cent.

(11) *Anglo-Canadian Asbestos*.—Reconstructed in 1889.

(12) *Anglo-Canadian Phosphate*.—The preference shares rank first for 7 per cent., and after a like rate has been paid on the deferred shares, both classes rank equally. Accounts to November 30, submitted in May. No dividend yet on either class. Debit to profit and loss on November 30, 1889, £4,784. One of the mines has recently been sold and another leased.

(13) *Bell's Asbestos*.—Accounts to December 31, submitted in January. Dividends for 1888 and 1889, 22 $\frac{1}{2}$ per cent. each year. Reserve, £5,000. The debentures are redeemable by 1913, by annual drawings at 115 from a sinking fund, which the directors may increase.—*Canadian Mining News*.