

# The Chronicle

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Proprietor.

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**Severe but Deserved.** It is startling to read of three Americans having been sentenced to be shot in Mexico, their crime being the murder of persons in whose life insurance they were interested. They had conspired to defraud the New York Life Insurance Company by securing policies on certain lives, then killing the insured and collecting the policy money. This they had done in two cases and fraudulently drawn \$25,000 from the company. One of the murderers, one Hurlburt, acted as the company's agent in Mexico, under a false name. He was a fugitive from justice. It seems a pity to execute such miscreants by shooting, rope's end is good enough for men of that class.

**Christmas Fire Risks.** No two things are more violently contrasted than Christmas festivities and fire dangers. Yet they are too frequently associated as cause and effect.

Already some stores have made excellent arrangements for being burnt out, or flooded. We see windows crowded with highly inflammable decorations so fixed as to appear as if set for a fire. Straw, muslin, tissue paper, fluffy cotton, that would flash into flame on the slightest provocation, are seen in windows where gas jets and oil lamps are so placed and so ill-protected as to create a serious risk. A gust of wind might bring one of these lights into contact with inflammable goods. Electric bulbs are regarded as though they involved no risk as they may be seen placed in almost direct touch with flimsy decorations which they are preparing for a blaze. Storekeepers need informing that the heat of an electric bulb will char certain fabrics, which is a long step towards their taking fire. In his warning against Christmas display, dangers Mr. Davis, Ohio Fire Marshall, writes: "If gas is used the burner should have a globe or wire screen, or both. There is no safe place on earth for a swinging gas-bracket. The arc light should not be used

in dry goods stores because the heat in the arc is 4892 degrees F. and glowing particles of carbon drop from it.

Incandescent electric lights are less dangerous than gas but are far from safe in show windows. Light fabrics or cotton in contact with a small electric bulb will char in ten minutes and then a puff of air will cause them to blaze. The combs and ornaments made of celluloid will explode if exposed to the heat from one of these lamps.

Electric lamps in show windows should not hang by flexible cords and inflammable goods should not be placed in contact with lamp sockets. Electric lamps in such locations should be renewed after 300 hours' use, because the heat produced by a lamp grows with age owing to the increase of resistance in the filament.

Christmas tree dangers will make another story.

**South American Character. Their Debts and States.** The report of the Council of Foreign Bondholders for 1904-5 mentions that the Columbian, Costa Rica, Guatemala, Honduras and the Buenos Ayres Cedulae still remain in default.

The report says: "It is certain that sooner or later these defaulting countries will realize that the absence of all credit and the fact that the money markets of the world are closed to them, outweigh any sacrifices they might have to make in order to pay their obligations to the bondholders."

The "Economist" remarks:

Experience has shown, as a rule, that when a defaulting Spanish-American State resorts to honesty, it is a *policy* rather than a principle, and if Honduras and Guatemala again make some kind of offer to their creditors, the motive of their action will be a characteristic desire to indulge in fresh borrowing. The Honduras Government simply ignores its creditors.

The Council of Foreign Bondholders gives the following as loans in default, 1903-4:

	Principal Approximate. \$	Interest Arrears: \$
Argentine Municipal Loans.....	3,968,000	3,571,100
do Prov'l Cédulas.....	72,299,260	.....
Costa Rica.....	10,000,000	3,000,000
Former Confederate States.....	12,099,000	34,286,400
Guatemala.....	7,414,000	1,927,600
Honduras.....	26,992,850	76,022,800
Louisiana certificates.....	922,160	.....
Mississippi.....	7,000,000	24,000,000
West Virginia.....	15,239,370	.....
Total.....	\$155,934,640	\$142,867,900
Amount in 1904.....	197,000,000	145,996,000

The statement and record is enough to prevent any prudent investor putting his money in Spanish-American securities.

**SOME MONETARY CHANGES IN EUROPEAN AND UNITED STATES BANKS SINCE 1904.**

There have been events since the latter part of the year 1904 which have had an important effect upon the monetary situation. Fortunately for the world two of the most momentous of these events have been favourable, viz., the closing of the war between Russia and Japan, and the occurrence of abundant harvests on this continent, with fairly average ones in other leading sources of supply. Had it not been for peace being established and the crops being large, there would have been serious depression in the money market. No doubt the beneficial effects of peace have been offset to a considerable extent by the revolutionary disturbances in Russia, but a shortage in the food supplies would have had a more disastrous effect upon financial interests than the anxieties and fears created by the revolts in the Russian Empire. Those outbreaks have not, to any material extent, either wasted capital, or dried up the sources from which it is derived, but, bad harvests exercise both of these malignant influences.

Taking first the conditions of

**THE BANK OF ENGLAND**

at the end of November, 1904, and same date 1905, we find them to have been as follows, the sterling pound in all the tables being represented by \$5 currency:

	Nov., 1904. \$	Nov., 1905. \$	Increase or decrease. \$
Coin and bullion....	164,278,000	164,871,000	Inc. 593,000
Circulation.....	137,449,000	142,711,100	Inc. 5,262,100
Deposits.....	245,176,000	278,020,000	Inc. 32,844,000
Securities.....	2,548,100,000	253,087,000	Inc. 17,606,000
Reserve.....	119,079,000	114,410,000	Dec. 4,669,000
Per cent. of reserve to liabilities.....	50½ %	41½ %	Dec 9½ %
Bank rate.....	3 %	4 %	Inc. 1 %

Throughout the whole of 1904 the bank rate stood at 3 p.c. In March, 1905, the rate was reduced to 2½ per cent. and remained at that figure until 6th

September, when it rose again to 3 per cent. and at the close of that month advanced to 4 per cent.

The change from 3 p.c. to 2½ p.c. on 8th March, resulted from conditions which caused the ratio of reserve to liabilities to rise to 56½ per cent. This was 7 per cent. higher than the average of the year to that date, March 8, the amount of coin and bullion then held being \$198,740,000, which was \$22,500,000 over the average of the year to that date.

When the rate in September was raised from 2½ per cent. to 3 per cent., the reserve, which had been gradually declining, sank to 45 per cent. against 56½ per cent. in March. The amount of coin and bullion on hand in September was \$178,460,000, rate was lowered from 3 to 2½ per cent.

The following shows the stock of coin and bullion in Bank of England and reserve at the date of the more recent changes in the bank rate:

	From 3 to 2½ p.c. Mar. 8 1905.	From 2½ to 3 p.c. Sept. 8, 1905.	From 3 to 4 p.c. Sept. 27 1905.
Coin & bullion	\$198,749,000	\$178,469,000	\$18,144,000
Reserve.....	56½ p.c.	45 p.c.	40 p.c.

The stock of coin and bullion held at end of November with the reserve and rate in previous years is given in "The Economist," London, as below:

Coin & bullion, Nov. 1905.	Coin & bullion, 1902.	Coin & bullion, 1901.	Coin & bullion, 1904.	Coin & bullion, 1905.
\$2,720,000	\$164,774,000	\$59,465,000	\$164,278,000	\$161,711,000
57½ p.c.	4½ p.c.	49½ p.c.	50½ p.c.	41½ p.c.
2 p.c.	4 p.c.	4 p.c.	3 p.c.	4 p.c.

The stock of coin and bullion and the reserve are good indications as to the course of the financial movement, but to form a judgment as to its probable course in the immediate future there must also be considered the conditions in other monetary centres, and those impending, such as, the state of the crops, the prospects of peace or war, and other factors which affect the financial barometer.

**EUROPEAN BANKS.**

We now turn from the record of the Bank of England since this period 1904, to note the principal changes in the other great banks of Europe during the same period:

	Bank of Russia. \$	Bank of France. \$	Bank of Germany. \$	Bank of Austria. \$
Gold, etc., 1903...	376,750,000	701,325,000	224,635,000	293,000,000
" 1904...	459,405,000	751,500,000	240,620,000	303,500,000
" 1905...	457,405,000	798,000,000	209,365,000	286,000,000
Balance abroad, 1903.....	77,565,000	.....	.....	.....
" 1904.....	82,505,000	.....	.....	.....
" 1905.....	148,725,000	.....	.....	.....
Discounts, 1903.	216,000,000	269,180,000	245,395,000	82,500,000
" 1904.	200,310,000	226,160,000	212,939,000	108,000,000
" 1905.	2,412,000,000	2,235,000,000	261,315,000	124,450,000
Deposits, 1903...	23,775,000	132,712,000	124,470,000	.....
" 1904...	25,800,000	169,150,000	133,565,000	.....
" 1905...	2,495,000	182,850,000	127,300,000	.....
Circulation, 1903.	295,500,000	843,370,000	312,050,000	853,370,000
" 1904.	117,500,000	850,560,000	314,750,000	362,110,000
" 1905.	552,300,000	892,350,000	324,935,000	364,450,000

STOCKS OF GOLD AND SILVER IN EUROPE.

	1903.	1904.	1905.
	\$	\$	\$
Bank of England .....	159,466,000	164,278,000	164,871,000
Bank of France .....	701,325,000	751,500,000	798,000,000
Bank of Germany .....	224,035,000	240,620,000	209,365,000
Bank of Russia .....	376,795,000	459,405,000	457,465,000
Bank of Austria .....	294,100,000	303,250,000	286,250,000
Bank of Belgium .....	24,290,000	24,720,000	24,500,000
Bank of Netherlands .....	52,400,000	58,500,000	63,100,000
Bank of Italy .....	102,500,000	109,500,000	127,400,000
Bank of Spain .....	172,300,000	173,500,000	188,800,000
Totals .....	\$2,106,205,000	\$2,285,238,000	\$2,319,700,000
Increase of 1905 over 1904 .....			\$213,944,000

If to above be added the specie held by the New York Associated Banks, by the Non-Member Banks, New York Clearing House, and the Chartered Banks of Canada, we get the sum of \$2,541,754,000 as the aggregate stock of specie held last month by the leading banks of Europe, of the United States and of Canada, which total is less by about 8½ millions than the stock held a year ago, the European banks having more but those of the United States much less.

UNITED STATES, MONETARY CHANGES.

The New York City banks have the following record from November, 1904, to November, 1905, between which periods other changes occurred as follows:

	Nov., 1904.	Nov., 1905.
	\$	\$
<i>N. Y. City Banks.</i>		
Loans .....	1,142,286,600	1,041,819,400
Specie .....	238,360,200	196,059,200
Deposits .....	1,201,434,200	1,042,034,300
Surplus reserve .....	16,794,650	12,430,925
Circulation .....	43,248,900	51,890,100
Clearings .....	1,931,550,000	1,872,184,000
<i>Non-Member Banks.</i>		
Deposits .....	114,237,000	141,028,400
<i>National Banks.</i>		
Circulation based on bonds .....	423,544,790	489,937,800
Circulation based on lawful money .....	32,750,900	34,470,440
<i>Money in circulation in United States.</i>		
Gold coin .....	641,793,090	651,644,990
Silver dollars .....	79,441,120	81,822,300
Silver and silver .....	100,408,120	107,157,930
Gold certificates .....	490,194,750	479,565,430
Silver .....	472,713,830	471,635,770
Treasury notes .....	11,551,800	8,594,370
United States notes .....	42,132,421	340,101,180
National bank notes .....	645,240,410	512,213,260
Total .....	\$2,583,476,600	\$1,955,131,070
Population, U. S. .....	82,329,000	83,726,000
Circulation of money, per head .....	\$31.38	\$31.69

The American statistics are derived from the New York "Banker's Magazine" in each monthly issue of which there are tables relating to bank and other financial returns, of a most interesting and valuable nature.

A few comparative figures regarding the banks in Canada show the principal changes made since 1st November, 1904:

	1904.	1905.
	\$	\$
Capital .....	79,47,011	83,861,828
Reserve Fund .....	52,480,152	57,493,307
Circulation .....	7,226,396	76,890,863
Deposits .....	479,491,099	500,600,950
Discounts .....	433,77,193	479,538,325
Cash & short loans .....	80,837,181	110,445,790

CANADIAN BANK OF COMMERCE.

STATEMENT FOR PAST YEAR HIGHLY GRATIFYING.

The statement of the result of the business of the bank for year ending 30th November, 1905, issued in advance of the annual meeting of the Canadian Bank of Commerce will be received with the highest gratification by the shareholders and be very satisfactory to the whole country. The net profits realized for the past year after providing for all bad and doubtful debts were \$1,376,167. As the paid-up capital throughout the year was not a fixed amount, owing to new stock being issued, we cannot give the percentage of the earnings, but, even if the whole of the present capital of \$10,000,000 had been available the net profits would equal about 14 per cent. thereon. That is a higher figure than any in the bank's record, and proves that the enlarged capital and deposits and circulation have been profitably utilized.

The net profits were supplemented by \$564,006 from premiums paid on new stock, \$28,726 was also added from the balance brought forward from 1904. These items made an aggregate of \$1,060,890 for appropriation as follows, two dividends at 7 per cent. per annum absorbed \$886,048, \$219,233 was written off bank premises account, \$25,000 transferred to pension fund, the annual contribution, and \$1,000,000 transferred to reserve fund, which left \$58,871 to be carried forward to ensuing year. The reserve fund was thus raised to \$4,500,000, or 45 per cent. of the paid-up capital.

The deposits now amount to \$74,373,490, as compared with \$70,450,351, an increase in the year of close upon 4 millions.

The current loans and discounts are \$64,303,041, against \$51,458,163, which shows an enlargement of \$12,844,878. This is a remarkably large advance to have been made in one year during which new banks have been competing vigorously for business. It is evident that the resolution passed on 4th December, 1904, to increase the paid-up capital by \$1,300,000, raising it to \$10,000,000 was a judicious course.

The statement shows with what far sighted enterprise, combined with sagacity and determination to advance the Canadian Bank of Commerce, this institution is being conducted under the management of Mr. B. E. Walker, general manager.

The business in Montreal has made great progress, Mr. F. H. Mathewson having made his mark as a successful and popular manager.

A CONTRAST IN COMPENSATION is given by the following. A widow at Birkenhead was awarded \$750 compensation for an accident which killed her husband. Another woman was awarded \$765 for an accident by which she lost one finger, which left her without the power of grasp in one hand. Something is wrong when such contrasts occur in the judgments of Courts of Justice.

### MR. J. K. MACDONALD ON THE LIFE INSURANCE SITUATION.

An exceptionally interesting address was delivered on the 2nd inst., before the Canadian Club, Ottawa, by Mr. J. K. Macdonald, managing director of the Confederation Life Insurance Company.

In the course of the address he said:

"A life insurance company properly organized and honestly managed was the most stable of all financial institutions, and could not fail. Regarding the recent disgraceful disclosures in New York, the chief causes of the conditions revealed were, first, the foolish ambition to become the biggest company in the world, utterly ignoring the fact that the interests of the policy-holders were of infinitely more importance than mere business, and the application of the tontine policy to life insurance, which resulted in large accumulation of surplus, leading in turn to extravagance and increase in expenses.

The possession of such large accumulations, for which no account was given, could hardly fail to produce the fruit now appearing under the searchlight of the investigation.

As to the expenses of the Canadian life offices, they are far too high, but while that is admitted there is a matter which should be borne in mind and which will show that to a very large extent, the management of the home companies is really not responsible for the high cost. The Canadian law allows the United States companies to come and transact the business of life insurance without any limit as to the cost of securing the same. The business cannot be carried on with success without agents, and if the home companies are to do a reasonably successful share, their agents must be paid such remuneration as will prevent their going over to the American companies, which would, if such were to happen, get the major part of the business.

The distribution of surplus at reasonable intervals of five or seven years, instead of allowing accumulations for long periods, and by making rebating a punishable offence, if that is possible, will do much to that end. As entrance to our country is open for foreign life insurance companies, the reform must include the American offices operating here.

The field for investment of the companies' funds could be reasonably extended with perfect safety and with benefit to the company and the policy-holders. The extension in the field for investment should be such as to place the Canadian companies in no less favourable position than the American companies operating in Canada. In view of what is taking place in New York, he said, no director or manager should occupy any position in which he received benefit in connection with the purchase or sale of securities of any kind in which his company is interested; or be interested in anything of a speculative character by which his judgment may be influenced, or his company's interests affected.

### THE EASTERN TOWNSHIPS BANK.

The progress made by the Eastern Townships Bank in the past year was much greater than in any previous year. This is saying much, for this bank has been making advances in extent of business at a rate beyond the average.

The 47th annual meeting was held at Sherbrooke on 6th inst., at which the President, Mr. William Farwell, took the chair, who, no doubt, reflected with eminent satisfaction and justifiable pride upon the contrast between the condition of the bank and its position in its earlier years.

The net profits were announced to be \$317,279, which is nearly 12.70 per cent. of the paid-up capital. The directors might well have satisfaction over such a statement considering the low rate of money prevailing last year.

The net profits provided for two 4 per cent. dividends, for a transfer of \$100,000 to the reserve fund, \$29,000 applied in reduction of the value of securities, \$8,000 as a bonus to the employees, and left a balance of \$24,566 at credit of profit and loss. Branches have been established during the year at Actonvale, Hemmingford, Lennoxville and Waterville, in the Province of Quebec, and at Vancouver and Midway, in British Columbia. Sub-agencies have also been opened at Valcourt, Belœil, Iberville, Clarenceville, Lacolle, Scotstown, Howick and Stanstead, in this province. Previous reports have foreshadowed the opening at Vancouver, and although the branch has only been opened for a few months a very satisfactory business is being done. The Midway office is at a point where large expenditure is being made by the construction of two railways and is a central point in that section.

The growth of the business in recent years is shown by the following comparisons:

	1900.	1902.	1903.	1905.
	\$	\$	\$	\$
Capital paid up ....	1,500,000	1,955,225	2,426,780	2,500,000
Reserve Fund.....	900,000	1,200,000	1,450,000	1,600,000
Deposits.....	5,181,451	6,830,214	8,578,049	11,910,860
Circulation.....	4,147,707	1,358,730	2,021,495	2,068,885
Loans .....	7,206,658	7,780,256	10,869,026	13,037,229
Assets immediately available.....	1,393,828	2,392,000	3,309,234	4,853,255

The rate of dividend paid annually by the Eastern Townships Bank since 1860, has ranged from 7 to 8 per cent., the higher rate having been paid in 1903, 1904 and 1905, during all which period there have been appropriations made to the reserve fund which now stands at \$1,600,000.

To the judicious management of Mr. William Farwell, for a long term of years the bank owes its large business and the strong hold it has on public confidence and gratitude also, for the business interests of Sherbrooke and district have been largely built up by the assistance of this institution. Mr. Mackinnon, who became general manager when Mr. Farwell was elected president, is showing enterprise and sagacity. The business in Montreal has been effectively promoted and developed under Mr. Austin's management.



**THE NOVEMBER FIRE LOSS.**

The fire loss of the United States and Canada for the month of November, as compiled from the carefully kept records of "The New York Commercial Bulletin" shows a total loss of \$16,178,200. The following comparative table gives the losses by months for the first eleven months of 1903, 1904 and 1905:

	1903.	1904.	1905.
	\$	\$	\$
January.....	13,166,350	21,970,200	16,378,100
February.....	16,090,000	90,051,000	25,591,000
March.....	9,907,650	11,212,150	14,751,400
April.....	13,549,000	23,623,000	11,901,350
May.....	16,346,800	15,221,400	12,736,250
June.....	14,648,350	10,646,790	11,789,800
July.....	12,838,600	11,923,200	13,173,250
August.....	8,424,360	9,715,200	11,435,600
September.....	9,939,450	14,387,650	13,715,250
October.....	10,409,800	12,866,200	12,267,000
November.....	13,589,550	11,515,000	16,178,200
Total 11 months.....	\$138,970,900	\$232,941,700	\$159,881,200
December.....	17,224,700	19,422,350	.....
Total for year.....	\$156,195,600	\$252,364,050	.....

The total fire loss to end of November was \$20,910,300 in excess of same months 1903, so the prospect is not favourable for this year's record being at all satisfactory. Out of the 11 past months, 8 had a fire loss exceeding 1903. There is every probability of the aggregate for this year being about \$180,000,000.

**A LONDON FINANCIER ON CANADA.**

A shrewd business man who is engaged in financial operations in the metropolis of the Empire on his return after spending three months in Canada where he visited almost every important business centre has favoured us with his views as to the present conditions and future prospects of this country.

He regards it as only a question of time as to how long it will be before the whole of the balance of land available for cultivation is taken up in the Northwest where it is proved conclusively that wheat and other food stuffs equal, if not superior, to the finest in any other portion of the globe can be abundantly and successfully raised and marketed.

He regards the railway transport in Canada as at a similar stage as it was in the United States when the Union Pacific was the only line for the flow of immigration to the West. From this he infers that, with equal conditions of land and suitability, the progress of Canada must be thrice as rapid, as three main lines of railway are now in operation to aid in developing the settlement of the Northwest.

The immigration from the United States has risen to 65,000 this year being about 50 per cent. in excess of the inflow from the States in 1902-3, and 1903-4.

Owing to the protectionist policy in vogue in Canada our correspondent remarks: "The major por-

tion of the profits arising from agriculture must be spent in Canada."

Regarding the iron and steel industries he remarks, "The enormous railway development of the country, and the necessity imposed upon the railways by the protective tariffs to buy, in the first instance, the goods necessary for all their requirements, of construction and renewal, from Canadian sources will further improve the position of the iron and steel manufactures of the Dominion."

About two years ago our correspondent paid a visit to Canada, since which time he notes the sound and rapid progress made. "In every business centre activity in every department is evident, and the only universal complaint was, that the railway companies could not provide sufficient transportation which is generally a healthy sign of the state of a country's trade."

The judgment expressed by this close observer is that of all visitors from the old land to this country

**THE CITY COUNCIL AND THE UNDERWRITERS.**

At the meeting of the City Council on 11th inst., a great deal of excitement was shown regarding the resolutions passed recently by the Board of Trade respecting the fire protection of Montreal. The excitement found expression in a resolution to proceed against the Underwriters' Association under the criminal code for having formed a combine to raise the rates of fire insurance. One alderman who appears to have kept cooler than his colleagues quietly stated that the resolution was legally worthless, which opinion was confirmed by the city's legal adviser. Before any such action can be commenced there must be a definite charge formulated supported by explicit evidence, which are not forthcoming.

The statistics furnished both by the underwriters and by ourselves prove conclusively that there has been no undue advance in rates, and that the fire insurance business has been extremely unsatisfactory, especially in the congested district in this city where the greatest advance has occurred in insurance rates.

So much is this the case that, not only have the companies cut down their lines on risks in that area, but it is becoming a question with some companies whether they will discontinue to write risks in that district.

There is an amazing degree of ignorance displayed by critics of the companies, not only as regards the business of fire insurance generally, but also with respect to the objects of the Fire Underwriters' Association.

That Association was formed with the object of placing fire insurance on a sound basis. This necessitates such rates being charged as are likely to

give a fair return for the risk incurred which is impossible of attainment unless the rates are based upon the combined experience of the various offices. To secure this basis is the main object of an Underwriters' Association.

In this respect there is a necessity for a "combine." But, that such a union of interests comes within the meaning of "criminal combine" is preposterous.

The fire companies so associated can neither force the public to place their insurance with them, nor prevent the entrance into the country of independent companies, nor stop the formation of new ones.

The underwriters have had long experience extending over many years during which they have seen 60 companies retire from the field partially or totally disabled. Having no desire to follow in their wake they have decided upon a course which will prevent such a calamity, a disaster that would be felt by the whole community.

It is in the congested district where the great bulk of insurable value in Montreal is crowded together and until something is done to lessen the conflagration hazard we cannot see why the companies should be blamed for not shutting their eyes to the danger.

One of the aldermen at Monday's meeting, praised Toronto for attacking the Plumbers' Supply Company, but it would have been better and more to the point, if he had suggested following that city's lead in inaugurating the high pressure system of waterworks, and instead of growing angry at the publication of the report of Inspector Howe, a civil engineer of large experience, the council would have best fulfilled its duties by following out the suggestions of that report and endeavouring to make Montreal equal in fire protection to cities of similar size on this continent, which statistics prove clearly it is very far from being.

If the City Council in place of blaming the underwriters for simply protecting themselves, will, to use a homely expression, "Take the bull by the horns" and make the improvements in the water service and fire brigade asked for, we are certain the underwriters will carry out their part of the contract, which will be found is the only method of solving the question of high insurance rates.

#### SIR THOMAS SHAUGHNESSY IN THE OUTLOOK IN CANADA.

The President of the Canadian Pacific Railway has been giving his views on the situation in Canada and on various questions now before the people, to an American contributor to the Manitoba Free Press.

Sir Thomas is well known for the frank, outspoken style in which he conveys his ideas. He goes straight to the point with a terseness, vigour and directness which are very impressive. When asked whether Canada desired a reciprocity treaty with the United State he said:

"What Canada wants of your country, the United States, is just what you have been giving us for the past 20 or 30 years. We want a tariff wall between the two nations so high that you cannot climb over it. We want to profit by the same policy, which has so aided in building up the United States. We believe in protection and home industry, and we shall keep our tariff high enough to encourage it"

"In that case, Sir Thomas, the American manufacturers will get trade by coming across the border and building branches here. Will they not?"

"That is just what they are doing now," was the reply. "Many millions of dollars of American capital have already gone into such branches. Nearly all the chief industrial institutions of the States are establishing them. Take the American Locomotive works, for instance. They are building steam engines for the Canadian Pacific Railway. They put up a number for us last year, and we shall buy more in the months to come. We are glad to welcome such institutions. We want their goods, but we want them made on Canadian soil and with Canadian labour."

He went on to say:

"I regard a political union as even a greater improbability than a commercial one. I do not know a single Canadian who advocates the annexation of Canada with the United States, nor one who wants a political union of any kind. We believe we are better off by ourselves. We don't see that we would gain anything by uniting with you, and we believe it is better for the United States and for us to have competition.

"At present our relations with the British empire are all that we could wish, and we expect them to continue so. We feel that we can work together and benefit each other. There is no sentiment in Canada in favour of breaking away from Great Britain."

In regard to the American settlers in the Northwest, as to whether they become Canadians or continue their allegiance to the United States, the judgment of the President of the Canadian Pacific is authoritative, as it is also upon the question of immigration and the acquisition of land by new settlers. Sir Thomas declares that:

"Most Americans who settle in the Northwest become Canadians and enthusiastic ones. I took out my naturalization papers within a year after I came to Canada, but I am, you know, of Irish descent, and the change was only going back to the mother country. It is not difficult for an American to become a Canadian. He finds the laws and customs much the same as at home. He is fully as free as at home, and he has an equally large part in the Government. He finds here good schools, and, in fact, all that he considers desirable at home; and when, in addition, he perceives that he can make money faster and thrive better he easily becomes a

patriot of the land of his adoption. Thousands of American farmers are now settling in our new wheat lands of the west. So far they are almost all taking out naturalization papers."

In regard to immigration his views are decidedly sanguine and most interesting.

"Immigration is only at its beginning. Canada is having in the Northwest what has been going on in the United States since their organization. The farmers of the Atlantic, when the lands became valuable, moved over the mountains to Ohio and took up homesteads there. As that country was settled and prices rose, the farmer with two or three sons sold out and moved on to Illinois, buying a block of cheap land. When Illinois grew, the march was on west to Wisconsin and Iowa. United States western farmers are selling out their high-priced lands and crossing the border to the rich wheat belt of Canada. They can get farms there for themselves and their children, and they see that the same rise in values is bound to take place as has occurred in the United States. There are many millions of acres of farm lands yet to be settled, and good lands are cheap. In some of the towns prices seem to me extravagant. In Winnipeg, for instance, real estate is higher than in Montreal."

The value of the lands owned by the Canadian Pacific and the prospect of their being purchased by settlers have a most intimate relation to the value of the stock of the Canadian Pacific Railway. On these the President is highly optimistic. He denied that a syndicate had offered the company \$70,000,000 for the company's lands. An offer had been made which was refused as it is against the policy of the road to sell its lands in that way. What is wanted is settlers who will develop traffic which, the President said, "is worth far more to us than our lands." The traffic is developing rapidly and heavy expenditures are being made in plant and on the road-bed to meet the requirements of enlarging business. "Take the road which goes from Winnipeg to Port Arthur. Our traffic over it this year is double what it was seven years ago. That has been made possible by a better road-bed and rolling stock."

In regard to electricity becoming the motive power of railroads the President of the Canadian Pacific Railway Company said:

"It is a possibility. Indeed, I may say it is a probability. We are already adopting electricity for some of our shorter branch lines, and the day may come when that power will send our engines from coast to coast. The Canadian Pacific has extraordinary advantages in its water power for the development of electricity. Here in the east, in Ontario, we have Niagara. Farther west we have great falls along the line to the prairies. We have falls in the mountains, and altogether a great part of our power could be so generated."

Incidentally he stated that he read law in his early days and when ready for admission to the bar he decided to devote himself to "railroading" which offered more attractive prospects. The decision was a fortunate one for Canada, and doubtless has proved a satisfactory one to Sir Thomas.

### BANK OF OTTAWA.

#### REPORT OF A VERY PROSPEROUS YEAR.

The directors of the Bank of Ottawa presented an exceptionally good report at the 31st meeting held at Ottawa, on 13th inst.

The net profits of the year were \$360,187, which provided \$237,500 for two dividends, one of 4½ and the second 5 per cent., \$46,998 to be applied in reduction of bank premises and furniture and \$5,000 for the Officers' Pension Fund. The sum of \$144,020 was carried forward.

New stock for \$500,000 will be issued at 100 per cent. premium. A full notice of the report and statement will be given in our next issue.

### BANK OF HOCHELAGA.

Owing to the close of the bank's year having been changed from 31st May to November 30, the statement is for 18 months.

The net profits were \$471,972. This provided for 3 dividends taking \$210,000, \$250,000 transfer to the reserve fund and \$10,000 to be added to the Officers' Pension Fund.

### THE TRAVELLERS' INSURANCE COMPANY.

#### REPORT OF EXAMINATION.

On the 4th April last, an examination of the Travellers' Insurance Company was commenced under instructions from the Hon. Theron Upson, Insurance Commissioner, Hartford. The result of this examination has just been published.

The Commissioner in a letter to Mr. S. C. Dunham, president, says:

"The regular quadrennial examination of your company having been completed I take this opportunity to say that the condition of your company as shown by the examiner's report, must be exceedingly satisfactory to you and your policy-holders as it certainly is to me.

The report shows the market value of the assets as of December 31, 1904, to be, \$360,124, more than was claimed in your annual statement, and the liabilities \$618,787 less, making a net increase in your surplus of \$978,912."

The examination shows the total admitted assets of the Travellers' Insurance Company to be \$44,824,402, and the surplus, \$5,814,185. The report as the Insurance Commissioners says, "is exceedingly satisfactory."



**QUERIES' COLUMN.**

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

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

1508.—B. L. C., Toronto, O.—A married woman residing in the Province of Quebec cannot accept or transfer stock without the written consent of her husband, unless she is separate as to property and then the transfer office will require evidence of this fact.

1509.—W. W. F., Montreal.—St. John Railway Company, St. John, N.B., stock is listed on the Montreal Stock Exchange. It sold as high as 1.5 in 1899, and touched 105 in 1904. The present quotation is 113 asked 110 bid. The stock pays 6 p.c. per annum in half-yearly payments of 3 p.c. in December and June. The authorized capital is \$800,000, paid up \$779,700. Bonds outstanding \$675,000.

**PROMINENT TOPICS.**

**THE MONTREAL MAYORALTY.**—There are several candidates in the field for the office of Mayor of this city. According to usage it is the turn of an English speaking citizen. Some of the candidates are fairly well qualified for this position of dignity and responsibility, but lack practical experience in civic affairs. Those who have had any experience in civic matters can readily realize the desirability of selecting for the Mayoralty some citizen who to other qualifications of a general nature has the special and most important one of experience as a member of the City Council. One who is a stranger in the Council Chamber may have all the business and personal qualifications essential to a Mayor, but if he has not shared in the work of the Council he will find it a long and wearisome task to adopt himself to the work of presiding over, and, to some extent, guiding the proceedings of the Council. It takes a length of time to become familiar with the routine work and the laws regulating the business over which the Mayor presides. There are pitfalls on every hand that must be avoided, as a Mayor's prestige and influence are lowered if he falls into the traps set for the unwary and those created by the complexity of precedents on points of order.

**AMONGST THE QUALIFICATIONS OF A MAYOR** are, a good knowledge of civic affairs, an equable temper, well balanced mind, freedom from racial, or creed, or political prejudices, a judicial faculty,

a capacity to take the lead in any civic movement for promoting the city's interests and a temperament that encourages such enterprises. As an encouragement to prominent citizens to assume the duties of civic life it is most desirable that the Mayor should be selected from the City Council, provided he has shown his fitness for the position by his record as an alderman and is otherwise qualified.

In this connection we believe one member of the City Council who has presented himself as a candidate is deserving of the support of the citizens.

**HIGH PRICES FOR NORTHWEST LANDS.**—Quite recently land has been sold near Dauphin, 178 miles northwest of Winnipeg, for \$50 per acre. This is higher than good farming land can be had for in Ontario and this province. Some of the land in the same district is owned by the Canadian Pacific Railway, and a large area of land now held for \$50 per acre was sold only few years ago for \$3 per acre.

There is no more productive soil for wheat growing in the world. The yield on some of the farms was from 35 to 55 bushels per acre. The local market price is about 60 cents per bushel.

A visitor settled in that region, who is now in the city, reports that, the heavy crops this year are causing a wholesale clearing off of debts that have stood for a length of time. Implements are being purchased, new settlements founded, buildings being erected and the whole country west and north of Winnipeg is alive with prospectors and settlers from the United States. As an illustration of rapidity of growth, so characteristic of the Northwest, he describes one village as having been simply without a location last summer, while to-day it is a prosperous village of 600 inhabitants.

**ONE NEED OF THE NORTHWEST** is stated to be expert artisans. Places of several thousand inhabitants are without a plumber, or bricklayer, or carpenter, or tinsmith, whose several crafts are exercised by amateurs of the crudest type, who are paid enormous wages for most inferior work. "Jack of all trades and master of none" is the style of mechanic in the Northwest.

**THE NEW CABINET OF THE UNITED KINGDOM.**—The Cabinet elected by Sir Henry Campbell-Bannerman having received the King's approval is now fully constituted, and the Rt. Honorable Mr. Balfour and his colleagues, are out of office. The situation is a very singular one, indeed, in some respects unprecedented. The Balfour Government had a large, though somewhat uncertain majority in the House of Commons, but majorities in that House are becoming more and more erratic and unreliable now the old hard and fast lines of cleavage between political parties are disappearing and new ones are



becoming established that cut across both the leading parties. The old time divisions were, the Government party, the Opposition, the Cross-benches, the latter usually a very small number of able, but somewhat eccentric independents, such as the New England party. Now, if the seats were arranged on party lines there would have to be cross benches on both sides, and others for the use of members who are "agin the Government" and the Opposition also.

THE POLITICAL ASPECT OF THE NEW MINISTRY is more decidedly democratic than ever before. Out of 14 members there are only 5 with titles higher than knight, against 8 in the Balfour Cabinet. If President of the Board of Trade, Mr. Lloyd George, is a rural solicitor, and the President of the Local Government Board, Mr. John Burns, is a mechanic. Both these men have marked ability as political agitators, whether they have the qualifications for Cabinet rank has to be tested. Their appointment marks a decided change in constitutional practice. On the whole the new Cabinet, while not comprising "all the talents," has a fair proportion of members distinguished for intellectual power. For the sake of the Empire we hope the new Government will justify its existence by displaying political wisdom.

THE BANK OF NEW BRUNSWICK.—The meeting of the shareholders of this Bank called to obtain their assent to the capital being raised from \$500,000 to \$1,000,000, had to be adjourned for a week owing to so strong an opposition being developed to this proposal. Great surprise is expressed at this movement not being most heartily approved by the shareholders. The Bank of New Brunswick has been in operation 85 years, yet its capital is at the minimum figure of \$500,000, which is only half what was paid up quarter of a century ago. The reserve fund is \$800,000, that is, for each \$100 of paid-up capital there is a rest of \$160. Whether the increase in capital is objected to because the terms for the new stock are too high, or from distrust of the business not enlarging so as to yield a good return on the new capital is not known, but it is something new in Canadian banking for directors to propose expanding the resources of a bank and shareholders to object to this course.

THE YORK COUNTY LOAN COMPANY.—The affairs of this company have got into a very tangled state. At a shareholders meeting held on 9th inst., it was resolved to ask the Attorney General of Ontario to appoint experts to make a special examination of the accounts and the proceedings of the directors who are charged with misappropriation of the company's funds. Other shareholders are moving to secure the winding up of the concern, others are taking action to have the agreement for transfer of

the business to the Dominion Permanent Loan Company cancelled. The shareholders would do well to come to an agreement which would prevent the threatened waste of money in legal proceedings. Why should they not engage expert accountants to make a thorough investigation and so avoid the injury to the assets and the waste of money that must be caused by prolonged legal proceedings?

MR. RYAN'S STATEMENT REGARDING THE EQUITABLE LIFE.—On the 12th inst., Mr. Thomas F. Ryan made a highly interesting statement to the insurance investigation committee respecting certain transactions connected with the acquisition of shares in the Equitable Life Assurance Society. After Mr. Ryan had acquired 502 shares of the Equitable by purchase from Mr. James H. Hyde, which gave him control of the Society, Mr. E. H. Harriman demanded one-half of these shares. Failing to induce Mr. Ryan to part with these shares Mr. Harriman, it is alleged, intimated that unless he were given a share in the control of the Equitable there would be trouble, which has much the appearance of a threat. Mr. Ryan told the committee that, from Mr. Harriman's statements he drew the conclusion that he did not wish any one to have control of the Equitable unless he participated therein.

Mr. Ryan stated that, he paid no attention to Mr. Harriman's assertion that his influence would be important in the event of legislative action being sought. Mr. Harriman was told that Mr. Ryan desired no partners in the enterprise, so he, Harriman, did not secure the stock he coveted.

This occurred within a few days of Mr. Ryan securing control of the Hyde stock.

TWO INSURANCE APPOINTMENTS.—The Scottish Union & National Insurance Company and the German-American have appointed Mr. Henry J. Essinhardt, and Mr. Charles H. J. Maguire, agents of these companies, in succession to the late Mr. Walter Kavanagh.

Messrs. Essinhardt and Maguire have been for some years associated with Mr. Kavanagh, who was chief agent of above companies in Canada. The civil service system of promotion is commendable when officials are qualified, and those associated with a company are entitled to every consideration and preference. We wish the new firm success.

THE SCOTTISH UNION & NATIONAL has been established in Canada since February, 1882, where it has secured a large business. It income received in this country having been \$396,122 in 1904. On 31st December last, it had 12,037 policies in force in Canada, covering insurance for \$28,420,888 on which the premiums were \$401,393. The total assets held in Canada amount to \$713,832, besides

which it has other Canadian investments held at Head Office and Hartford, the United States branch of the company, which at close of 1904, had a market value of \$1,127,016.

The German-American commenced business in Canada on 7th December, 1904, since which date it has steadily progressed. The company has a paid-up capital of \$1,500,000, and at close of 1904 its total ledger assets were \$12,545,750. The new agents are thoroughly familiar with the business placed in their charge. Mr. Brewster representing the Scottish Union & National and Mr. C. G. Smith, the German-American, were some days in the city engaged in the business which resulted in the above appointments.

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A BANKER'S COMBINE evidently exists at Baltimore, where, recently the Commercial and Farmer's National Bank was fined \$1,000 for a breach of the exchange rule by charging less than the regular rate for collection of foreign items deposited by its customers. The bank declares that the charge was made in error and with no intention to break the rule. A fine of \$1,000 seems an enormous penalty for such an offence and the combine that can enforce such a fine must be exceedingly powerful.

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MONTREAL'S FIRE PROTECTION AND INSURANCE RATES.—No good object can be gained by the kind of talk indulged in at a recent meeting of the City Council, respecting a prosecution of the Canadian Underwriters' Association.

In the first place this Association is not a combine which comes under the criminal law and if we are not mistaken the City Council has already an opinion to this effect from the city's solicitors.

A Fire Underwriters' Association is absolutely essential to the business, and the proper adjustment of rates can only be done by the combined experience of the companies spread over a long term of years.

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DIFFERENCE BETWEEN FIRE INSURANCE RISKS AND COMMODITIES.—The hazard or risk written by an insurance company may or may not burn. Fixing a rate to cover a risk is not like charging a specified price for an article of which the cost of production is known, and the normal market price is defined and settled.

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IF NO OTHER REASON EXISTED than the necessity for some authority to enforce improvements in building construction and conditions to minimize fire hazard being carried out a fire underwriters' association would be demanded in the public interest. It is no use the City Council trying to throw dust in the eyes of citizens by threatening an action against the underwriters to draw public attention away from the urgent need of better fire

protection in this city. It is most urgently needed that adequate fire protective service be established in this city whose welfare and prosperity are hampered by defective fire protection.

The congested area in Montreal is not properly protected to-day, the water pressure is deficient, the fire fighting appliances require additions, and more men are needed on the fire brigade.

Let the aldermen find the means of placing the fire protection in a proper condition similar to what obtains in other large cities, then the rates question would settle itself.

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THE UNDERWRITERS' ASSOCIATION IS NO MONOPOLY.—Aldermen and others forget that there are numerous fire insurance companies which are not members of the Underwriters' Association. These are open for business and outside companies would be attracted here and new ones formed if there were prospects of a remunerative business.

Past experience proves that here and in Canada generally fire insurance has not been a profitable business. We would recommend the aldermen to study the official, government insurance reports, based on the sworn statements of the companies and verified by the superintendent of insurance. Were they to do this they would discover how unprofitable has been the fire insurance business for a lengthy term. These reports have been regularly published in THE CHRONICLE for a long series of years.

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REVENUE OF THE CITY OF MONTREAL.—The Montreal City Council claims that more revenue is required for improvements in connection with civic services and general administrative purposes.

It has been the custom of City Councils to obtain additional revenue for improvements, etc., by borrowing. The time has come when the aldermen should bring forward a plan for obtaining additional revenue without increasing the city's debt.

As most of our citizens know that the consolidated debt is fixed and cannot be increased until the taxable value of real estate at 15 per cent. warrants it. On the other hand and in order to make provision for above services it was agreed that an amount be borrowed each year equal to 10 per cent. on the increased value of property and for such additional loan a sinking fund be provided so as not to interfere with the consolidated debt. In addition to the ordinary revenue the City of Montreal has borrowed each year, on an average, \$300,000. But, as the revenue and the addition from loans is insufficient why do not the City Fathers ask for power to tax real estate to an extent of  $\frac{1}{4}$  of 1 per cent. extra which would add \$400,000 to the revenue, and which ought to be sufficient under careful management.

Such a tax would, we believe, be generally ac-

and be less obnoxious than the numerous taxing taxes which are now imposed that yield a small sum. This extra taxation has to come should be faced. It would be more than com- pated for by the additional value to real estate would be the result of better roads and more cent services. One thing is certain except for hiching very special no further borrowing powers t to be asked or should be granted only on dition that a special tax be imposed for the re- tion of the loan.

Montreal should not be perpetually borrowing

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**THE NEW YORK INSURANCE INVESTIGATION CON- VES.**—The latest report is that Mr. G. W. Perkins, vice-president and chairman of the Finance committee of the New York Life Insurance Com- has resigned. Mr. Peabody has been elected sident of the Mutual Life Insurance Company, New York, in succession to Mr. McCurdy. Mr. obody is a lawyer. He is the legal representa- of Mr. Waldorf-Astor and is director in sever- banks, etc. He will have a salary of \$50,000. t \$150,000 paid to Mr. McCurdy.

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**THE LIQUIDATION OF THE BANK OF YARMOUTH** resulted in an order for the payment of a final d of \$80,618 to the bank's creditors. This ay off the depositors who will lose nothing e holders of the bank's notes will escape any e. The shareholders, however, will suffer, but at extent has not been stated. The liquidator, Stavert, ex-manager of the Bank of New swick, is much commended for the rapidity hich his work has been dispatched, which rasts most favourably with the time usually pplied in winding up such affairs.

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**PRESIDENT ROOSEVELT'S MESSAGE TO CONGRESS.** The President's annual message to Congress de- ed on 5th inst., covered a number of subjects, hich justice cannot be done in this issue. He t at length on "Corporations," which, he said, ight to be held responsible by and accountable ome sovereign power strong enough to control r conduct." He referred in particular to e ssity of "such supervision and regulation of rates charged by railways, as shall summarily e effectively prevent unjust or unreasonable s." He urged the introduction of legislation to el railways to establish block signals, to in- se the safety travelling.

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**THE PRESIDENT AND THE CURRENCY.**—Mr. Roose- considers that some form of currency is need- to respond to the varying needs of communities of seasons. His ideas are sound enough in a eral sense, but he avoids any practical suggestion an improved currency system for the United

**THE UNEMPLOYED IN LONDON.**—In a recent issue we discounted the sensational reports as to the num- ber of men out of employment in London by stating that at all times, in the height of prosperity, there is a large population in London who are never at work, as work is commonly understood, but, who, when an outcry arises for help to the unemployed, make their numbers felt and are counted by sen- sation mongers amongst the industrious classes suffering from lack of employment. A recent official return states that, in London, there are 4,000 professional beggars! Besides these there are the criminal classes, pickpockets, sneak thieves and worse. Public charity intended for the industrious is too often diverted from them to the unworthy. Private letters inform us that throughout the woollen manufacturing districts of Yorkshire the mills are exceedingly busy and full of orders. Lancashire is also prosperous and the iron trade is quite buoyant.

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**DISASTERS ON THE GREAT LAKES.**—The season just closed has been the most disastrous on the great lakes in the history of inland shipping. Over 70 vessels have been wrecked, or swamped, involving a loss of 149 lines and nearly \$7,000,000 of prop- erty. There seems to have been a determination to navigate the great lakes up to and during a period when violent storms are customary. There is reason to fear that imprudent reliance is placed upon the capacity of modern steamers to race through a storm so as to reach a safe haven, voyages being now undertaken under conditions which, when only sailing ships were used, would have kept them from venturing out of port.

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## Notes and Items.

### AT HOME AND ABROAD.

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**MONTREAL CLEARING HOUSE.**—Total for week ending December 14, 1905—Clearings, \$27,522,122; corresponding week 1904, \$26,443,883; corresponding week, 1903, \$21,318,868.

**OTTAWA CLEARING HOUSE.**—Total for week ending Dec. 7, 1905—Clearings, \$3,238,014; corresponding week last year, \$2,786,900.

OVER 10,000 people applied to the New York Life Insurance Company for insurance in November, 1905; Over 75,000 people paid their renewal premiums to the New York Life Insurance Company in November, 1905; thus, over 85,000 people endorsed the New York Life Insurance Company in November, 1905.

**HOW MUCH INSURANCE SHOULD A MAN CARRY**—A YOUNG, married man who has a true conception of his duty to his family must give consideration to the possibility of his early death, and to the subsequent necessities of his family. For the man who has not accumulated or inherited wealth, and who is dependent upon his salary or



business profits, life insurance is the only sure solution of the problem. Having reached this conclusion, the question arises as to the amount of insurance which he can and should carry.

It goes without saying that the necessary current expenses for housing, food, clothing, etc., have the first call on his income; but if his earnings are sufficient to provide for these, and to permit the investment of, say, one-fifth of his income in life insurance, he should fix upon that as his minimum proportion in making up his yearly budget of expenditures. Thus, a man of thirty, receiving a salary of \$3,000, might conclude to expend \$600 yearly for life insurance. His personal expenses (traveling, lunches, clothing, etc., together with his share of the general home expense) would probably require another \$800, leaving \$1,600 as the sum devoted to the expenses on account of his wife and children. In other words, in case of his death, an income of \$1,600 should be provided for his family to enable them to live in about their usual manner. The \$600 devoted to the purchase of life insurance would buy \$25,000 of participating insurance on the ordinary life plan, and this sum, invested at five per cent. would yield \$1,250 per annum. This calculation takes no account of the dividends which might have accumulated, and which would augment the yearly return. If the sum set aside for insurance was invested upon the ordinary life, non-participating plan, \$32,900 could be carried, which, if invested at five per cent. would yield the desired income of \$1,600 per annum.

From the foregoing it would appear that, when an agent solicits a prospect whom he has reason to suppose earns a fair salary, it will not be unreasonable to suggest an amount of insurance equal to eight or ten times his estimated annual income.—"The Spectator."

**WEEKLY BANK CLEARINGS.**—The aggregate bank clearings in the Dominion for the week ending 30th ult., with the usual comparisons, are as follows:

	1905		1904	
	Nov. 30	Dec. 1	Nov. 30	Dec. 1
Montreal . . . . .	\$26,999,761	\$26,726,638	21,780,967	22,222,723
Toronto . . . . .	11,120,874	9,201,872	1,764,633	1,686,022
Winnipeg . . . . .	1,762,726	1,577,378	2,608,262	2,063,882
Halifax . . . . .	1,529,357	1,178,898	968,416	1,057,673
Quebec . . . . .	1,982,272	1,451,668	719,497	760,706
Ottawa . . . . .	899,438	906,334		
Hamilton . . . . .				
St. John . . . . .				
Vancouver . . . . .				
Victoria . . . . .				
London . . . . .				

**ANOTHER ARSCONDER CASE.**—A few days ago, James N. Strobbar was arrested on a charge of defrauding the Atlantic Coast Line Railway, Fla. He will be extradited and tried at Atlanta, the necessary steps towards which have been taken by the American Surety Company. He is reported to have relied on having a long respite like Gaynor, and Green, the delay in whose extradition has had a mischievous influence.

**PERSONALS.**

MR. E. A. LILLY, Provincial Manager of the Anglo-American Fire Insurance Company, spent a few days in Toronto, this week, with his head office.

MR. ROBERT BICKERDIKE, M.P., Vice-President of the Hochelega Bank, and Provincial Manager of the Western Assurance Company, is visiting the Pacific Coast, in company with other directors of the Hochelega Bank.

THE LATE MR. R. J. WHITLA.—Winnipeg has lost one of its enterprising and most popular citizen by the calling away of Mr. R. J. Whitla. In almost every department of life he had been a successful and most estimable member of the community.

**Correspondence.**

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

**LONDON LETTER.**

**FINANCE.**

London, England, Dec. 2, 1906.

Motor passenger vehicles are with us now, to a degree which might any day precipitate a boom. There has been formed in the immediate past the following companies for London and the vicinity only: The British Motor Bus Trust, London and District Motor Bus Company, London Motor Omnibus Company, Motor Bus Company, and the London and South Coast Motor Service. Besides these there are advertised to-day two motor companies, one known as the Automobile Cab Company and the other as the City and Suburban Motor Cab Company.

The motor omnibuses are estimated to cover 100 miles per diem at a net profit of four cents per mile. Each motor cab is expected to earn fifty dollars per week, six days, which, after allowing for depreciation and working expenses leaves an estimate net profit per cab of five hundred dollars per annum. The cabs are to be fitted with the hitherto boycotted taximeter device which mechanically records the exact distance covered. The hundred cabs are proposed, and a thousand omnibuses.

Petrol will provide the motive power.

Sluggish markets continue to rule, and the political crisis, prompted by the open differences of opinion upon free trade and protection, which are exhibited by leading members of the Ministerial party, has had a directly adverse influence upon Consols.

Still things do not seem to catch the attention of the investor. He likes at the moment to stand aside and let harder professionals do their best and worst. If any where he is being attracted into Home Railway securities. Once these were very popular, but recent years have seen their almost total eclipse. When, however, it is considered that the total amount of Home Railway securities aggregates to a figure fifty per cent. greater than the British national debt, it can very well be seen that such market must affect the purse strings of a considerable element of our population.

At the close of last year the total paid-up capital of our United Kingdom railway companies was \$6,342,475,000, an increase of \$117,330,000 during the year. Of the total, less than \$2,401,450,000 is ordinary or common stock. Most dealings, of course, take place in this category. At current market prices all our railway stocks together reach a valuation of close upon ten thousand million dollars.

Working expenses and new capital issues have cast seriously into profits of recent years, but a change for the better is now expected. The present dividend position is well shown by a brief glance at the yields upon the above mentioned ordinary stocks. Thirteen per cent. of the total ordinary stock goes without any dividend whatever; 5½ per cent. takes dividends of not more than 1 per cent.; 6¼ per cent. takes between 1 and 2 per cent.; 46 per cent. takes dividends of from 2 to 5 per cent.; 27¼ per cent. takes between 5 and 6 per cent. The remaining ordinary stock takes between 6 and 10 per cent. The total receipts last year were \$215,303,505.

**INSURANCE.**

Renewed attention is being devoted to Employers Liability insurance in all its channels. The necessity of co-operation between insurers and insured is evident. Few employers of labour appear to have hitherto regarded their liability under the various acts of Parliament with that closeness of attention which it is worth. The insurance companies questions are answered in an



tax way. Hence the frequent complaint, as Mr. B. M. Kennedy pointed out at a meeting of the Insurance Institute of Dublin, of "I thought I was cornered," etc. An insurance company with the best intentions in the world cannot know the internal working and details of a man's business, so well as the man himself can. Hence the necessity of the employee supplementing the insurance man's question paper by all the means in his power.

The registrar of joint stock companies has made one of the annual clean sweeps of useless, if not stagnant, insurance companies. The obituary notice this time includes the City and Provincial, the Friendly Societies Mutual Fire and Accident, the Globe General, the North, the London Fire, the non-Tariff Fire, the Neptune, the Oak, the Perpetual (this is irony indeed), the Profit, and the Standard Steam.

Reverting to workmen's Compensation and Employers' Liability, it is a further lesson to note that the Rock Life's annual accident accounts are quite upset by the personal accident, the burglary, and the fire. The personal accident, the burglary, and the fire guarantee profits are wiped out, and more besides by the other above mentioned losses. The accident reserves built up out of six or seven years' successful operations are wiped out, and a further \$45,000 has had to be taken out of the general reserve to round the accident book off.

Lord Rothschild pointed out at the meeting of the Alliance Marine & General Assurance Company, which was held last Wednesday, for the purpose of considering the amalgamation of the company and the amalgamation with the Alliance Assurance Company, that when the companies were originally formed, they were one concern, and that the present arrangement would take them back to the old order.

The absorbed company is in a very strong position, and the shareholders are now receiving in dividends \$100,000 per annum. This would probably, under the current regime, be increased in ten or fifteen years by another 50 per cent. By the amalgamation, however, the shareholders would at once obtain the increased dividend besides getting fire and life shares for every one held in the old company. The shareholders received the chairman's speech with enthusiasm, and the resolution was confirmed with that unanimity which has been rightly anticipated.

Good progress is being reported by the agent of the Western of Toronto, a company which in its own departments has now achieved considerable popularity across the province—a popularity which generally helps it in these increasingly competitive times.

**STOCK EXCHANGE NOTES**

Wednesday, p.m., Dec. 13, 1905.

Dominion Iron securities and cotton stocks were the features of this week's market, the interest in which seems increasing. The cotton trade is active and the mills generally are running full time with a good demand for their products. Dominion Iron Common was the leader in activity, and almost 9,000 shares were dealt in during the week. Mackay Common, Detroit Railway, Montreal Cotton, and Dominion Iron Preferred, in the order named, were the next most active securities, and the trading in them ran from 1,200 to 1,800 shares. Detroit Railway shows signs of advancing, but after touching 95 retested again, although closing at a good gain for the week.

The movement in Dominion Iron securities and the decided strength exhibited by the Common shares are not

explained by any particular new development, but the market conditions seem favourable to an advance in the Iron and Steel business in the Dominion and great growth in these industries is anticipated. Montreal Power has held about steady at the lower level recently established, and it is difficult to understand why a stock of its possibilities and undoubted earning power should remain stagnant and heavy. There seems little doubt that purchases at the present level will, within a reasonable time, show satisfactory results.

The rate for call money in Montreal continues to rule at 5½ per cent. In New York the ruling rate for call money to-day was 7 per cent., the highest rate of the day being 10 per cent. Money on call in London was loaning to-day at 1½ per cent.

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

	Market.	Bank.
Paris.....	3	3
Berlin.....	5	6
Amsterdam.....	2½	3
Brussels.....	3½	4
Vienna.....	4½	4½

C.P.R. closed with 173¾ bid, an advance of ¾ of a point for the week. The stock continues dull, the total transactions of the week only involving 315 shares. The earnings for the first week of December show an increase of \$281,000.

The Grand Trunk Railway Company's earnings for the first week of December show an increase of \$6,923. The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day
First Preference.....	.....	.....
Second Preference.....	.....	.....
Third Preference.....	56½	58½

Montreal Street is somewhat firmer on quotation and closed with 232¾ bid as compared with 231½ a week ago. The stock was neglected and only 97 shares changed hands during the week. The earnings for the week ending 9th inst. show an increase of \$5,551.19 as follows:—

		Increase.
Sunday.....	\$5,167.75	\$ 52.56
Monday.....	7,930.62	775.32
Tuesday.....	7,620.40	798.01
Wednesday.....	7,450.54	833.23
Thursday.....	7,715.57	1,035.19
Friday.....	7,546.60	866.22
Saturday.....	8,446.81	1,190.66

Toronto Railway is firmer and closed with 105½ bid, an advance of 1½ points for the week and 457 shares were dealt in. The old rumor of an increase in the dividend is again to the fore, but so far has not been endorsed by the price movement in the stock. The earnings for the week ending 9th inst. show an increase of \$7,591.54 as follows:—

		Increase.
Sunday.....	\$3,723.37	\$ 514.80
Monday.....	8,122.91	1,134.93
Tuesday.....	7,757.23	981.58
Wednesday.....	7,738.66	1,630.04
Thursday.....	7,863.01	986.76
Friday.....	8,086.01	1,198.89
Saturday.....	9,435.02	1,144.54

Twin City was dealt in to the extent of 400 shares, and closed with 115¼ bid, a nominal gain on quotation of 1¼

points for the week. The earnings for the last nine days of November show an increase of \$20,558.70.

Detroit Railway on sales of 1,500 shares advanced to 95, reacting and closing with 94½ bid, a net gain of ¼ point for the week. The earnings for the first week of December show an increase of \$10,554.

Halifax Tram was dealt in to the extent of 20 shares, and closed with 102 bid, as compared with 101 a week ago.

Toledo Railway closed with 32½ bid, and 585 shares changed hands during the week. Most of the transactions were made at 33.

Havana Common has weakened in price and closed with 34 bid, a decline of 3 points from last week's closing quotation. The lower figures seem to have checked the trading and only 155 shares were involved in this week's business. The Preferred stock is also easier and closed with 76½ bid. There were no transactions.

R. & O. is up 1¼ points and closed with 69¼ bid. The stock was slightly more active than recently and 380 shares were dealt in.

Montreal Power was fractionally weaker, closing with 88½ bid, as compared with 88½ a week ago, and 1087 shares changed hands during the week.

Mackay Common closed with 50½ bid, a decline of ½ point from last week's closing quotation, and 1,795 shares were dealt in during the week. The Preferred stock is stronger and closed with 72½ bid, an advance of ½ of a point on transactions involving 900 shares.

Dominion Iron Common has had a decided advance and sold up to 24½, reacting and closing with 24 bid, a net gain of 3¼ points for the week and 8,715 shares were involved in the week's business. The Preferred stock has also made a good recovery and closed with 71¼ bid, a gain of 3½ points for the week on transactions involving 1,242 shares. The Bonds sold up to 85½ and closed with 85 bid, a net gain of 1 full point and \$27,000 came out during the week.

Nova Scotia Steel Common was not active, but on sales of 185 shares closed with 67 bid, a decline of 1 full point from last week's quotation. The Preferred stock was not dealt in, and closed with 120 bid, while 106 was bid for Bonds.

There was only one transaction in Dominion Coal Common, 25 shares changing hands at 75¼. The stock closed with 75½ bid, a decline of 1½ points for the week. The Preferred stock on sales of 155 shares closed with 116 bid, the last sales being made at 117. There were no transactions in the Bonds which closed with 100 bid and offered at 102.

Montreal Cotton was decidedly buoyant and sold up to 134, at which price the last sales were made, and the closing bid was 130, a net gain of 5 points on quotation for the week, and 1,372 shares were dealt in.

Dominion Textile Preferred was also firm and closed at an advance of 3 points with 101 bid on sales of 898 shares. The Bonds were also stronger, and the quotations for the various series were as follows:—Series "A" and "B," 96½ bid, Series "C" 96 bid and Series "D" 97 bid.

Lake of the Woods Common closed with 90 bid. There was only one transaction during the week, 50 shares changing hands at 90. There were no transactions in Preferred stock nor in the Bonds. The latter were offered at the close at 110½ ex-coupon.

Call money in Montreal.....	5 1/2
Call money in New York.....	7
Call money in London.....	1 1/4
Bank of England rate.....	4
Consols.....	89 1/2
Demand Sterling.....	91
60 days' Sight Sterling.....	91 1/2

Thursday, p.m., December 14, 1905

The Dominion Iron securities were again the feature of the day, and the Common stock on transactions of over 8,000 shares advanced from 24¼ to 26, reacting again to 25 and recovering to 25½ at the close. The Preferred stock was also firmer and after opening at 73 touched 73½ and closed offered at 75 with 73¼ bid. The Bonds sold from 85½ up to 86¼, and \$52,000 were traded in. Montreal Power showed signs of firmness and sold as high as 88 on transactions for the day of 450 shares. The market generally was stronger and fairly active. A complete list of the day's transactions will be found below.

**MONTREAL STOCK EXCHANGE SALES**

THURSDAY, DECEMBER 14, 1905.

**MORNING BOARD.**

No. of Shares.	Price.	No. of Shares.	Price.
200 C.P.R.....	175	300 Iron Com. ....	24 1/2
100 ".....	380	100 ".....	24 1/2
6 R. & O.....	69	100 ".....	24 1/2
5 ".....	69 1/2	150 ".....	24 1/2
25 Detroit.....	94 1/4	10 ".....	24 1/2
55 Toronto Ry.....	106	500 ".....	24 1/2
10 Twin.....	115 3/4	200 ".....	24 1/2
25 Havana Com.....	35	325 ".....	24 1/2
25 Mexican.....	69	35 ".....	25
5 ".....	69 1/2	100 ".....	24 1/2
100 Power.....	82 1/2	106 7/8 ".....	25
250 ".....	89 1/2	125 ".....	25 1/2
100 Iron Pfd.....	73	350 ".....	25 1/2
375 ".....	73 1/2	200 ".....	25 1/2
100 ".....	73 1/2	206 1/2 ".....	26
10 Textile Pfd.....	101 1/2	50 ".....	25 1/2
10 ".....	101 1/2	4 ".....	25
1 Ogilvie Pfd.....	128	125 ".....	25 1/2
1 Telegraph.....	165	35 ".....	25 1/2
6,000 Iron Bds.....	85 1/2	50 ".....	25 1/2
\$24,000 ".....	86	160 ".....	25 1/2
\$2,000 ".....	86 1/2	50 ".....	26
105 Iron Com.....	24 1/2	1125 ".....	25 1/2
150 ".....	24 1/2	10 ".....	25 1/2
20 ".....	24	50 ".....	25 1/2
150 ".....	24 1/2	125 ".....	25 1/2

**AFTERNOON BOARD.**

100 C.P.R.....	174	100 Iron Com. ....	25 1/2
25 Toronto Ry.....	106 1/2	10 ".....	25
25 ".....	107	175 ".....	25 1/2
100 ".....	106 1/2	25 ".....	25 1/2
100 R & O.....	69 1/4	25 ".....	25 1/2
25 ".....	70	75 ".....	25 1/2
25 Havana Com.....	34	75 ".....	25
10 Detroit.....	94 1/4	150 ".....	25 1/2
25 ".....	94 1/4	150 ".....	25 1/2
25 Textile Pfd.....	102	25 Iron Pfd.....	73 1/2
25 ".....	101 3/4	10 ".....	73 1/2
100 Power.....	89 1/2	50 ".....	73 1/2
20 Molsons Bank.....	227 1/2	15 ".....	74
20 Bank of Commerce	170	1000 War Eagle.....	24
25 Iron Com.....	25	\$20,000 Iron Bonds.....	85 1/2
100 ".....	25 1/2	\$5,000 Mexican L.P. Bds	85
15 ".....	26	\$10,000 Mexican Elec. Bds	81
150 ".....	25 1/2		

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

**GRAND TRUNK RAILWAY.**

Year to date.	1903.	1904.	1905.	Increase
Nov. 30 .....	\$32,159,515	\$31,379,834	\$33,168,501	1,788,667
Week ending.	1903.	1904.	1905.	Increase
ec. 7 .....	659,353	722,130	729,053	6,923

**CANADIAN PACIFIC RAILWAY**

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

**GROSS TRAFFIC EARNINGS**

Week ending	1903.	1904.	1905.	Increase
Dec. 7 .....	944,000	979,000	1,260,000	281,000

**NET TRAFFIC EARNINGS.**

Month.	1903.	1904.	1905.	Inc.
January .....	\$916,771	\$357,652	\$422,668	\$65,010
February .....	742,741	82,541	302,171	219,606
March .....	1,258,564	850,854	1,182,827	331,973
April .....	1,493,173	412,533	531,806	119,273
May .....	1,383,357	1,391,565	1,387,935	3,630
June .....	1,246,055	1,449,911	.....	.....
July .....	1,318,527	1,449,652	1,637,778	188,126
August .....	1,434,102	1,527,930	1,791,646	263,716
September .....	1,202,266	1,268,808	1,776,010	507,202
October .....	1,654,087	1,566,114	2,274,071	707,957
November .....	1,477,981	1,669,575	.....	.....
December .....	1,581,145	1,662,660	.....	.....
Total .....	15,708,709	13,689,804	.....	.....

**CANADIAN NORTHERN RAILWAY.**

**GROSS TRAFFIC EARNINGS.**

July 1st, 1903 to	July 1st, 1904 to	Increase	
June 30, 1904	June 30, 1905	\$747,000	
\$3,124,800	\$3,871,800		
Week ending.	1904.	1905.	Increase
Dec. 7 .....	85,900	97,700	11,800

**DULUTH, SOUTH SHORE & ATLANTIC.**

Week ending.	1903.	1904.	1905.	Increase
Nov. 7 .....	\$47,385	\$58,027	.....	.....
14 .....	45,975	48,041	63,028	14,987
21 .....	47,472	51,661	61,674	10,013
30 .....	44,438	63,655	84,406	20,751

**MONTREAL STREET RAILWAY.**

Month.	1903.	1904.	1905.	Increase
January .....	\$ 168,883	\$ 182,386	\$ 201,096	18,710
February .....	139,065	167,023	184,132	17,109
March .....	168,987	183,689	206,725	23,036
April .....	170,050	184,905	200,910	16,005
May .....	170,773*	217,341	232,999	15,658
June .....	205,454	229,565	244,436	14,871
July .....	212,337	223,137	254,097	30,960
August .....	208,586	226,764	257,403	30,699
September .....	212,156	216,295	244,585	28,290
October .....	204,452	219,633	246,606	26,973
November .....	187,930	201,147	228,601	27,454
December .....	187,780	208,428	.....	.....
Week ending.	1903.	1904.	1905.	Increase
Dec. 7 .....	42,161	46,753	52,060	5,307

**TORONTO STREET RAILWAY.**

Month.	1903.	1904.	1905.	Inc.
January .....	\$ 161,938	\$ 179,360	\$ 196,970	\$17,610
February .....	146,539	168,904	185,377	16,473
March .....	159,923	183,643	207,014	23,371
April .....	162,276	183,763	201,317	17,554
May .....	174,519	198,337	225,768	27,431
June .....	177,593	207,482	231,140	23,658
July .....	192,629	211,356	238,895	27,539
August .....	185,822	217,887	250,880	32,943
September .....	237,010	246,862	282,572	35,710
October .....	183,810	202,344	230,295	27,951
November .....	174,039	198,150	220,804	22,654
December .....	199,115	213,662	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Dec. 7 .....	43,947	44,606	52,604	7,998

**TWIN CITY RAPID TRANSIT COMPANY.**

Month.	1903.	1904.	1905.	Inc.
January .....	\$310,084	\$329,354	\$349,469	20,111
February .....	280,947	310,180	319,811	9,634
March .....	317,839	338,580	359,884	21,304
April .....	315,465	332,615	352,729	20,114
May .....	337,699	358,344	387,645	29,301
June .....	346,018	365,897	389,120	23,229
July .....	362,702	383,224	432,239	49,015
August .....	363,579	386,629	420,231	33,602
September .....	370,349	371,476	452,284	80,808
October .....	346,673	365,938	419,039	53,101
November .....	333,424	352,433	415,461	63,028
December .....	357,452	374,738	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Nov. 7 .....	78,087	81,702	97,417	15,715
14 .....	77,195	84,964	97,231	12,267
21 .....	78,330	81,231	95,718	14,487
30 .....	99,811	104,536	125,095	20,559

**HALIFAX ELECTRIC TRAMWAY CO., LTD.  
Railway Receipts.**

Month.	1903.	1904.	1905.	Inc.
January .....	\$10,867	10,677	\$10,256	Dec. 421
February .....	9,322	9,894	7,186	" 2,705
March .....	10,195	11,152	9,322	" 1,830
April .....	10,533	11,145	10,516	" 629
May .....	10,768	12,074	.....	.....
June .....	11,844	14,051	12,796	" 1,255
July .....	15,942	17,528	17,284	" 244
August .....	16,786	17,402	17,754	352
September .....	18,494	17,862	18,669	807
October .....	12,055	12,434	12,833	399
November .....	11,220	11,085	11,414	329
December .....	12,160	12,163	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Dec. 7 .....	2,607	2,522	2,569	47

**Lighting Receipts.**

Month.	1903.	1904.	1905.	Inc.
January .....	\$13,863	\$ 16,317	\$ 15,667	Dec. 650
February .....	11,924	14,227	14,180	" 47
March .....	10,523	12,718	12,719	" 2
April .....	10,156	12,116	11,964	" 151
May .....	9,020	9,756	.....	.....
June .....	8,368	8,998	8,995	" 93
July .....	8,351	8,953	8,653	" 300
August .....	8,826	9,596	9,619	21
September .....	10,781	11,720	11,926	266
October .....	13,186	14,209	14,290	81
November .....	14,200	16,273	16,509	236
December .....	16,611	17,684	.....	.....

**DETROIT UNITED RAILWAY.**

Week ending	1904	1905	Increase.
Dec. 7 .....	80,010	90,564	10,554

**HAVANA ELECTRIC RAILWAY CO.**

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



# STOCK LIST

Reported for THE CHRONICLE by R. Wilson-Smith & Co., 160 St. James Street, Montreal.  
Corrected to December 13th, 1905, P.M.

BANKS.	Closing prices or Last sale.	Par value of one share.	Revenue per cent. on investment at present prices.	Capital subscribed	Capital paid up.	Reserve Fund.	Per centage of cost to paid up Capital.	Dividend for last half year	When Dividend payable.
	Asked. Bid.	\$	Per Cent.	\$	\$	\$	\$	Per Cent.	
British North America	135	243	4 41	4,396,667	4,396,666	2,044,000	42.50	3	April
Canadian Bank of Commerce	168	50	4 16	10,000,000	10,000,000	1,500,000	45.00	4	November
Crown Bank of Canada	100	100	.....	781,300	713,143	.....	.....	3 1/2	December
Dominion	50	100	.....	3,000,000	3,000,000	3,500,000	110.66	2 1/2*	Jan. April July October
Eastern Townships	164	100	4 87	2,500,000	2,500,000	1,500,000	60.00	4	January
Hamilton	100	100	.....	2,422,300	2,428,850	2,428,850	100.00	6	June
Hoteliers	143	141	100	2,000,000	2,000,000	1,400,000	60.00	5	December
Home Bank of Canada	100	100	4 82	561,200	352,540	.....	.....	8	.....
Imperial	100	100	.....	2,700,200	3,627,866	3,627,866	100.00	5	June
La Banque Nationale	30	100	.....	1,500,000	1,500,000	500,000	33.33	3	May
Merchants Bank of P. E. I.	32.44	100	.....	344,073	344,073	296,000	86.02	4	January
Merchants Bank of Canada	162 1/2	100	4 82	6,000,000	6,000,000	3,400,000	56.66	4	July
Metropolitan Bank	100	100	.....	1,000,000	1,000,000	1,000,000	100.00	5	December
Molson	227 1/2	224	1 0	3,000,000	3,000,000	3,000,000	100.00	2 1/2	October
Montreal	200	250 1/2	100	14,401,000	14,400,000	10,000,000	71.42	5	October
New Brunswick	100	100	.....	500,000	500,000	500,000	100.00	5	December
Nova Scotia	272	267	100	2,341,000	2,336,100	3,227,700	138.00	6	July
Ontario	100	100	.....	1,500,000	1,500,000	650,000	43.23	3	August
O. L. W. A.	225	100	4 00	2,500,000	2,500,000	2,500,000	100.00	4 1/2	December
People's Bank of N. B.	150	100	.....	180,000	180,000	175,000	97.22	4	January
Provincial Bank of Canada	100	100	.....	845,357	823,224	.....	.....	1 1/2	July
Quebec	150	139 1/2	100	2,500,000	2,500,000	1,000,000	40.00	3 1/2	December
Royal	221	220	100	3,000,000	3,000,000	3,000,000	100.00	4	August
Sovereign Bank	100	100	.....	1,625,000	1,604,332	470,083	32.50	1 1/2*	February May August Nov
Standard	50	100	.....	1,000,000	1,000,000	1,000,000	100.00	5	June
St. Stephen	100	100	.....	200,000	200,000	45,000	22.50	2 1/2	October
St. Hyacinthe	100	100	.....	54,000	54,000	75,000	22.76	3	August
St. Johns	100	100	.....	50,200	299,270	10,000	3.60	3	June
Toronto	242	100	4 13	3,400,000	3,421,865	3,721,865	110.00	5	December
Traders	100	100	.....	3,001,360	3,000,000	1,100,000	36.66	3 1/2	June
Union Bank of Halifax	50	100	.....	1,395,150	1,395,150	1,970,000	74.17	3 1/2	December
Union Bank of Canada X.D.	148 1/2	146 1/2	4 72	2,800,000	2,800,000	1,100,000	39.28	3 1/2	August
Western	100	100	.....	650,000	650,000	250,000	45.45	3 1/2	April October
<b>MISCELLANEOUS STOCKS.</b>									
Bell Telephone	150	157 1/2	100	7,975,100	7,916,980	135,907	25.58	2*	Jan. April July Oct
Can. Colored Cotton Mills Co.	45	100	.....	2,700,000	2,700,000	205,000	.....	5	January July
Canada General Electric	100	100	.....	1,475,000	1,475,000	75,000	.....	5	April, October
Canadian Pacific	173 1/2	173 1/2	3 42	101,400,000	101,400,000	3,000,000	.....	1 1/2*	Jan. April July Octo
Commercial Cable	100	100	.....	15,000,000	15,000,000	4,923,122	34.75	1 1/2*	March June Sept, Dec.
Detroit Electric St.	95	94 1/2	100	12,500,000	12,500,000	.....	.....	.....	.....
Dominion Coal Preferred	118	118	100	3,000,000	3,000,000	.....	.....	3 1/2	January, July
do Common	78	100	.....	15,000,000	15,000,000	.....	.....	.....	.....
Dominion Textile Co. Com.	100	100	.....	7,500,000	7,500,000	.....	.....	.....	.....
do Pfd.	102 1/2	101	100	2,500,000	1,940,000	.....	.....	.....	.....
Dom. Iron & Steel Com.	24	24	100	20,000,000	20,000,000	.....	.....	.....	.....
do Pfd.	73	71 1/2	100	5,000,000	5,000,000	.....	.....	.....	.....
Duluth S. S. & Atlantic	100	100	.....	12,000,000	12,000,000	.....	.....	.....	.....
do Pfd.	42 1/2	40	100	10,000,000	10,000,000	.....	.....	.....	.....
Halifax Tramway Co.	107 1/2	102	100	1,350,000	1,350,000	.....	.....	.....	.....
Intercolonial Coal Co.	100	100	.....	500,000	500,000	90,474	.....	.....	.....
do Preferred	100	100	.....	19,700	219,700	.....	12.06	7 1/2	January
Laurentide Paper Co.	90	75	100	1,900,000	1,900,000	.....	.....	.....	.....
Laurentide Paper, Pfd.	105	98	100	1,200,000	1,200,000	.....	.....	.....	.....
Lake of the Woods Mill Co. Com.	95	90	100	2,000,000	2,000,000	.....	.....	.....	.....
do do Pfd.	120	110	100	1,500,000	1,500,000	.....	.....	.....	.....
Mackay Companies Com.	51 1/2	50	100	50,000,000	41,880,400	.....	.....	.....	.....
do Pfd.	71 1/2	72 1/2	100	40,000,000	35,968,700	.....	.....	.....	.....
Mexican Light & Power Co.	69 1/2	68 1/2	100	12,000,000	12,000,000	.....	.....	.....	.....
Miss. St. Paul & S.S.M.	140	137 1/2	100	14,000,000	14,000,000	.....	.....	.....	.....
do Pfd.	100	100	.....	7,000,000	7,000,000	.....	.....	.....	.....
Montreal Cotton Co. X.D.	138	130	100	3,000,000	3,000,000	.....	.....	.....	.....
Montreal Light, Ht. & Pwr. Co.	80 1/2	88 1/2	100	17,000,000	17,000,000	.....	.....	.....	.....
Montreal Steel Work, Pfd.	100	100	5 71	80,000	80,000	.....	.....	.....	.....
do do Com.	103	100	.....	700,000	400,000	.....	.....	.....	.....
Montreal Street Railway	235	237 1/2	50	7,000,000	7,000,000	698,379	13.31	2 1/2*	Feb. May August Nov
Montreal Telegraph	170	166	40	2,000,000	2,000,000	.....	.....	.....	.....
North-West Land, Com.	25	100	.....	1,487,000	1,487,000	.....	.....	.....	.....
do Pfd.	100	100	.....	3,090,625	3,090,625	.....	.....	.....	.....
N. Scotia Steel & Coal Co. Com.	68	67	100	4,120,000	5,000,000	750,000	15.00	.....	.....
do Pfd.	100	100	.....	1,030,000	1,030,000	.....	.....	.....	.....
Ogilvie Flour Mills Co.	100	100	.....	1,250,000	1,250,000	.....	.....	.....	.....
do Pfd.	130	127	100	2,000,000	2,000,000	.....	.....	.....	.....
Richelieu & Ont. Nav. Co.	71	69 1/2	100	3,132,000	3,132,000	.....	.....	.....	.....
St. John Street Railway X.D.	100	100	.....	707,860	747,860	.....	.....	.....	.....
Toledo Ky & Light Co.	33 1/2	32 1/2	100	12,000,000	12,000,000	23,101	7.93	3	June, December
Toronto Street Railway	106	105 1/2	100	6,500,000	6,500,000	1,484,136	8.10	1 1/2*	May, November
Trinidad Electric Ry.	92 1/2	4 80	5 26	1,200,000	1,032,000	.....	.....	.....	.....
Twin City Rapid Transit Co.	117	115 1/2	100	16,511,000	16,511,000	2,163,507	14.41	1 1/2*	Jan. April July October
do Preferred	100	100	.....	3,000,000	3,000,000	.....	.....	.....	.....
Windrop Hotel	100	95	100	50,000	50,000	.....	.....	.....	.....
Winipeg Electric Railway Co.	192	175	100	4,000,000	4,000,000	.....	.....	.....	.....

\*Quarterly. †Bonus of per cent. ‡Price per Share § Annual. ¶These figures are corrected from last Govt. Bank Statement, SEPTEMBER 10th, 1905.



**STOCK LIST Continued.**

BONDS.	Latest quotations.	Rate of Interest per annum	Amount outstanding.	When Interest due	Where Interest payable.	Date of Redemption.	REMARKS.																																																																																																																																																																																																																																																				
Commercial Cable Coupon	96	4	\$18,000,000	1 Jan. 1 Apl.	{ New York or London.....	1 Jan., 1907.																																																																																																																																																																																																																																																					
Registered.	96	4		1 July 1 Oct.			Can. Colored Cotton Co.	98	6	2,000,000	2 Apl. 2 Oct.	Bank of Montreal, Montreal	2 Apl., 1902.		Canada Paper Co.	98	5	200,000	1 May 1 Nov.	Merchants Bank of Can., Montreal	1 May, 1917.		Bell Telephone Co.		5	2,000,000	1 Apl. 1 Oct.	Bank of Montreal, Montreal	1 Apl., 1925.	Redeemable at 110	Dominion Coal Co.	101	6	2,433,000	1 Mch. 1 Sep.	Bank of Montreal, Montreal	1 Mch., 1913.	Redeemable at 110	Dominion Cotton Co.		4 1/2	\$ 298,200	1 Jan 1 July		1 Jan., 1916	do 105 after 5 yrs	Dominion Textile Co. Series A	96 1/2	6	758,900				Redeemable at 105	do do B	96 1/2	6	1,167,000				Redeemable at 110	do do C	96 1/2	6	1,090,000				Redeemable at 110	do do D	97	6	450,000				& accrued interest	Dominion Iron & Steel Co.	85	6	\$ 7,876,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 July, 1929.	Redeemable at 105	Halifax Tramway Co.		5	\$ 600,000	1 Jan. 1 July	Bk. of N. Scotia, Hal. or Montreal	1 Jan., 1916.		Intercolonial Coal Co.	106 1/2	5	344,000	1 Apl. 1 Oct.		1 Apl., 1918.		Laurentide Pulp	108	6	1,112,000					Montmorency Cotton		5	1,000,000					Montreal Gas Co.		4	880,074	1 Jan. 1 July	Comptons' Co., Montreal	1 July, 1921		Montreal Light, Heat and Power	100	4 1/2	7,500,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 July, 1932.	Redeemable at 105 after Jan. 1st, 191	Assault Street St. Co.		5	292,000	1 Mch. 1 Sep.	Bank of Montreal, London, Eng.	1 Mch., 1906		do do		4 1/2	681,333	1 Feb. 1 Aug.	" " Montreal	1 Aug., 1922		do do	103	4 1/2	1,500,000	1 May 1 Nov.	" " Montreal	1 May, 1922		Nova Scotia Steel & Coal Co.	107	6	2,500,000	1 Jan. 1 July	Union Bank, Halifax, or Bank of Nova Scotia, Mont' or Tr'nto	1 July, 1931.		Ogilvie Flour Mill Co.	116	6	1,000,000	1 June 1 Dec	Bank of Montreal, Montreal	1 June, 1932	Redeemable at 110 after June	Richelieu & Out. Nav. Co.	103	5	471,580	1 Mch. 1 Sep.	Montreal and London	1 Mch., 1915	Redeemable at 110	Royal Electric Co.		4 1/2	\$ 180,900	1 Apl. 1 Oct.	Bk. of Montreal, Mont' or London	Oct., 1914	Redeemable at 110	St. John Railway.		5	\$ 675,000	1 May 1 Nov.	Bank of Montreal, St. John, N.B.	1 May, 1925.	5 p.c. redeemable yearly after 1910	Toronto Railway		4 1/2	\$ 890,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 July, 1914.		do do	106 1/2	4 1/2	2,508,863	28 Feb. 31 Aug.	Bank of Scotland, London	31 Aug., 1921		Windsor Hotel		4 1/2	340,000	1 Jan. 1 July	Windsor Hotel, Montreal	2 July, 1912		Winnipeg Elec. Street Railway.	107	5	3,000,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 Jan., 1927.		Toledo Ry. & Light Co.		5	700,000	1 Jan. 1 July		1 July, 1912		do do		5	5,185,000	1 Jan. 1 July		1 July, 1909.		do do		5	1,000,000	1 Jan 1 July
Can. Colored Cotton Co.	98	6	2,000,000	2 Apl. 2 Oct.	Bank of Montreal, Montreal	2 Apl., 1902.																																																																																																																																																																																																																																																					
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[FIRE]  
**German American**  
 Insurance Company  
 New York

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

**AGENCIES THROUGHOUT CANADA.**

# The Eastern Townships Bank

The forty-seventh annual meeting of the shareholders of the Eastern Townships Bank was held in the board room of the Bank in Sherbrooke at 2 o'clock on Wednesday, December 6. In addition to the Directors, there were present:—Judge Alfred Newport; Hon. M. F. Hackett, Stanstead; A. N. Thompson, Stanstead; F. Spaulding, Burlington, Vt.; C. M. Sherman, Newport; Rev. A. Lee Holmes, Stanstead; C. W. Mansur, Stanstead; R. F. Morris, H. D. Lawrence, Col. Felton, Dr. F. J. Austin, J. W. Woodside, C. W. Cate, Capt. Bennett, C. D. White, of Sherbrooke, and others.

The President took the chair and the General Manager acted as secretary.

Mr C. W. Cate and Mr. C. D. White were appointed scrutineers of votes.

## THE DIRECTORS REPORT.

The Directors' report was read as follows:—

The Directors have much satisfaction in presenting to the Shareholders the accompanying balance sheet and profit and loss statement, showing net earnings exceeding 12½ per cent. Considering the low rates of interest which have prevailed and the necessity of keeping a good cash reserve, they consider the results very satisfactory.

Out of the balance of profit as shown, provision has been made for two semi-annual dividends at the rate of 8 per cent. per annum, one paid 2nd July last and the other payable 2nd January next.

One hundred thousand dollars has been carried to Reserve Fund, making that amount up to \$1,600,000, being 64 per cent. on the Capital, leaving a balance of \$24,566.18 to be carried forward.

Branches have been established during the year at Actonvale, Hemmingford, Lennoxville and Waterville, in the province of Quebec, and at Vancouver and Midway, in

British Columbia. Sub-agencies have also been opened at Valcourt, Beloeil, Iberville, Clarenceville, Lacolle, Scotstown, Howick and Stanstead, in this province. They are also about to open a branch on Wellington street, in this city in order to accommodate the growing business in that section. Previous reports have foreshadowed the opening at Vancouver, and although the branch has only been opened for a few months a very satisfactory business is being done. The Midway office is at a point where large expenditure is being made by the construction of two railways and is a central point in that section.

Deposits have increased during the year nearly \$2,000,000, being largely in excess of any previous year, showing the increasing growth and prosperity of the country, which is very gratifying.

In view of the increasing business of the Bank, the Directors have decided to issue the balance of the \$1,000,000 capital authorized at the special meeting of Shareholders in February, 1903, viz.; \$500,000, the calls being payable 10 per cent. monthly with the premium commencing on second day of January next the issue being at 60 premium.

As there appears to be a pretty general desire by investors for more frequent division of profits, your Directors have decided to meet this demand, and in future dividends will be paid quarterly, viz.; January, April, July, and October.

The inspection of the various offices has been made as usual.

In conclusion the Directors have much pleasure in testifying to the zeal and fidelity of the General Manager, Inspectors, Managers and other officers of the Bank.

The whole respectfully submitted.  
**WILLIAM FARWELL,**  
 President.

## PROFIT AND LOSS.

The statement of profit and loss account for the year ending November 15, 1905, is as follows:—

Balance at credit of Profit and Loss brought forward from November 15, 1904.	\$ 30,217 74
Profit of Head Office and Branches, after deducting charges of management, interest due depositors, and provision for bad and doubtful debts.	317,279 84
Premium paid on new issue of capital stock.	14,055 00
	<hr/>
	\$361,552 58

Appropriated as follows:—

Dividend of 4 per cent., paid 2nd July, 1905.	\$ 99,986 40
Dividend of 4 per cent., payable 2nd January, 1906.	100,000 00
Transferred to Reserve Fund.	100,000 00
Applied in reduction of value of securities.	29,000 00
Bonus to employees.	8,000 00
	<hr/>
	\$336,986 40
Balance carried forward.	\$24,566 18

J. MACKINNON, General Manager.

## THE GENERAL STATEMENT.

The General Statement at 15th November, 1905, is as follows:—

### LIABILITIES.

Notes of the bank in circulation.	\$2,068,885.00
Deposits payable on demand.	\$2,816,622.82
Deposits payable after notice.	9,094,237.20
	<hr/>
	11,910,860.02
Dividend No. 92, at the rate of 8 per cent. per annum, payable 2nd January next.	100,000.00
Dividends unclaimed.	3,291.72
	<hr/>
	103,291.72
	<hr/>
	\$14,083,036.74
Capital paid up.	2,500,000.00
Reserve Fund.	1,600,000.00
Reserve on account of rebate on bills discounted, unmatured.	35,000.00
Balance Profit carried forward.	24,566.18
	<hr/>
	4,159,566.18

### ASSETS.

Gold and silver coin on hand.	\$159,316.01
Dominion notes on hand.	1,087,022.00
Deposit with Dominion Government for security of Bank Note circulation.	103,000.00
Notes of and Cheques on other Banks.	561,188.39
Balance due from other Banks.	2,070,529.20
Government, Municipal, Railway and other Debentures and Stocks.	584,039.62
Call Loans on Bonds and Stocks.	297,189.76
Total assets immediately available.	<hr/>
	\$4,853,285.97
Loans and Bills discounted.	12,740,039.34
Loans overdue (Estimated Loss provided for).	80,219.48
Real estate (other than Bank Premises).	45,613.46
Mortgages on Real Estate sold by the Bank.	66,401.60
Bank Premises and Furniture, including safes and vaults at Head Office and Branches.	427,751.65
Other Assets.	29,292.32
	<hr/>
	13,389,317.85

\$18,242,602.92

\$18,242,602.92

J. MACKINNON, General Manager.