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The business transacted on the London Stock Exchange is so enormous as to put them in the front rank as commercial enterprises. The London, England, Stock Exchange is organized on a basis of 20,000 shares, the capitalized value of which is stated to be \$24,400,000, and debentures estimated to have a value of \$2,300,000, making the capital of the Stock Exchange of the Metropolis worth \$26,700,000. The dividend for last year equalled 83.30 per cent., the receipts having risen under an exceptionally pressing demand for membership. The expenditure on salaries, wages, annuities, printing, the reading room, and taxes last year was \$281,000. There are 5,567 members and 3,205 clerks engaged on the Exchange. The advertisements which announce that members of the London Stock Exchange are not allowed to advertise cost the management \$5,925 last year. The subscriptions of members yielded \$931,350 last year, and of clerks, \$259,325, giving a revenue of \$1,190,675. Evidently a great and a wealthy institution is the London Stock Exchange.

Growth Of The Equitable. In the turmoil caused by the wrangling over the Equitable Life Assurance Society, it is too generally overlooked how this wonderful organization has developed during its career. The following shows its assets and surplus at the end of each five year period since its organization in 1904:—

| Year. | Assets. | Surplus |
|-----------|-------------|------------|
| | \$ | \$ |
| 1859..... | 117,102 | 96,154 |
| 1863..... | 584,714 | 258,321 |
| 1868..... | 7,221,077 | 350,928 |
| 1873..... | 22,972,252 | 1,549,746 |
| 1878..... | 35,454,092 | 4,742,531 |
| 1883..... | 53,030,582 | 9,115,969 |
| 1888..... | 95,042,923 | 20,794,215 |
| 1893..... | 169,056,397 | 32,366,750 |
| 1898..... | 258,369,299 | 57,310,489 |
| 1903..... | 381,225,036 | 73,354,138 |
| 1904..... | 413,953,020 | 80,794,269 |

The "Insurance World" gives \$476,483,419 as the sum paid to policy-holders since 1860.

During the past ten years the dividends to policy-holders have aggregated \$36,273,610, as follows:—

| | |
|-----------|-----------------|
| 1895..... | \$ 2,002,954.23 |
| 1896..... | 2,425,932.61 |
| 1897..... | 2,343,896.23 |
| 1898..... | 3,059,744.86 |
| 1899..... | 3,050,809.68 |
| 1900..... | 3,481,640.65 |
| 1901..... | 3,742,519.57 |
| 1902..... | 4,477,924.15 |
| 1903..... | 5,682,295.55 |
| 1904..... | 6,001,903.00 |

Total for ten years..... \$36,273,610.33

Whatever may have been blameable on the part of certain officials in recent years, it is manifest that exceptional administrative, and managerial talent must have been exercised to achieve such results as place the Equitable in its rank as one of the largest life companies in the world.

American Picaune Banks.

Of the 5,200 or more of national banks in the United States, a large number of them are small concerns of \$25,000 capital. Each one is independent of all others. An officer of the Treasury is quoted by the New York "Commercial Bulletin" as saying, "There has been a banking boom almost amounting to inflation." How is it possible for these 5,200 banks to be systematically inspected as the law requires. The system is glaringly absurd and only serves to create confidence where it is wholly unwarranted.

These picaune American national banks, as a rule, hold only 15 per cent. of reserve against deposits, the average in Canada being nearly 50 per cent. and in many instances much higher. Except in a small number of reserve cities it is only fifteen per cent. of deposits, and three-fifths of this may be in the form of balances due from banks in the reserve cities. In the reserve cities the requirement is twenty-five per cent., but half of it may be kept as cash deposits in a central reserve city, which for nine-tenths of all the reserve practically

means New York banks that are designated reserve agents, where it counts as part of their own reserve. The result is that country banks need hold but six per cent. of cash reserve against deposits, the rest being credit balances in reserve city banks, where they count against their own twenty-five per cent. reserve, half of which is on deposit in central reserve cities, chiefly New York, and is included in the bank reserves there. The system is compared to a balloon which is safe when all conditions are favourable, but will give way under the pressure of a storm. Our contemporary raises a warning against credit becoming inflated through the operations of these small, unsubstantial, American banks, which are freely spoken of as a danger to the financial interests of the country. What a contrast to the branch banks of Canada, each one of which has the strength of the whole institution.

THE BUDGET SPEECH.

BOUNTIFUL REVENUE; LARGE SURPLUS; HEAVY EXPENDITURE NEXT YEAR ON GRAND TRUNK PACIFIC; A TARIFF COMMISSION OF ENQUIRY.

The Budget speech was delivered, debated, and its proposals passed by the House of Commons on 6th inst., all during one day, in fewer hours, indeed, than the usual number of days devoted to the Budget. This expedition shows what might be done, were all questions discussed on their merits and not made the occasion for speeches partaking of "stump" characteristics.

The Budget was more financial than fiscal, as Budgets' should be, for the annual variations in the tariff which have become so prominent a feature in each yearly statement of the Finance Minister for many years, are disturbing to trade, as they indicate a degree of indecision and uncertainty as to the fiscal policy of the country which do not encourage the investment of capital in mercantile enterprises.

The following shows the leading financial items of the Budget, the figures for 1903-4, 1904-5, being compared with those anticipated for 1905-6:—

| | 1903-4 | 1904-5 | 1905-6 |
|-----------------|------------|------------|------------|
| | \$ | \$ | \$ |
| Revenue... | 70,669,816 | 71,250,000 | 72,250,000 |
| Expenditure... | 55,612,832 | 62,250,000 | 71,889,898 |
| Capital act.... | 11,249,711 | 12,500,000 | 16,689,472 |

The Hon. Mr. Fielding, naturally takes great pride in the surplus record of his administration. He said:

"Now, with regard to the surplus, I also intimated in the review of eight years' operations, that our surplus for the eight years would probably amount to \$57,880,091.92. When the accounts were closed the actual surplus was found to be \$56,437,076.04. The average surplus, as estimated by me in the review to which I refer, was \$7,235,011,-

49; the actual average surplus was \$7,054,634.50, which is a very gratifying statement.

In regard to the expenditures on Capital account, he affirmed the statement to be unsound, which demanded that no distinction should be made between ordinary expenditures and those charged to capital account, and that no surplus existed unless the year's revenue was sufficient to provide for all the expenditures. In a country like Canada, with great works to provide for, it would not be reasonable to suppose that every year we could provide, out of our ordinary revenue, enough money to meet all the demands upon the Federal treasury. The man who rents a house pays his rental from time to time. He knows that he must provide for it in that way. But, if he buys the house he does not have to provide in the same way; it is a special disbursement; and he opens a capital account.

There are great public works—a construction of canals, the subsidizing of railways, the erection of public buildings in the federal capital, for we do not charge outside buildings to capital account and all these classes of large expenditures, of special character, are and have always been charged to capital account.

Although the public debt had increased since 1897, the net interest charges thereon had been decreased. In 1897 the net cost of the public debt was \$9,202,650, whereas in 1903-4 it was \$8,892,280. When the public accounts are made up to 30th June last, the net debt of Canada will be \$1,250,000 more than a year ago.

The large capital expenditure anticipated in 1905-6 was necessitated by the construction of the transcontinental railway, for which, said Mr. Fielding, "from this time forward we must expect to see in our annual appropriations very considerable sums chargeable to capital account, which must be appropriated for the construction of that road. For example, we have in the estimates, votes amounting to \$16,500,000, and a little more, which I place as the probable total of the votes on capital account for this current year. We have already in our main and supplementary estimates asked for \$3,682,212, on account of the transcontinental railway, and we must anticipate that from this time forward, from year to year, we will be called upon to provide large sums for this service, and I am inclined to think that the larger the sums we are asked for, that is to say, if they are expended, the better the House and the country will be pleased, because the general desire on the part of honourable members on this side, and I hope of honourable members on the other side, although they did not quite agree with us as to the scheme, is that we should prosecute the work with all possible speed, complete the new road and see what good it is going to bring to our country."

"The interest during construction is payable out of capital, and at the close of the construction period all that interest is added to the capital sum, and thereupon the Grand Trunk Pacific pays us a rental based upon the total sum including the interest."

This passage closed the main financial section of the Budget speech. The Finance Minister then announced that an arrangement had been made to have American silver collected by our banks and sent back to the States.

In regard to this, Mr. B. E. Walker, general manager of the Canadian Bank of Commerce, said:

"We want all the United States money spent in Canada possible. We want to encourage Americans to spend money here, but we want also some method of making this money circulate."

He did not think the banks would be recouped for their expenses in this matter, but they would gladly co-operate, as the general effect would be beneficial. There is about \$500,000 to \$900,000 of American silver in Canada, which will be gradually replaced by Canadian silver, though there will continue to be an influx of foreign coins especially during the tourist season and in border districts.

The tariff is to be thoroughly investigated by a commission made up of members of the Government who will hold sittings in all the principal cities and centres of industry.

The present tariff is to be amended by the following changes, rolled oats, a duty of 60 cents per cwt.; while lead duty increased from 5 to 3 per cent.; cement, a protective duty; South African wines, a duty of 25 per cent. Other changes related to settlers effects, beet sugar and mining, machinery, and molasses. The general effect of these alterations being to protect native productions from outside competition.

The Hon. Mr. Foster, ex-Finance Minister, delivered a clever political speech in criticism of the Budget, after which the House of Commons took the necessary steps to give effect to the Budget proposals.

AUTOMOBILE HUMOUR.—A gay automobile party so frightened a farmer's horse a few miles down the river, that it ran into a shallow stream, taking the buggy along with it. The chauffeur and friend screamed with laughter at the farmer's dilemma, and refused to give him their help. While enjoying their laugh, the motor ran into a ditch. The tables were now turned, as they appealed to the farmer for help, who very decidedly told them to help themselves as he had done! The machine and riders were many hours in the ditch with several rural folk making sport of them.

CALEDONIAN INSURANCE COMPANY.

THE OLDEST SCOTTISH INSURANCE OFFICE. A HISTORY OF 100 YEARS, 1805-1905.

The Caledonian Insurance Company has just celebrated its centenary. The year of its birth was the year of the battle of Trafalgar, which is to be commemorated in the old land with imposing ceremonies. It was a year of ever memorable historic events. In May, 1805, Napoleon was crowned King of Italy, just before that, England and Russia had entered into a treaty to resist Napoleon, and England was preparing to resist an invasion for which he had made immense preparations. Then came Trafalgar which effectually crushed the scheme for conquering Great Britain. The time was one of intense anxiety; the strain of taxation was most oppressive; discontent was rife; bread was very dear and very bad; yet, amid such gloom, there was spirit enough and capital enough to organize an insurance company in Edinburgh, with a capital stock of £150,000. The projector was a Mr. Alexander whose premises were burned the next day to his renewal premium, due to an English company, having been overlooked. He concluded that, it was not desirable for all Scottish premiums to go to London, so he undertook the organization of the Caledonian Insurance Company which commenced business on Whitmonday, 1805. The circular issued by the new company appealed to Scotch national sentiment. It read, "While English fire offices increase in number, and endeavour to extend their influence, the propriety of a Scotch Establishment of this nature cannot be doubted, and the inhabitants of Scotland will easily perceive the advantages that will accrue to them from having their business transacted nearer home, and from retaining annually and circulating in this country, a considerable sum of money, which would otherwise be remitted to distant places." A similar plea has often been heard since then in the United States, but we have never heard any objection to English, Scotch, or any outside company, paying enormous amounts for claims to property owners on this continent in excess of the premiums remitted to the old land!

The original terms were, "Common Insurances on Risks not exceeding £3,000 upon one subject, at an annual premium of 2 shillings per cent., hazardous, 3s., doubly hazardous, 5s. All household goods were classed as "Furniture," and for farming stock and utensils the annual premium was 2s 6d per cent.

The heraldic device now in use was adopted in 1851. It is the most comprehensive allegorical design adopted by any insurance company, it embraces the Phoenix, the Pelican, the Goddess of

Plenty, the Scotch Lion, the Plough, Architectural emblems of strength and proportion, the Thistle, and the Caduceus, and the motto, *nemo me impune lacessit*, which, we venture to say, is intended to read, "No one wrongs me with impunity."

The company, like others of its class, for many years maintained its own fire engine and brigade, who kept special guard over buildings on which the metal badge was fixed, showing a thistle and the word Caledonian.

In 1808 the company decided to pay no dividend until \$75,000 of profits had been accumulated. In 1813 the Caledonian opened agencies in England and in 1834 in Dublin. In July, 1835, it entered the field of life assurance, which so progressed that in 1904 the policies in force numbered 18,304, assuring £8,081,607, and the claims paid exceeded £3,267,990. This department of the business owes its development to the sagacious and enterprising management of the late Mr. Denchar.

In 1877 the Caledonian took over the Scottish Fire Insurance Company, which was doing a considerable amount of foreign fire insurance, which it was decided to continue. In 1879 agents were appointed in Calcutta, Japan, China, South Africa, which agencies have been discontinued.

In 1883 business was commenced in Canada, by the agency of Messrs. Taylor. They were succeeded by Mr. Lansing Lewis, who was appointed manager for Canada at Montreal, a position he still holds, to the advantage of the company and in which he has won the highest respect.

The financial condition of the Caledonian in the United States is well illustrated by the way it has stood the test of recent conflagrations. For the fire at Jacksonville, 1901, the net amount paid was \$107,873, Paterson, 1902, \$31,532, at Baltimore, \$248,292; all which claims were paid without remittances from head office.

Under Mr. Denchar's management the capital stock had increased from £300,000 to £537,000, and took over the Scottish Fire, Scottish Metropolitan Fire, and Edinburgh Fire Insurance Offices. He was president of the Insurance Society of Edinburgh and of the Federation of Insurance Institutes, also honorary president of the Actuarial Society. A man of many sides, of wide attainments, of great gifts was the late Mr. Denchar, who just missed seeing the centenary of the company he had served for 30 years.

On his death, Mr. Robert Chapman, who had been in the company's service since 1875, was appointed manager. He had filled the offices of inspector, secretary and agency manager, so is thoroughly familiar with his business and his appointment is regarded most hopefully.

In 1904 the net premiums of the fire department were \$2,006,195, the income from interest \$81,225,

making the total income \$2,177,420. The net losses were \$1,853,935, and \$99,580 was added to reserve for unexpired risks, 44 per cent. on increase in premiums, these two sums making together \$1,953,515, being deducted from the income of \$2,177,420, left \$223,905 to be carried to profit and loss account. In his address at the annual meeting, the chairman pointed out that \$225,000 had been set aside from the profits of 1903 towards the Baltimore and Toronto losses. He spoke of the company as 'a National Institution,' and appealed for help in extending the operations of "the Oldest Scottish Insurance Office."

THE FINANCES AND RESOURCES OF JAPAN.

THE MARVEL OF MODERN TIMES IN DEVELOPMENT; FIGHTING RESOURCES WHOLLY MISUNDERSTOOD; GOVERNMENT, EDUCATION, SOCIAL ORDER, RAILWAYS, UP TO A HIGH STANDARD; BANKS MODELLED ON CANADIAN SYSTEM; NATIONAL DEBT OUTLOOK AFTER THE WAR.

Having given a brief sketch of the finances and resources of Russia on our last issue, more especially in relation to the prospect of her having to pay a war indemnity to Japan, a few comments on the victor will be in order.

It however needs no explanation to show how different is the position of the recipient to the payer of an indemnity. The former cannot be so impoverished, or so rich, as to make such a payment a matter of indifference, while the payer may be so poor as to be embarrassed by the payment, and cannot be so rich as not to suffer by an indemnity, if not in purse yet in pride and prestige.

The war has dispelled illusions as regards both the contestants. Russia was never imagined to be in danger of a crushing defeat both on sea and land by Japan, nor was Japan, even by its most sanguine friends, supposed to be capable of bringing Russia into humiliation. When Kuropatkin boasted that he would have articles of peace signed in Tokio, most persons thought it not unlikely to occur.

This Empire is the marvel of modern times. It was regarded as semi-barbarous even in the early days of this generation, yet, to-day Japan is a world-power, its system of government, nationally and locally, is ahead of most European nations; its public schools are more numerous in proportion to population, and better equipped than the average of those in Europe; its judicial system is well-organized; its poor-law is based on rational and humane principles; its banking system is akin to that of Canada; which is very high praise; its manufactures of textiles, metallic goods, etc., display exceptional ingenuity and taste; and, as to the naval and military capacity of the Japanese, their achievements have astonished the whole world.

Japan is made up of 5 islands in a group, with smaller ones in proximity. Saghalien, which was added this week as a prize taken from Russia, is 600 miles long by 20 to 80 miles wide. It is chiefly mountains, contains mines, woods, and supplies valuable furs. Up to 1804 it was partly held by Russia and partly by Japan. In 1852 Russia took full possession, but it was not until 1875 that her title was respected by Japan which ceded her rights to the nation she has just taken it from.

The population of Japan is estimated at 45 millions. The excess of births over deaths is usually about 33 per cent. of the births, so the population is rapidly increasing, the annual increase, before the war, having been close upon 1¼ per cent.

The total revenue to 1st April, 1904, was \$125,840,000, the ordinary expenditure, \$89,230,000, extraordinary, \$33,140,000, leaving a surplus of \$3,470,000. In 1903 the debt stood at \$279,800,000, which for so large, so frugal a people, was a mere trifle, the debt charges in 1904 being less than 50 cents yearly per head of the population. This was before the war. The 5 per cent. securities of Japan stand over par, and the 4's at 87½.

In 1902 the imports were \$145,405,000, and exports, \$133,928,000.

In spite of the war the exports increased in 1904 over 1903 to the extent of \$15,230,000, and the imports by \$27,200,000, which shows remarkable elasticity of Japan's foreign trade and of its producing and buying resources.

The railways in Japan extend about 3,000 miles, and of telephone wires there were 42,000 miles. The letters, cards, newspapers, etc., carried by the Post-Office service in 1903 numbered, 914,000,000.

The banks of Japan have a paid-up capital of \$181,000,000, deposits range from \$275,000,000 to \$280,000,000, and loans in proportion. The annual statements of these banks are models of clearness and most intelligent classification.

The borrowings of the Japanese government at home are estimated at about \$190,000,000 to \$200,000,000, and borrowing outside before the war were \$282,000,000, the war loans being stated to be \$600,000,000, and the total debt, \$882,000,000, or a little over \$10 per head, which would impose an annual charge per head of less than 95 cents. A New York paper speaks of this debt as "large for so poor a nation," a judgment which we are not ready to endorse. Japan is far from being poor, her natural resources are great; they are on the eve of development. A nation is to be accounted rich whose people are industrious, thrifty, united, and enterprising. They have waged war for a year and a half successfully against one of the strongest powers in the world, and when the war costs are paid them, the debt of Japan will be wiped out, or materially reduced.

When peace is established Japan will take a high place as a naval and military world-power, while her financial standing will improve rapidly under the sagacious fiscal system of the government and the industrial energies of the people.

ALLIANCE ASSURANCE CO., NEW MANAGER APPOINTED.

Mr. T. D. Belfield, who has just been appointed manager for Canada of the Alliance Assurance Co., Ltd., to succeed Mr. P. M. Wickham, was born in Toronto, in 1862, of English parentage. In 1878 he entered the services of the Imperial Fire Insurance Company as a junior at the head office, London, Eng., and has been connected with the business of fire insurance for past 27 years. Mr. Belfield was sent to New York in 1895, as assistant branch manager for the United States. Since the absorption of the Imperial by the Alliance, Mr. Belfield has been connected with the latter company as superintendent, in which capacity he has travelled very largely over the continent, and thus gained large and very valuable experience.

THE WAR INDEMNITY QUESTION.

WHAT AMOUNT WILL BE CALLED FOR, AND HOW IT WILL BE PAID.

It is a foregone conclusion that as a condition of peace Japan will insist upon Russia paying a heavy indemnity to her victorious foe. The amount to be demanded is a matter of speculation, but the general opinion is that it will be several hundreds of millions of dollars, indeed one thousand millions, \$1,000,000,000, is more generally assumed as the figure than any smaller sum.

The idea of a war indemnity is akin to that of a legal suit ending in one of the parties being condemned to pay the costs incurred by the other party. Japan having won, naturally wishes to be recouped the costs of the action. What do they amount to and in what way would the payment be made?

The costs of the war to each combatant can only be estimated by such evidences as are shown by the money borrowed and other financial facts as are relevant to this matter.

The borrowings of both empires have been from two sources, the home market and the foreign. In the former, in the absence of complete information, it is believed that Russia has obtained from \$140,000,000 to \$160,000,000, that is, she has borrowed for war purposes, that enormous sum directly from the Russian people. In the foreign market Russia has borrowed on account of the war from \$350,000,000 to \$400,000,000. Her national debt has been increased by about \$530,000,000, owing to the

war, for which she has not received, nor will receive, any compensation,—except, possibly, an increased wisdom.

The statement of the Bank of Russia for June 21, 1905 and 1904, is as follows:—

| | June 21, 1905. | June 21, 1904. | Increase or Decrease. |
|---------------------|----------------------|----------------------|--------------------------|
| | \$ | \$ | \$ |
| Gold..... | 457,435,000 | 413,185,000 | Inc. 44,650,000 |
| Balance abroad... | 72,520,000 | 54,865,000 | Inc. 17,655,000 |
| Silver & coins.... | 34,220,000 | 42,345,000 | Dec. 8,135,000 |
| Sec. & short loans. | 116,985,000 | 140,830,000 | Dec. 23,845,000 |
| Other loans..... | 62,435,000 | 58,750,000 | Inc. 3,685,000 |
| Securities owned.. | 29,216,000 | 20,720,000 | Inc. 8,495,000 |
| Miscellaneous..... | 22,575,000 | 27,145,000 | Dec. 4,570,000 |
| Dis. bran's & treas | 34,465,000 | 14,830,000 | 19,635,000 |
| Totals..... | \$830,250,000 | \$772,670,000 | ..... |
| Circulation..... | 453,180,000 | 336,815,000 | Inc. 116,365,000 |
| Deposits..... | 255,680,000 | 239,165,000 | Inc. 16,515,000 |
| Treasury account. | 35,965,000 | 144,815,000 | Dec. 108,850,000 |
| Miscellaneous.... | 20,320,000 | 20,505,000 | Dec. 185,000 |
| Due to bran's & tre | 37,585,000 | 3,850,000 | Inc. 33,735,000 |
| Capital..... | 27,520,000 | 27,520,000 | ..... |
| Totals..... | \$830,250,000 | \$772,670,000 | ..... |

There are no signs in the above statements of any financial strain having been put upon Russia by the war, indeed the chief changes indicate rather increase of strength than otherwise.

Japan has borrowed for war purposes about \$200,000,000 from the people, and \$260,000,000 to \$320,000,000 from outside money markets. Japan's debt is estimated to have been increased to extent of from \$510,000,000 to \$530,000,000 by the costs of the war, the total debt being stated to be \$882,000,000.

These figures, however, only represent a portion of the financial sacrifices inflicted on each nation by their struggle. There have been enormous losses of national property by both combatants, and losses imposed upon private persons by the injuries done to commerce and the destruction of private property. In negotiations about war indemnities these private claims have been recognized as valid. When then the costs of the war to Japan and to private citizens are put together it would not be surprising if the Japanese claims aggregated \$1,000,000,000.

The transference of this enormous sum from the treasury of one country to that of another country will be a great financial event. There need not, necessarily, be any disturbance in the money market caused by the indemnity being paid. It is conceivable that the money might be paid by Russia to Japan by one cheque. When China was paying an indemnity to Japan, the procedure was by cheques on the Bank of England handed over, on the dates arranged, by the Chinese to the Japanese ambassador.

It is probable that Paris will be the market where

payment of the indemnity will be arranged and carried out. Russia would have to negotiate a series of loans at intervals, the successive proceeds of which would be passed to the credit of the Government of Japan, probably in the Bank of France. The war being over, there would be no difficulty in Russia affecting such a financial arrangement. The Japanese indeed might underwrite a portion of the war indemnity loan and carry the securities to be sold, as money was needed, or paid over to those from whom she was buying ships, armaments, railway materials, and other articles for national purposes. There may be thus a wide distribution of these Russian securities. There can be no doubt that in whatever form the indemnity is paid to Japan, there will be very large expenditures incurred by that power over armaments which will be needed to replace those destroyed during the war and to put Port Arthur and other places in as good condition as they were before the war. There is every probability that England will receive a handsome share of the indemnity, as the Japanese prefer to have their balances in London rather than in Paris. To English firms will be given orders for ships, cannon, rifles, cloth for uniforms, saddlery, machinery, etc., so the old country is likely to have cash resources and trade enlarged by the Russian indemnity.

THE HALF-YEAR'S FIRE LOSS.

The fire loss of the United States and Canada for the month of June, as compiled from the records of the New York "Commercial Bulletin," shows a total of \$11,789,800, which makes the aggregate for the half-year \$93,111,900. The following table shows the losses by months for the first half of 1905 and a comparison with the losses for the same period in 1903 and 1904:

| | 1905. | 1904. | 1903. |
|------------------------|---------------------|----------------------|----------------------|
| January..... | \$16,378,100 | \$21,790,200 | \$ 13,166,350 |
| February..... | 25,591,000 | 90,051,000 | 16,090,800 |
| March..... | 14,715,400 | 11,212,150 | 9,907,650 |
| April..... | 11,901,350 | 23,623,000 | 13,549,000 |
| May..... | 12,736,250 | 15,221,400 | 16,366,800 |
| June..... | 11,789,800 | 10,646,700 | 14,684,350 |
| Total 6 months. | \$93,111,900 | \$172,534,450 | \$ 83,754,950 |
| July..... | ..... | 11,923,200 | 12,838,600 |
| August..... | ..... | 9,715,200 | 8,428,350 |
| September..... | ..... | 14,387,650 | 9,939,450 |
| October..... | ..... | 12,866,200 | 10,409,800 |
| November..... | ..... | 11,515,000 | 13,589,550 |
| December..... | ..... | 19,422,350 | 17,224,700 |
| Total 12 months | ..... | \$252,364,050 | \$156,195,600 |

During the month of June there were 228 fires of a destructiveness, each, of \$10,000 or more. They may be classified as follows:—

| | |
|-----------------------------|------------|
| \$ 10,000 to \$ 20,000..... | 100 |
| 20,000 to 30,000..... | 43 |
| 30,000 to 50,000..... | 30 |
| 50,000 to 75,000..... | 18 |
| 75,000 to 100,000..... | 10 |
| 100,000 to 200,000..... | 20 |
| 200,000 to 597,000..... | 7 |
| Total..... | 228 |

The important fires during the month just closed were these:—

| | |
|---|-----------|
| Milwaukee, Wis., Exposition building..... | \$300,000 |
| St Louis, Mo., terra-cotta works..... | 400,000 |
| Brooklyn, N.Y., basket factory and other..... | 300,000 |
| Fort Worth, Tex., meat-packing plant..... | 450,000 |
| Pemauke, Wis., ice-houses..... | 225,000 |
| Johnston City, Ill., various..... | 200,000 |
| Nashville, Tenn., department store and other..... | 507,000 |

It will be seen from the comparative table that the 1905 losses, so far, are \$9,356,950 greater than those for the same period of 1903. The 1904 figures are more than half made up of the sum chargeable on account of the Baltimore fire.

FIRE INSURANCE AND CREDIT.

In our issue of the 23rd ult., reference was made to the meeting of the National Association of Credit Men, which had been held at Memphis, Tenn., at which the remarks of the president regarding the connection of fire insurance with credit, were very appropriate. He forcibly condemned legislation in connection with the "Valued Policy" and "Anti-Compact" laws. The former was, he stated, an encouragement to arson, and the latter would result in the withdrawal of the strongest fire insurance companies from the States in which these laws existed.

Happily in Canada, we have so far escaped the "Valued Policy" law, and although some attempts have been made to introduce legislation antagonistic to Associations, or so-called "compacts," as they are wrongly called, fortunately, however, they have not materialized, for such laws would mean the withdrawal of the best class of fire offices. In these days, sound fire insurance is absolutely necessary for the credit of the country. How could manufacturers or traders transact their business without the assistance of fire insurance. Banks make advances on stocks of goods, while wholesale houses give credit to their retail customers, always provided there is insurance against fire. Without fire insurance, credit would vanish and commerce would be practically strangled. Any legislation, therefore, which is antagonistic to fire insurance, is not in the interests of the mercantile community, or the country generally.

A great deal of misapprehension exists about various associations of fire insurance companies. The public seem to think that these "compacts," as they wrongly term them, are formed to extort high rates. This is not so, their main object being to bring about a more satisfactory condition of affairs in regard to the business, with the object of improving risks, fire protection service, etc., so that rates of fire insurance can be placed on a lower basis with profit to all concerned. Risks carrying high rates are not, as a rule, profitable to the companies.

AUSTRALASIAN BANK RETURNS.

From the last issue to hand of the Australasian Insurance and Banking Record we have gathered the following statistics relating to the Banks of the Commonwealth; the amount being all in sterling, the several items are converted into currency at \$5 per £:

| Bank. | Total Deposits, \$ | Total Advances, \$ | Coin and Bullion, \$ |
|---------------------------|-----------------------|-----------------------|-------------------------|
| Bank of New South Wales | 114,040,000 | 95,050,000 | 23,382,000 |
| " Australasia..... | 73,478,900 | 55,731,180 | 13,651,800 |
| Union Bank of Aus..... | 72,945,000 | 54,583,300 | 14,722,000 |
| Com'l Bk. of Sydney.... | 58,544,000 | 49,164,000 | 14,134,000 |
| Australa Int. S. K. Bk.. | 15,781,400 | 20,744,000 | 2,789,000 |
| Com'l Bk. of Australia.. | 15,881,500 | 19,245,000 | 4,126,900 |
| National Bk. do..... | 32,334,905 | 28,164,000 | 5,977,000 |
| Bank of New Zealand.... | 53,037,400 | 33,615,000 | 10,680,000 |
| Queensland Nat. Bk..... | 23,072,000 | 28,193,000 | 3,199,500 |
| English, Scottish & A. Bk | 12,380,000 | 22,185,800 | 3,936,000 |
| Bank of Victoria..... | 23,498,500 | 25,086,000 | 4,334,800 |
| London Bk. of Aus..... | 15,270,000 | 15,759,000 | 2,551,000 |
| Colonial do..... | 12,734,000 | 11,845,800 | 2,467,900 |
| City Bank Sydney..... | 5,334,500 | 5,807,500 | 743,400 |
| Com'l of Tasmania..... | 7,079,000 | 7,413,800 | 1,532,000 |
| Nat'l. of New Zealand... | 13,868,500 | 11,348,000 | 1,943,700 |
| Bank of Adelaide..... | 8,685,600 | 6,204,400 | 1,749,000 |
| Royal Queensland..... | 4,442,000 | 5,522,400 | 935,800 |
| do of Australia..... | 3,836,500 | 4,173,400 | 588,200 |
| Bk. North Queensland..... | 1,700,000 | 1,765,000 | 227,800 |
| Nat'l. of Tasmania..... | 2,261,000 | 2,844,700 | 349,700 |
| Western Australia..... | 8,139,999 | 8,156,000 | 3,301,000 |
| Total..... | \$578,303,000 | \$512,568,000 | \$117,626,90 |

Some Australian banks are in closer connection with London than those of Canada, thus, the 71st annual meeting of the Bank of Australasia was held in London on 30th March last, this bank and the in London on 30th March last. This bank and the Australia, the English, Scottish and Australian Bank, the National Bank of New Zealand, have each their head office in London, and in other cases some of the directors reside in England.

The system of depositing money for fixed and lengthy periods seems to generally prevail in Australasia, as we find rates given for deposits for two years, for one year, and for six months, the variation being from 2 to 3½ per cent. There seems a tendency towards lower rates of interest, 3½ per cent. being the standard, but there is competition between the governments and the banks, and in some cases the governments are offering debentures bearing 4 per cent. interest which tends to keep up interest on deposits.

For Colonies with an aggregate population only about 4 millions, the financial resources are very large, but in regard to future prospects, Australasia does not compare with this Dominion, as its opportunities for development are restricted by an enormous area of Australia being unsuitable for settlement, while the millions of vacant lands in Canada are adapted for agricultural purposes and are attracting more and more settlers every year.

INTEREST ON DEPOSITS CONDEMNED.

Another attack has been made on the practice of paying "Interest on commercial deposits" by banks. This latest tirade emanated from Mr. Frederick D. Kilburn, superintendent of banks in New York State when addressing a convention of officials of the same class.

We fear the condemnation he expressed against banks paying interest on commercial deposits evidences imperfect familiarity with banking conditions. It goes without saying that bankers do not pay interest to any depositors as a voluntary gratuity. The question a banker has to solve is, how to obtain funds for conducting his business so as to return a profit on the capital engaged. It is obvious that if a banker has only the amount of his capital to utilize in loans and discounts he will have only a trifling margin of profit to pay the stockholders, unless his loans and discounts are made at far higher than ordinary rates, a practice which involves far higher than ordinary risks of loss.

To secure additional funds, he must pay at least their market price—or go without. One famous bank does not pay any interest on deposits, except by special agreement. There are also many banks in the old land whose current account credit balances bear no interest. This exemption is a matter of special arrangement in regulating charges on the transactions passed through the account, such as commissions charged at less than the ordinary rate if the account has a continuous credit balance above a certain amount. This, practically, is the same thing as an allowance of interest on the customer's deposit as represented by the amount at the credit of his current account. Whatever private arrangement may be made between a banker and his customer, this may be regarded as fundamental: the customer will not leave money in his banker's hands without receiving some return, nor will the banker pay anything for such money unless he can so use it as to make a profit.

The Bank Superintendent of New York State said:

Interest is a continuing and constant charge. It works day and night. It constantly adds to the obligations of a bank, and all banks which to any appreciable extent indulge in its payment must necessarily make corresponding gains and profits in order to meet this everlasting charge. This undermines conservatism. It leads officers and directors into investments which, were it not necessary to meet the interest charge, would not be made. In order to meet this charge, there is great anxiety to loan, and not only this, but to loan at the highest rates obtainable."

The above remarks express mere common-place self-evident truths, and some untruths. Of course,

a bank must make gains to cover its payments of interest, but, that this "undermines conservatism," is not true. What "undermines conservatism" is not the ordinary routine operations of a bank, the business of dealing in credit, but is the reckless spirit which first secures deposits and then lends them to unreliable borrowers. If a banker is led to make unsound investments in order "to meet the interest charge" on his deposits, he should go into some other business for he has mistaken his calling by operating as a banker.

Another passage reads as follows:

"A bank which does not pay interest upon deposits may loan money at a cheaper rate, the business of the bank will be more conservatively conducted, deposits will be safe, and business and borrowers will be benefited, and the bank in the long run will be ahead."

This may be amended to read, "A bank which does not pay interest upon deposits will not have any."

The distinction drawn between "commercial deposits" and other deposits is principally based on the difference between money payable on demand and money left for a fixed term and payable after notice. Money left at call is, of course, less valuable to a banker than money left for a specified period, for, against the former a certain proportion must be kept as a reserve of cash that earns nothing, whereas a larger proportion of the deposits left for a fixed period may be utilized for loans, that is they may be made to earn the interest paid on them and a profit as well.

The only danger peculiar to deposits on demand is the risk of their being called for when the cash reserve is inadequate. To avoid this contingency is a banker's duty, he is a very rash and inexperienced manager who runs any risk of being caught in such a dilemma. There is, however, a certain proportion of what the New York superintendent of banks calls "commercial deposits," which are reliable for use in loans. Experience teaches bankers what this proportion is and on that experience the practice of using demand deposits is based and by its wise observance is justified.

If deposits of a certain class earn no profit, why should they be received?

WINNIPEG INDUSTRIAL FAIR.—The Winnipeg Industrial Fair of 1905 to be held July 20 to 28, will be an event illustrating the highest achievements in agriculture, horticulture, live stock, manufacturers, domestic arts, science, the appliances of trade and all that goes to make up a great country and represent the progress of the people. "The Commercial." To this we may add, it would be greatly to Winnipeg's advantage to be able to show the highest achievement in fire protection.

MR. WILLIAM MACKAY ON THE NORTHWEST.

Mr. William Mackay, manager for Canada of the Royal Insurance Company, has returned to Montreal after a six weeks trip, visiting his agencies in Manitoba, Northwest Territories, and British Columbia. Among the towns visited were Brandon, Winnipeg, Calgary, Vancouver, Revelstoke, Victoria and the coal section, in the Crow's Nest Pass.

Mr. Mackay reports business prosperous with good prospects for a bountiful harvest. On the other hand, he reports that merchants, and insurance agents find it difficult to make collections, owing to the amount of money locked up in real estate, in which there is considerable activity.

Immigration, he states, is very heavy, particularly into Alberta, and Manitoba.

The Salmon run in the Fraser river is expected to be a large one, this season, it being the fourth year, which is usually a heavy one.

MESSRS. KAY AND BANKS RETIRE.

Messrs Kay. & Banks, Toronto, who have represented the Royal Insurance Company for past twenty-five years in Toronto, have retired from business. Both gentlemen receiving a liberal allowance from the Royal, in recognition of long and faithful service.

The business of the old firm will, in future, be carried on by the firms of Messrs Maguire & Cannon and Parkes & McVittie, all of whom are experienced in the business of insurance.

MANITOBA ASSURANCE COMPANY.

At a meeting of the Board of Directors of the Manitoba Assurance Company, a few days ago, Sir Alexander Lacoste and Mr. Geo. E. Drummond were elected directors and Mr. E. S. Clouston president.

PROMINENT TOPICS.

THE MINISTER OF MILITIA'S BUDGET.—In laying before the House of Commons a statement regarding the present state of the militia, and the work of re-organization non proceeding, Sir Frederick Borden made several interesting remarks. He stated that the new expenditures proposed for improving the militia and the permanent force would be about \$6,000,000. A conference of provincial authorities would be summoned to arrange a plan for giving youths a military training, and Sir Frederick threw out a suggestion, that every young man in Canada before his 21st year be required to have passed a certain time in the militia. Such a training would be of incalculable advantage to this country. Youths who had learnt to obey their superiors, to

submit to discipline, to practice cleanly habits, to protect their health, to share in public duties, would add greatly to the strength of Canada and to their own value in whatever sphere of life they entered.

Sir Frederick elicited the heartiest encomiums from the House on both sides, for the frank, clear, and full explanations he gave of the scheme of militia organization and for enlarging the permanent force.

The money to be spent over the improvements in militia organization and equipment could not be more wisely expended. A military force which lacks efficiency in training and equipment wastes what is spent upon it. The truest economy is to secure efficiency. Were Sir Frederick Borden's ideas carried out, the standard of the militia would be elevated, and ere long every man in the country, capable of bearing arms, would be an efficient member of the defensive force of Canada.

* * * *

BANK AMALGAMATION STILL TALKED ABOUT.—Our remarks, last week, on the Merchant's Bank of Canada and the question of bank amalgamation excited the greatest interest and general approval. There has been curiosity expressed as to how bank amalgamation rumours first got afloat. Probably the public began to speculate upon what would be the outcome of a bank practically withdrawing from public notice. What did such a policy indicate? In this forceful, aggressive, competitive, age, the coming retirement of a merchant, or firm, or company is foreshadowed by withdrawal from the public arena where living, progressive men and companies challenge attention. This step having been taken by the bank most spoken of as going into amalgamation, it was quite natural for the inference to be drawn that some movement was contemplated looking to its identity and individual independence being lost.

This seems a reasonable theory as explanation of how amalgamation rumours originated.

* * * *

PUBLIC OPINION AGAINST BANK MONOPOLY.—There is a decided feeling in mercantile circles against any bank amalgamation that would tend to create a banking monopoly, or such a preponderance of financial power as would give undue influence to one bank. It is far healthier for the country to have banking power divided amongst a number of strong banks than to have this power so centred in one institution as to make all other banks, practically, dependent upon it and anxious for its favours, and morbidly afraid of its disapproval.

* * * *

LORD ROBERTS' VISIT.—Though not officially announced, we have good reason for regarding a visit to this city as a settled feature on the programme of Lord Robert's visit to Canada. Nowhere would

he be more heartily welcomed, or more enthusiastically honoured by popular acclaims. This city, with its mingled races is, of all others, the representative of Canada, of Canadians in their unity in the bonds of national and imperial loyalty. Montreal is the true metropolis of the Dominion, this city to Canada is what London is to England. The authorities should ascertain when it would be agreeable for Lord Roberts to visit Montreal and lose no time in arranging for a reception worthy of so distinguished a soldier, so loyal a city, and so hospitable and well-to-do a body of citizens.

* * * *

JAPAN'S NEW LOAN.—The loan just being negotiated for Japan has been subscribed for many times over. The amount is £30,000,000, 4½ per cent., due July 10, 1925, with option to the Japanese Government to redeem all or any part after July 10, 1910, upon giving 6 months notice.

It is a feather in Canada's cap that subscriptions for this loan were invited in this country, though it would be more desirable for our capital to be devoted to the development of our native resources.

* * * *

ENLARGING BOARDS OF DIRECTORS.—The amendment to Bank Act gives authority to the stockholders to appoint any number of directors to serve as a Board. Whether this is wise is uncertain, it may work well, or not, it will certainly add to the difficulty of securing united, harmonious action when the directors much exceed the ordinary number.

* * * *

ENGLAND'S WEALTH.—A London financier has been giving his views as to England's wealth, which he contends is being squandered by extravagance in living by individuals and by imprudent outlays by municipalities. He relies on the enormous imports as evidence of this waste and extravagance, but the evidence is capable of quite another interpretation. Imports in excess of exports in England represent earnings from investments, freight and insurance on vessels, remittances of money for the use of foreign travellers and money sent to wealthy Americans settled in England. The greater the sum of such imports the more England has to spend for buying home products and foreign. It is quite gratuitous to worry over England's imports exceeding her exports, they are indications of invested wealth, not of its being wasted.

* * * *

THE ACCIDENT UNDERWRITERS' CONVENTION.—We have to thank the committee of the Accident Underwriters' Association for a courteous invitation to their 18th Convention and Banquet at the Royal Muskoka Hotel, Lake Rousseau, on 18th inst., which other engagement prevent us accepting. We hope the members will find considerable

profit in the proceedings, and pleasure from the social entertainments provided. We would caution them against boating without an experienced hand in charge, as Lake Rousseau is famous for sudden and violent gusts of wind. But those who have attended many Conventions have had experiences relative to such outbursts.

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PROPOSAL TO DAM LAKE ERIE.—Owing to the shallowness of Lake Erie a scheme has been proposed to erect a dam at the outlet by which the waters could be held back until a certain lever was reached. This lake, at the Buffalo end, is liable to sink several feet when a strong east wind is blowing, the data of which is recorded in a history and description of the International Bridge. Were a dam built, there might be serious periodic disturbances of the level of the St. Lawrence which would prove a grave obstruction to ocean vessels en route to this port, as even the lowering of the river by a single foot, would cause difficulty. Indeed, Mr. Allan said, "with us it is a question of inches, not of feet."

The object of the proposed dam is to hold back the water flowing through Lake Erie, which goes over Niagara Falls, so as to raise the level of the water in lakes St. Clair, Huron, Michigan, river St. Clair, and the harbours on Lake Erie. The time when these waters would be raised to a desired level would be from August to November, which is the period when the St. Lawrence is usually at its lowest point. To shut off any portion of the supply during those months, would mean the necessity of ocean steamers carrying lighter loads when entering and leaving Montreal harbour. By this necessity very serious losses would be inflicted on vessel owners and shippers, the latter of whom would have to pay more freight charges if all vessels had to reduce their loading.

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THE LAKE ERIE DAM A BENEFIT TO AMERICA ONLY.—It is admitted that, were Lake Erie's waters held back, as is proposed, the harbours on that lake would be deepened and greater facilities afforded to the shipping of certain American ports. Owing to this, it has been affirmed that the lake Erie dam was an American project intended to benefit our neighbours at any cost to the shipping interests of Canada. Against this view, Col. Ernst, chairman of the American section of the International Waterways Commission, vigorously protests. At the conference held at the Board of Trade, on 11th inst., between representatives of the City Council, Board of Trade, Harbour Commissioners, Shipping Federation, Marine Association, Niagara Falls electrical enterprises, and the Dominion Government, Mr. Gear, president of the Board of Trade, Mr. Hugh A. Allan, and others spoke with much force against this proposal as being "full of serious dan-

ger to Canada's shipping interests." Mr. Allan was especially emphatic. He gave statistics relative to the trade of Canada that would be injured by lowering the depth of the St. Lawrence, the raising of which had cost an enormous sum. Vessels were growing in size every year and if the St. Lawrence were made shallower, Montreal would be prevented sharing in the trade created and accommodated by larger vessels.

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ALARM IS SOMEWHAT PREMATURE.—The Dominion of Canada owns the northern half of Lake Erie, both waters and shore. No dam could be built, as proposed, without the express permission of the Government of this country. In view of the incalculably great injury such a scheme would inflict on our shipping interests, it is inconceivable that any Canadian Government would give its assent to a dam across the outlet of Lake Erie.

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SILVER COINS.—The Government is much to be commended for having arranged a plan by which a large amount of American silver will be withdrawn from circulation in Canada. That all will go is impossible, for American visitors bring their country's money with them where it is most welcome, to hotels, stores, railways, etc. As great a nuisance as American silver are our own coins when badly worn, as a large portion of them are. Many thousands of quarter dollar and ten cent pieces are so abraded by wear as to be without any marks to show what they are. These smooth discs of silver should be called in and replaced by new coins; but no 20 cent ones issued.

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THE EQUITABLE LIFE ASSURANCE SOCIETY is still under discussion. Personal charges are flying about so freely it is dangerous to be in the line of fire by being associated with the company, or rather it would be dangerous if these slings and arrows of slanderous accusations and insinuations were shot from the bow of truth. We fear there are many active pens at work inspired more by the ill will of jealousy than an honest desire to serve the policyholders. It is far too common a practice in the United States to attack the character of public men. Whoever rises into prominence in America is a target for abuse. The higher he rises the more does he draw the fire of envious competitors, and of those who detest every one who is successful in business, or politics.

The Equitable's financial strength has not yet been questioned, it is being re-organized on lines that give promise of excellent results. There are those who think that a change in the controlling interest of the stock may not be of much advantage. The enactment of laws regarding investments and a general system of independent audit would be beneficial in connection with all insurance offices.

THE DUAL LANGUAGE DECISION by the House of Commons has given almost universal satisfaction. Even Premier Laurier opposed the proposal to impose two languages on the new Provinces.

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CHIEF DETECTIVE CARPENTER has done well, as usual, in taking prompt steps to put the principal, in a prize fight that took place a few nights ago in the very heart of this city, without a stone's throw of several churches, on trial; also the keeper of the bowling alley where the disgusting display of brutality took place.

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OUR LOYAL CONGRATULATIONS are tendered to the Prince and Princess of Wales on another son being added to their family circle. May he grow to be as amiable and level headed as his father!

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MONTREAL AND FIRE PROTECTION.—It is quite possible that a general meeting of the members of the Board of Trade will be held in connection with the above matter, for the citizens seem considerably worked up on the question of carrying out the necessary improvements in order to have fire insurance rates modified. The companies contend that the improvements which have been carried out are only such as are in keeping with the natural growth of the city. There can be no reason or excuse for not having a pumping station made fireproof and the fire alarm system placed in a fireproof building. There is one thing certain, and that is, the insurance companies will not reduce the rates until the improvements are carried into effect, and this whole question should be taken in hand and carried out without any unnecessary delay.

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ANNEXATION OF SUBURBAN MUNICIPALITIES.—Last week we suggested that a comprehensive scheme be drawn up and considered under which the outlying municipalities fringing the borders of this city be annexed. There seems a movement afoot amongst these suburban villages and towns towards joining Montreal. When the authorities of these places realize that this city is seriously contemplating a comprehensive scheme for their annexation, they will be anxious to put their affairs in the best possible shape. It will be advisable for this matter to be thoroughly discussed by our neighbours so that they may be prepared to consider a business-like proposition on general lines, which will need to be passed on by all concerned. The more thoroughly annexation is threshed out the less friction will arise after it is carried out.

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CONDUITS FOR ELECTRIC WIRES.—The sooner all the electric wires in this city now strung on poles are placed underground, the better for all concerned. We deprecate the city authorities undertaking the work of building conduits, the companies

should be compelled to do this work themselves as they are in Boston. Were the City to carry on this work it would be needlessly costly and unsatisfactory in result, while it would provide a perpetual source of litigation.

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THE C.P.R.'S BRIGHT PROSPECTS FOR NORTHWEST FREIGHT.—A heavy drawback in the past to the profits on freight from the Northwest has been the cost of hauling empty cars to fetch it. This drawback promises to be much reduced, as freight is flowing towards Manitoba and the Territories in such volume as to provide cars for moving crops eastward. As the Northwest develops, this condition will improve, with the result of adding materially to the earnings of the Canadian Pacific.

* * * *

CANADIAN MANUFACTURERS IN EUROPE.—Hospitalities are being shown to the Canadian manufacturers in Great Britain and Paris, such as never before were offered to so numerous a representative body. They have heard a splendid speech from Mr. Chamberlain on Imperialism, what it involves and needs to be a permanent force, from Mr. Campbell Bannerman and other celebrities. They have been received by the King and royally welcomed at Birmingham, Sheffield, Paris and in other cities. They will have learnt much, and we hope have taught much to British audiences regarding the resources and needs of Canada for more settlers.

PERSONALS.

Mr. W. H. LEACOCK, inspector for the life department of the Royal Insurance Company in Ontario, has been visiting the head office of the company during the past week. Mr. Leacock is satisfied at the excellent opportunities afforded the representatives of the company, and anticipates a large development of business in his province.

Mr. M. C. HINSHAW, manager for Canada of the Atlas Assurance Company, left via New York, for Europe, on the 11th inst. He will be absent a few weeks.

COLONEL ALEXANDER H. WRAY, manager of the Commercial Union and Palatine Insurance companies of London, has received from the Royal Exchange a handsome silver tankard of the Georgian period. The ebony plinth on which it stands bears the following inscription: "Presented to Colonel A. H. Wray by the Governor and Directors of the Royal Exchange Assurance, May, 1905."

It was accompanied by cordial letters from the Governor, Sir Neville Lubbock, and Manager E. B. Hiles, expressive of their appreciation of Colonel Wray's aid in unravelling the tangle in the corporation's American affairs.

THE EASTERN TOWNSHIPS BANK has opened a branch at Vancouver, B.C., under the management of Mr. W. H. Hargrave, formerly assistant manager at the Montreal office.

Mr. E. S. CLOUSTON, general manager Bank of Montreal, has been elected chairman of the local board of directors of the Liverpool & London & Globe Insurance Company in succession to the late Mr. W. J. Buchanan.

Mr. W. G. PARKER, manager of the Traders Fire Insurance Company, was in Montreal a few days ago, making the necessary arrangements for representation in the Province of Quebec, the company having obtained a provincial license. We understand that Mr. John Carson, who already represents the Ottawa and Equity fire, will also represent the "Traders," for whom he should do a large business.

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.

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1463.—D. H. D., Oshawa.—Dealings in stock or other securities, which have been authorized but not yet issued, are usually sold subject to the proviso "when, if and as issued." This is the meaning of the words on your contract note.

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1464.—W. O. B., Halifax.—Tennessee Coal and Iron Common cannot be looked upon as an investment, but from a speculative standpoint it is possibly attractive.

* * * *

1465.—Z. A., Ottawa.—Can you inform me through your columns, on what principle the selling price of stocks is based. I am the holder of shares in the following companies:—

Montreal Power, which is selling at about 91, and which pays 4 % per annum.

Detroit United Railway, which is selling 93, and which pays 5 % per annum.

Dominion Coal Common, which is selling at about 81, and pays nothing.

Dominion Iron Preferred, which is selling at about 70, and pays nothing.

Dominion Iron Common, which is selling at 23, and pays nothing.

Why should Montreal Power and Detroit United, which pay dividends as stated above, be worth only about ten points more than Dominion Coal, which is paying no dividend? Is there a sentimental as well as a real value on Stock Exchange securities?

Ans.—We can quite understand how puzzling the anomalous prices must be to our correspondent, but stock markets generally set values on securities apart from the mere dividend return. In the case of the stocks you mention, however, even allowing for the speculative value of the higher priced non-dividend payers, the quotations are difficult to account for, as it must be remembered that both Power and Detroit have a speculative value as well as an investment side. The fact that Dominion Coal Common is strongly held and supported has great effect sentimentally.

Notes and Items.

AT HOME AND ABROAD.

MONTREAL CLEARING HOUSE.—Total for week ending July 13, 1905:—Clearing, \$26,672,428; corresponding week 1904, \$20,589,392; corresponding week 1903, \$23,442,607.

OTTAWA CLEARING HOUSE.—Total for week ending July 6, 1905—Clearing, \$2,254,067; corresponding week last year, \$2,115,178.

THE TELAUTOGRAPH is an apparatus for sending telegrams and re-producing the sender's message at the place to which it is dispatched. In some cases it would be very useful to have the writing of a message exactly duplicated at the receiver's place of business, but we doubt this instrument ever coming into general use.

HEAT IN EUROPE.—Canadians who are suffering from the heat may find some comfort in the fact that in Germany the temperature on 4th July rose to 107. Over 100 persons died from sunstroke etc., in Germany. At Rome the thermometer registered 108 in the shade and 98 at the summit of the dome of St. Peter's. Our top figure of 86 seems cool compared to L.ese European registrations.

A LITTLE ASTRAY.—A number of our contemporaries attempt to make fun of Russia and Russians by adding "ski," or "sky" to words relating to the affairs of that country, under the impression that Russian words commonly end in "ski." This is not so, the affix therefore is quite as devoid of relevance as it is of humour. It is very questionable taste to ridicule the language spoken by any people.

A NEW FATAL ACCIDENT DEVICE.—At Coney Island a "leap-frog" railway is being operated. Two railway cars are driven at great speed into a "head on" collision. One car is so fitted as to enable it to mount the other, with which it has collided, and ride clear over it and descend to the rail again. This is supposed to give pleasurable excitement, as a small charge is made for the opportunity of being fatally injured, or having the joy of a broken limb.

ACCIDENTS THE RESULT OF HEAT.—A serious accident in this city occurred by the chain on a circus van's wheel snapping when it was going down a steep street. About the same time a rudder chain broke on a steamer while descending Lachine Rapids which was very nearly fatal to several hundred passengers. Two other similar accidents occurred during the great heat of last week. It should be remembered that iron and steel fittings are made liable to breakage by heat. Such appliances as the above ought to be systematically inspected.

THE MOST COSTLY INSURANCE.—Second Vice President Perkins of the New York Life argues thus against assessment insurance: "Will an assessment policy have any value in ten, fifteen or twenty years? No sir! Can you ever borrow money against an assessment policy? Not a penny! Will an assessment concern guarantee that its rates won't increase? Never! They admit, in fact, that the rates must increase. They have increased recently in one assessment concern to such a point that many people will be driven out, after having paid for many years. Imagine the great hardships, the great injustice done the insured and their families. The only reason people take assessment or fraternal insurance is because they imagine it is cheap. How absurd. How incorrect. As a matter of fact, it is terribly expensive, the most costly insurance a man could buy."

CEMENT.—In the Cement Age Mr. Edward Atkinson answers a question as follows:

When buildings are constructed of reinforced concrete, finished within with alignum, uralite or other incombustible finish and doors and glazed with wire glass set in metal sash, so there will be no wood in the building, then fitted within with metal shelving and counters, and furnished with desks of incombustible material, the maximum of safety will be attained, and the protection of the contents will be assured by suitable appliances.

This may seem to be a fancy or visionary picture, but even from the partial investigation which I have made on these several points of construction, finishing and furnishing, I feel well assured that the time is not far distant when this full measure of safety will be attained at as low a cost, or even at a less cost than the present methods of mill construction, finishing and furnishing.

STOCK EXCHANGE NOTES.

Wednesday, p.m. July 12, 1905.

The outlook for higher prices continues bright, as general conditions, financially and from harvest prospects are satisfactory. There is already a tendency towards a broadening of business, and the limited increase in demand already seen tends to confirm the idea that stocks are scarce. From this view point it is argued that quotations will advance under any general demand for securities. At the present writing there are a number of stocks selling at an attractive price, whose purchase would be likely to prove profitable in a reasonable period. Montreal Power, on the general position of the Company, should sell higher. The Mackay stocks, both Common and Preferred will likely advance, and on their present dividend are cheap to-day, while Detroit Railway, once the stock is more widely distributed, may move up to par or thereabouts. In the speculative class Havana Common and Preferred, and Dominion Iron Common and Preferred are favourably regarded. Dominion Iron Common was the most active security in this week's trading, the sales totalling over 6,500 shares. Detroit Railway was also actively dealt in, while the business in the rest of the market was of moderate dimensions. The trading in each stock, with the exception of Montreal Street Railway, was under 500 shares. A demand developed for Montreal Street and the price strengthened considerably.

Call money in Montreal remains at 4½ per cent., while in New York the rate to-day was 2¼ per cent., while in London the rate was 1½ per cent.

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

| | Market. | Bank. |
|----------------|---------|-------|
| Paris..... | 1½ | 3 |
| Berlin..... | 1½ | 3 |
| Amsterdam..... | 2½ | 2½ |
| Vienna..... | 3 | 3½ |
| Brussels..... | 2½ | 3 |

C. P. R. has been very inactive, and only 235 shares were dealt in during the week. The stock closed with 151¾ bid, a decline of ¾ of a point from last week's closing quotation. The earnings for the first week of July show a decrease of \$9,000.

The Grand Trunk Railway Company's earnings for the first week of July show a decrease of \$16,656. The stock quotations as compared with a week ago are as follows:—

| | A week ago. | To-day. |
|------------------------|-------------|---------|
| First Preference..... | 109½ | 110 |
| Second Preference..... | 99½ | 99½ |
| Third Preference..... | 50½ | 51 |

Montreal Street Railway sold up to 224¾, and closed with 223½ bid, a net gain of 2 full points for the week, and 1,167 shares changed hands. The earnings for the week ending 8th inst., show an increase of \$6,915.39 as follows:—

| | | Increase. |
|----------------|------------|-----------|
| Sunday..... | \$7,818.48 | \$ 518.25 |
| Monday..... | 9,118.33 | 1,504.21 |
| Tuesday..... | 8,657.35 | 1,270.09 |
| Wednesday..... | 7,896.52 | 967.26 |
| Thursday..... | 8,161.50 | 748.80 |
| Friday..... | 7,994.02 | 726.17 |
| Saturday..... | 9,439.51 | 1,180.61 |

Toronto Railway was fractionally stronger, closing with 105½ bid. The stock continues to be traded in to a very limited extent, the sales this week totalling 296 shares. The earnings for the week ending 8th inst show an increase of \$7,967.90.

| | | Increase. |
|----------------|------------|------------|
| Sunday..... | \$5,890.72 | \$1,135.85 |
| Monday..... | 8,537.35 | 647.50 |
| Tuesday..... | 8,067.67 | 1,220.05 |
| Wednesday..... | 8,281.75 | 1,375.82 |
| Thursday..... | 8,010.09 | 1,140.29 |
| Friday..... | 7,907.11 | 1,023.29 |
| Saturday..... | 9,524.89 | 1,425.10 |

Twin City was not dealt in this week, the only transaction being a broken lot of 2 shares. The closing bid is at a decline of ¼ of a point at 113¾. The earnings for the last nine days of June show an increase of \$4,662.20.

Detroit Railway figured in the week's business to the extent of 3,774 shares, and closed unchanged from a week ago with 93¾ bid, but this is a decline of ¾ of a point from the highest of this week.

The earnings for the last ten days of June show an increase of \$15,110.

In Halifax Tram some transactions took place at 103 47 shares being dealt in, and the closing bid was unchanged from last week at 102.

Toledo Railway on sales for the week of 460 shares closed with 34½ bid, the same quotation as prevailed last week.

Havana Common continues to advance and sold at 16 to-day, a further gain of ¼ of a point for the week and 465 shares were dealt in. The Preferred was traded in to the extent of 135 shares, and closed with 63 bid, a decline of 1½ points on quotation for the week.

R. & O. has advanced in price and closed with 71 ¾ bid a gain of 7/8 of a point on limited transactions, only 30 shares changing hands during the week's business.

Montreal Power is stronger, closing with 92 bid and 804 shares came out during the trading of the week.

Mackay Common which has been inactive for some time past, came into prominence to-day and advanced to 40¾ bid, a gain of 1½ points for the week on sales of 375 shares. The Preferred has also advanced in price, and closed with 73½ bid, a gain of 1¼ points over last week. The transactions totalled 497 shares.

Montreal Cotton is firm at 115 bid, and at this price 28 shares changed hands during the week.

Dominion Iron Common advanced to 24 and closed with 23¾ bid, a net gain of ¾ of a point for the week and 6,565 shares were dealt in. The Preferred stock on sales of 100 shares closed with 71 bid, a loss of 1 point from last week's closing quotation, but an advance of 1¼ points from this week's lowest of 69¾. The closing bid for the bonds was 83, a decline of ½ point for the week, and \$11,000 changed hands.

Dominion Coal Common sold up to 82½ but has reacted and closed with 81 bid, a net gain of 1 full point for the week on sales of 338 shares. There was no trading in the Preferred stock, but in the bonds \$115,000 were dealt in, the last sales being made at 100.

Nova Scotia Steel Common closed with 54¾ bid an advance of ¼ point over last week's closing quotation, and 505 shares figured in the week's trading. There were no sales in the Preferred stock nor in the bonds.

There were no transactions in Lake of the Woods Common this week, and the closing bid was X. D., unchanged from a week ago.

| | Per cent. |
|------------------------------|-----------|
| Call money in Montreal..... | 44 |
| Call money in New York..... | 21 |
| Call money in London..... | 11 |
| Bank of England rate..... | 21 |
| Consols..... | 90½ |
| Demand Sterling..... | 91 |
| 60 days' Sight Sterling..... | 9 |

Thursday, p.m., July 13, 1905.

Toronto Railway and Mackay Common were the principal features of to-day's market. Mackay Common advanced further, and after opening at 41½ sold up to 41¾. Toronto on the contrary weakened in price, selling down from 105½ to 104¾. The rest of the market was not notable, Dominion Iron Common being easier around 23¾, and Detroit Railway fractionally weaker at 93¾. A total list of the day's transactions will be found below.

MONTREAL STOCK EXCHANGE SALES

THURSDAY, JULY 13, 1905.
MORNING BOARD.

| No. of Shares | Price | No. of Shares | Price |
|------------------------|-------|--------------------------|-------|
| 25 Power..... | 92¾ | 2 Twin..... | 113 |
| 1 "..... | 92 | 20 Toronto Ry..... | 105½ |
| 75 R. & O..... | 72 | 25 "..... | 104¾ |
| 5 Detroit..... | 93½ | 25 "..... | 105 |
| 125 Iron Com..... | 23¾ | 50 "..... | 104¾ |
| 75 Scotia Com..... | 54½ | 3 "..... | 105½ |
| 250 Mackay Com..... | 41¾ | 50 "..... | 104¾ |
| 200 "..... | 41¾ | 12 Switch Com..... | 101 |
| 250 "..... | 41¾ | 20 "..... | 100 |
| 100 "..... | 41¾ | 11 Union Bank..... | 145 |
| 100 "..... | 41¾ | 3 Ogilvie Rights..... | 7 |
| 40 " Pfd. | 73¾ | 1 Bank of Toronto..... | 228 |
| 14 Merchants Bank..... | 164 | 50 C.P.N. | 152 |
| 3 Commerce..... | 165 | 50 "..... | 152¾ |
| 9 "..... | 165¾ | 4 Iron Pfd..... | 69 |
| 10 Havana..... | 16 | \$500 Street Bonds. | 101¾ |
| 225 Street..... | 224¾ | \$86.66 Textile Pfd..... | 85¾ |
| 25 Twin..... | 113¾ | | |

AFTERNOON BOARD.

| | | | |
|------------------------|------|------------------------|-----|
| 27 Toronto Ry.. .. | 105 | 1 Bank of Toronto.. .. | 229 |
| 50 "..... | 101¾ | 25 Detroit..... | 93¾ |
| 125 Iron Com..... | 23¾ | 120 "..... | 93¾ |
| 200 Soc Com..... | 123¾ | 25 Scotia Com..... | 54¾ |
| 125 "..... | 123¾ | 50 R. & O..... | 72¾ |
| 13 Ogilvie Rights..... | 7 | | |

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 |
|---------------|--------------|--------------|--------------|-----------------------|
| May 31..... | \$13,734,876 | \$12,368,183 | \$13,385,989 | 1,017,806 |
| Week ending. | 1903. | 1904. | 1905. | Increase ^c |
| June 7..... | 635,497 | 670,758 | 643,759 | Dec. 26,999 |
| 14..... | 701,996 | 712,605 | 663,858 | " 48,747 |
| 21..... | 699,726 | 730,201 | 689,821 | " 40,200 |
| 30..... | 980,607 | 1,028,522 | 995,896 | " 32,626 |
| July 7..... | 697,973 | 712,582 | 695,926 | " 16,626 |

CANADIAN PACIFIC RAILWAY

| Year to date. | 1903. | 1904. | 1905. | Increase |
|---------------|--------------|--------------|--------------|-------------|
| May 31..... | \$17,157,000 | \$17,008,000 | \$18,753,000 | \$1,745,000 |

GROSS TRAFFIC EARNINGS

| Week ending | 1903. | 1904. | 1905. | Increase |
|-------------|-----------|-----------|-----------|-------------|
| June 7..... | \$926,000 | 1,018,000 | 972,000 | Dec. 46,000 |
| 14..... | 908,000 | 987,000 | 922,000 | 5,000 |
| 21..... | 948,000 | 983,000 | 1,022,000 | 39,000 |
| 30..... | 1,318,000 | 1,377,000 | 1,390,000 | 13,000 |
| July 7..... | 914,000 | 1,012,000 | 1,003,000 | " 9,000 |

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 | | |
| August..... | 1,434,102 | 1,527,930 | | |
| September..... | 1,202,266 | 1,268,808 | | |
| October..... | 1,654,027 | 1,566,114 | | |
| November..... | 1,477,981 | 1,669,575 | | |
| December..... | 1,581,145 | 1,662,669 | | |
| Total..... | 15,708,799 | 13,689,804 | | |

CANADIAN NORTHERN RAILWAY.

GROSS TRAFFIC EARNINGS.

| July 1st, 1902 to | July 1st, 1903 to | Increase | |
|-------------------|-------------------|-----------|----------|
| June 30, 1903 | June 30, 1904 | \$820,350 | |
| \$2,304,450 | \$3,124,800 | | |
| Week ending. | 1904. | 1905. | Increase |
| June 7..... | 64,100 | 82,400 | 18,300 |
| 14..... | 67,900 | 84,800 | 16,900 |
| 21..... | 68,400 | 89,900 | 21,500 |
| 30..... | 97,200 | 131,800 | 34,600 |
| July 7..... | 60,300 | 83,700 | 23,400 |

DULUTH, SOUTH SHORE & ATLANTIC.

| Week ending. | 1903. | 1904. | 1905. | Increase |
|--------------|----------|----------|----------|----------|
| June 7..... | \$59,895 | \$50,052 | \$53,392 | \$3,340 |
| 14..... | 63,548 | 51,469 | 54,924 | 3,455 |
| 21..... | | 47,796 | 59,212 | 11,416 |

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 | 209,910 | 16,005 |
| May..... | 170,773* | 217,341 | 232,999 | 15, 68 |
| June..... | 205,454 | 229,565 | 244,436 | 14,871 |
| July..... | 212,337 | 223,137 | | |
| August... | 208,586 | 226,764 | | |
| September. | 213,156 | 216,295 | | |
| October... | 204,452 | 219,633 | | |
| November. | 187,930 | 201,147 | | |
| December. | 187,780 | 208,428 | | |
| Week ending. | 1903. | 1904. | 1905. | Increase |
| June 7.... | 48,706 | 48,134 | 53,274 | 5,140 |
| 14..... | 45,879 | 52,959 | 53,005 | 46 |
| 21..... | 44,005 | 53,474 | 60,390 | 6,916 |
| 30..... | 67,495 | 74,892 | 77,767 | 2,769 |
| July 7.... | 50,390 | 50,764 | 58,230 | 7,466 |

TORONTO STREET RAILWAY.

| Month. | 1903. | 1904. | 1905. | Increase |
|------------|------------|------------|------------|----------|
| January.. | \$ 161,938 | \$ 179,360 | \$ 196,970 | \$17,610 |
| February.. | 146,539 | 168,904 | 185,377 | 16,473 |
| March.... | 159,943 | 183,643 | 207,014 | 23,371 |

* Strike. † Spanish Silver.

TORONTO STREET RAILWAY.

| Month | 1903. | 1904. | 1905. | Increase |
|--------------|-----------|---------|-----------|----------|
| 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 | | |
| August... | 185,822 | 217,887 | | |
| September. | 237,010 | 246,862 | | |
| October... | 183,810 | 202,344 | | |
| November. | 174,039 | 198,150 | | |
| December. | 199,115 | 213,662 | | |
| Week ending. | 1903. | 1904. | 1905. | Inc |
| June 7..... | 41,272 | 49,768 | 50,884 | 1,111. |
| 14..... | 37,432 | 47,022 | 51,814 | 4,796 |
| 21..... | 40,475 | 48,034 | 54,294 | 6,260 |
| 30..... | 54,937 | 62,658 | 74,148 | 11,490 |
| July 7..... | 50,290 | 48,155 | 55,336 | 7,181 |

TWIN CITY RAPID TRANSIT COMPANY.

| Month, | 1903. | 1904. | 1905. | Inc. |
|--------------|-----------|-----------|-----------|---------|
| January.. | \$310,084 | \$329,354 | \$349,469 | 20,111 |
| February.. | 280,047 | 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 | | |
| July..... | 362,702 | 383,224 | | |
| August... | 363,579 | 386,629 | | |
| September. | 370,349 | 371,476 | | |
| October... | 346,673 | 365,932 | | |
| November. | 333,424 | 352,433 | | |
| December. | 357,452 | 374,738 | | |
| Week ending. | 1903. | 1904. | 1905. | Inc |
| June 7..... | \$83,982 | \$84,560 | \$90,102 | \$5,542 |
| 14..... | 81,779 | 83,778 | 90,931 | 7,151 |
| 21..... | 77,907 | 85,259 | 91,130 | 5,87 |
| 30..... | 102,349 | 112,300 | | |

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 | | |
| July..... | 15,942 | 17,528 | | |
| August... | 16,786 | 17,402 | | |
| September. | 18,494 | 17,862 | | |
| October... | 12,055 | 12,434 | | |
| November. | 11,220 | 11,085 | | |
| December. | 12,160 | 12,163 | | |
| Week ending. | 1903. | 1904. | 1905. | Inc |
| June 7..... | \$2,566 | \$2,910 | \$2,720 | Dec. 190 |
| 14..... | 2,575 | 2,952 | 2,839 | " 113 |
| 21..... | 2,840 | 3,523 | 3,046 | " 477 |
| 30..... | 3,862 | 4,666 | 4,191 | " 475 |

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 | " 1 |
| April.... | 10,156 | 12,116 | 11,964 | " 152 |
| May..... | 9,020 | 9,756 | | |
| June..... | 8,368 | 8,998 | | |
| July..... | 8,351 | 8,952 | | |
| August... | 8,826 | 9,596 | | |
| September. | 10,781 | 11,720 | | |
| October.. | 13,186 | 14,209 | | |
| November. | 14,200 | 16,273 | | |
| December. | 16,611 | 17,684 | | |

DETROIT UNITED RAILWAY.

| Week ending | 1904 | 1905 | Increase |
|-------------|----------|---------|----------|
| June 7..... | \$87,045 | 97,532 | 10,487 |
| 14..... | 91,318 | 99,665 | 8,348 |
| 21..... | 92,706 | 107,714 | 15,007 |
| 30..... | 117,128 | 132,238 | 15,110 |

HAVANA ELECTRIC RAILWAY CO.

| Week ending | 1904 | 1905. | Increase |
|-------------|--------|----------|----------|
| July 3..... | 31,680 | \$38,970 | 7,290 |
| " 10..... | 23,545 | 40,523 | 6,978 |

STOCK LIST

Reported for THE CHRONICLE by **R. Wilson-Smith & Co.,** 160 St. James Street, Montreal.
Corrected to July, 12th, 1905, P.M.

| BANKS. | Capital subscribed | Capital paid up | Reserve Fund | Per centage of Reserve to paid up Capital | value of one share. | Market value of one share. | Dividend for last half year | Revenue per cent. on investment at present prices. | Closing prices per cent. on par. | When Dividend payable. | |
|----------------------------------|--------------------|-----------------|--------------|---|---------------------|----------------------------|-----------------------------|--|----------------------------------|------------------------|---------------------|
| | \$ | \$ | \$ | % | \$ | \$ | Per Cent. | Per Cent. | Asked. Bid. | April | Nov. Dec. |
| British North America | 4,866,666 | 4,866,666 | 2,044,000 | 42.00 | 243 | 315.90 | 3 | 4.61 | 130 | 130 | Nov. Dec. |
| Canadian Bank of Commerce | 9,719,850 | 9,686,270 | 3,804,508 | 40.33 | 80 | 82.50 | 3 1/2 | 4.26 | 115 | 115 | June |
| Crown Bank of Canada | 771,300 | 804,508 | | | | | | | | | |
| Dominion | 3,000,000 | 3,000,000 | 3,500,000 | 110.66 | 50 | | 3 1/2* | | | | Jan. Apr. Jul |
| Eastern Townships | 2,500,000 | 2,469,910 | 1,500,000 | 60.00 | 100 | 170.00 | 4 | 4.70 | 170 | 160 | January |
| Hamilton | 2,237,400 | 2,235,540 | 2,100,321 | 94.00 | 100 | | 5 | | | | June |
| Hochelaga | 2,000,000 | 2,000,000 | 1,300,000 | 65.00 | 100 | 137.00 | 3 1/2 | 5.23 | 137 | 116 | June |
| Imperial | 5,000,000 | 5,000,000 | 3,000,000 | 60.00 | 100 | 240.00 | 5 | 4.16 | 240 | | June |
| La Banque Nationale | 1,500,000 | 1,500,000 | 600,000 | 33.33 | 30 | | | | | | May |
| Merchants Bank of P.E.I. | 344,073 | 344,073 | 296,000 | 86.02 | 32.44 | | 4 | | | | Jan. July |
| Merchants Bank of Canada | 6,000,000 | 6,000,000 | 3,200,000 | 53.33 | 100 | 166.00 | 3 1/2 | 4.11 | 166 | | June |
| Metropolitan Bank | 1,000,000 | 1,000,000 | 1,000,000 | 100.00 | 50 | | | | | | June |
| Moisons | 5,000,000 | 3,000,000 | 3,000,000 | 60.00 | 100 | 114.00 | 4 1/2 | 3.93 | 228 | 225 | April |
| Montreal | 14,000,000 | 14,000,000 | 10,000,000 | 71.42 | 100 | 257.00 | 5 | 3.96 | 252 | | Oct |
| New Brunswick | 500,000 | 500,000 | 800,000 | 160.00 | 100 | | 6 | | | | January |
| Nova Scotia | 2,153,830 | 2,108,300 | 3,373,280 | 160.00 | 100 | 265.00 | 3 | 3.77 | 265 | 200 | February |
| Ontario | 1,500,000 | 1,500,000 | 600,000 | 40.00 | 100 | 111.00 | 3 | 4.25 | 141 | | June |
| Ottawa | 2,500,000 | 2,500,000 | 2,500,000 | 100.00 | 100 | 215.00 | 4 1/2 | 4.18 | 215 | | June |
| People's Bank of Halifax | 1,600,000 | 1,000,000 | 440,000 | 44.00 | 20 | | 4 | | | | March |
| People's Bank of N. B. | 180,000 | 180,000 | 175,000 | 97.22 | 150 | | 4 | | | | January |
| Provincial Bank of Canada | 846,537 | 828,317 | | | 100 | | 1 1/2 | | | | June |
| Quebec | 2,500,000 | 2,500,000 | 1,700,000 | 68.00 | 100 | 130.50 | 3 1/2 | 5.38 | 130 | | June |
| Royal | 3,000,000 | 3,000,000 | 3,000,000 | 100.00 | 100 | 225.00 | 4 | 3.55 | 225 | 210 1/2 | February |
| Sovereign Bank | 1,300,000 | 1,300,000 | 400,000 | 30.77 | 100 | | 1 1/2* | | | | Feb. May Aug. Nov |
| Standard | 1,000,000 | 1,000,000 | 1,000,000 | 100.00 | 50 | | | | | | June |
| St. Stephens | 300,000 | 200,000 | 45,000 | 15.00 | 100 | | 3 | | | | April |
| St. Hyacinthe | 504,500 | 529,515 | 75,000 | 14.36 | 100 | | 3 | | | | February |
| St. Johns | 800,000 | 292,785 | 10,000 | 1.25 | 100 | | 3 | | | | June |
| Toronto | 3,000,000 | 3,000,000 | 3,300,000 | 110.00 | 100 | 234.00 | 5 & 1/2 | 4.70 | 234 | | June |
| Traders | 3,000,000 | 2,923,275 | 700,000 | 23.69 | 100 | | 3 1/2 | | | | June |
| Union Bank of Halifax | 1,336,150 | 1,336,150 | 1,070,000 | 79.71 | 50 | | 3 1/2 | | | | Feb. |
| Union Bank of Canada | 2,500,000 | 2,500,000 | 1,000,000 | 40.00 | 100 | 140.00 | 3 1/2 | 4.96 | 140 1/2 | 140 | February |
| Western | 2,000,000 | 2,000,000 | 500,000 | 25.00 | 100 | | 3 1/2 | | | | June |
| Yarmouth | 300,000 | 300,000 | 35,000 | 11.66 | 75 | | 3 1/2 | | | | Feb. |
| MISCELLANEOUS STOCKS. | | | | | | | | | | | |
| Bell Telephone X D | 7,975,100 | 7,916,950 | 135,607 | 25.53 | 100 | 155.00 | 3* | 5.19 | 155 | 152 | Jan. Apr. Jul. Oct. |
| Can. Colored Cotton Mills Co. | 2,700,000 | 2,700,000 | | | 100 | | | | | | January |
| Canada General Electric | 1,475,000 | 1,475,000 | 265,000 | 18.00 | 100 | | 5 | | | | April |
| Canadian Pacific | 101,400,000 | 94,020,000 | 4,928,122 | 34.75 | 100 | 152.00 | 3 | 3.94 | 152 | 151 1/2 | Jan. Apr. Jul. Oct. |
| Commercial Cable | 15,000,000 | 15,000,000 | | | 100 | | 1 1/2* & 1 | | | | June |
| Detroit Electric St | 12,500,000 | 12,500,000 | | | 100 | 93.75 | 1 1/2 | 8.25 | 93 1/2 | 93 | Feb. June S. Dec. |
| Dominion Coal Preferred | 3,000,000 | 3,000,000 | | | 100 | | 3 1/2 | | | | Jan. |
| do Common | 15,000,000 | 15,000,000 | | | 100 | 82.00 | | | 82 | 81 | July |
| Dominion Textile Co Com | 7,500,000 | 5,000,000 | | | 100 | | | | | | |
| do Pfd | 2,500,000 | 1,343,000 | | | 100 | | | | | | |
| Dom. Iron & Steel Com | 30,000,000 | 30,000,000 | | | 100 | 24.00 | | | 24 | 20 1/2 | |
| do Pfd | 5,000,000 | 5,000,000 | | | 100 | 72.00 | | | 72 | 71 | |
| Duluth, S. & Atlantic | 12,000,000 | 12,000,000 | | | 100 | | | | | | |
| do Pfd | 10,000,000 | 10,000,000 | | | 100 | | | | | | |
| Halifax Tramway Co. | 1,250,000 | 1,250,000 | | | 100 | | 1 1/2* | 4.70 | 104 | 102 | Jan. Apr. July Oct |
| Hamilton Electric St. Com. | 1,700,000 | 1,700,000 | | | 100 | | | | | | January |
| do Pfd | 2,278,000 | 2,278,000 | | | 100 | | 2 1/2 | | | | July |
| Intercolonial Coal Co. | 500,000 | 500,000 | 90,474 | 18.09 | 100 | | 7 1/2 | | | | Jan. |
| do Preferred | 219,700 | 219,700 | | | 100 | | 3 | | | | Feb. |
| Laurentide Paper Co. | 1,000,000 | 1,000,000 | | | 100 | | 3 1/2* | | | | Jan. July |
| Laurentide Paper, Pfd. | 1,000,000 | 1,000,000 | | | 100 | | | | | | January |
| Lake of the Woods Co. X D | 2,500,000 | 2,000,000 | | | 100 | 97.60 | | | 97 | | July |
| Lake of the Woods Mill. Co. Pfd. | 1,500,000 | 1,600,000 | | | 100 | | 1 1/2* | | | | Feb. May Aug. Nov |
| Marconi Wireless Telegraph Co. | 5,000,000 | | | | 100 | | | | | | Jan. July |
| MacKay Companies Com | 50,000,000 | 41,280,400 | | | 100 | 41.00 | 1 | 5.00 | 41 | 40 1/2 | Jan. Apr. Jul. Oct |
| do Pfd | 8,000,000 | 35,000,000 | | | 100 | 87.50 | 1* | 8.47 | 74 | 73 1/2 | Jan. Apr. July Oct |
| Min. St. Paul & S.S.M. | 14,000,000 | 15,000,000 | | | 100 | | 2 | | | | Jan. July |
| do Pfd | 7,000,000 | 7,000,000 | | | 100 | | 3 1/2* | | | | July |
| Montreal Cotton Co. | 3,000,000 | 3,000,000 | | | 100 | 118.00 | 3 1/2 | 5.98 | 118 | 115 | Mar. Jun. Sep. Dec. |
| Montreal Light, Ht. & Pwr. Co. | 17,000,000 | 17,000,000 | | | 100 | 92.25 | 1 1/2 | 4.34 | 92 1/2 | | Feb. May Aug. Nov |
| Montreal Steel Works, Pfd | 800,000 | 800,000 | | | 100 | | 1 1/2* | | | | Feb. Jun. Sep. Dec. |
| do Com | 700,000 | 400,000 | | | 100 | | | | | | |
| Montreal Street Railway | 7,000,000 | 7,000,000 | 698,379 | 13.31 | 50 | 224.00 | 2 1/2* | 4.48 | 224 | 223 1/2 | Feb. May Aug. Nov |
| Montreal Telegraph | 2,000,000 | 2,000,000 | | | 100 | | 2* | | | | Jan. Apr. Jul. Oct |
| National Salt Com | 7,000,000 | 7,000,000 | | | 100 | | 1 1/2 | | | | June |
| do Pfd | 5,000,000 | 5,000,000 | | | 100 | | | | | | December |
| North-West Land, Com. | 1,467,681 | 1,467,681 | | | 25 | | | | | | |
| do Pref | 3,000,625 | 3,000,625 | | | 100 | | 6 1/2 | | | | March |
| N. Scotia Steel & Coal Co. Com. | 4,120,000 | 5,000,000 | 750,000 | 15.00 | 100 | 64.12 | | | 54 1/2 | 54 1/2 | Jan. Apr. Jul. Oct |
| do Pfd | 1,030,930 | 1,030,000 | | | 100 | | 2* | | | | Jan. Apr. Jul. Oct |
| Ogilvie Flour Mills Co. X R | 1,250,000 | 1,250,000 | | | 100 | | | | 130 | | do |
| do Pfd | 2,000,000 | 2,000,000 | | | 100 | | 1 1/2* | | | | do |
| Richelieu & Ont. Nav. Co. | 3,132,000 | 3,132,000 | | | 100 | 72.50 | | | 72 1/2 | 71 1/2 | Mar. Jun. Sep. Dec. |
| St. John Street Railway | 707,861 | 717,861 | 23,101 | 7.98 | 100 | | 3 | | | | Mar. Jun. Sep. Dec. |
| Toledo Ry & Light Co. | 12,000,000 | 12,000,000 | | | 100 | 35.00 | 1* | 4.47 | 106 | 105 1/2 | Jan. Apr. Jul. Oct |
| Toronto Street Railway | 6,800,000 | 6,800,000 | 1,454,136 | 21.30 | 100 | 106.00 | | | | | Jan. Apr. Jul. Oct |
| Trinidad Electric Ry | 1,200,000 | 1,032,000 | | | 100 | 4.80 | 1 1/2* | | | | Jan. Apr. Jul. Oct |
| Iwila City Rapid Transit Co. | 16,511,000 | 16,511,000 | 2,163,507 | 14.41 | 100 | 113.50 | 1 1/2* | 4.38 | 113 1/2 | 113 1/2 | Feb. May Aug. Nov |
| do Preferred | 3,000,000 | 3,000,000 | | | 100 | | 1 1/2* | | | | Dec. Mar. Jun. Sep. |
| Windsor Elec. | 80,000 | 800,000 | | | 100 | | 3 | | | | May |
| Winnipeg Hotel, St. Railway Co. | 410,000 | 4,000,000 | | | 100 | 20.00 | 1 1/2* | 2.50 | 200 | | Jan. Apr. Jul. Oct |

Quarterly. *Bonus per cent. †Price per Share ‡Annual. § These figures are corrected from last Govt. Bank Statement APRIL 29th., 1905.

STOCK LIST - Continued.

| BONDS. | Rate of Interest per annum | Amount outstanding. | When Interest due | Where Interest payable. | Date of Redemption. | Latest quotations. | REMARKS. |
|------------------------------------|----------------------------|---------------------|--------------------------------|--|---------------------|--------------------|--------------------------------------|
| Commercial Cable Coupon | 4 | \$18,000,000 | 1 Jan. 1 Apl. 1 July 1 Oct. | New York or London | 1 Jan., 1907. | 96 96 | |
| Can. Colored Cotton Co. | 6 | 2,000,000 | 2 Apl. 2 Oct. | Bank of Montreal, Montreal | 2 Apl., 1902. | 98 | |
| Canada Paper Co. | 5 | 200,000 | 1 May 1 Nov. | Merchants Bank of Can., Montreal | 1 May, 1917. | ..... |  |
| Bell Telephone Co. | 5 | 2,090,000 | 1 Apl. 1 Oct. | Bank of Montreal, Montreal | 1 Apl., 1925. | ..... |  |
| Dominion Coal Co. | 6 | 2,433,000 | 1 Feb. 1 Sep. | Bank of Montreal, Montreal | 1 Feb., 1913. | ..... | Redeemable at 110 |
| Dominion Cotton Co. | 4 1/2 | \$ 808,200 | 1 Jan 1 July | ..... | 1 Jan., 1916. | ..... | do 105 after 5 yrs |
| Dominion Textile Co. Series A | 6 | 758,500 | ..... | ..... | ..... | 87 1/2 | Redeemable at 105 |
| do do B | 6 | 1,162,000 | ..... | ..... | ..... | 88 | Redeemable at 105 |
| do do C | 6 | 1,030,000 | ..... | ..... | ..... | 91 | Redeemable at 105 |
| do do D | 6 | 450,000 | ..... | ..... | ..... | 83 1/2 | Redeemable at 110 & accrued interest |
| Dominion Iron & Steel Co. (s.c.) | 6 | \$ 7,876,000 | 1 Jan. 1 July | Bank of Montreal, Montreal | 1 July, 1929. | ..... | Redeemable at 108 |
| Halifax Tramway Co. | 5 | \$ 600,000 | 1 Jan. 1 July | Bk. of N. Scotia., Hal. or Montreal | 1 Jan., 1916. | ..... |  |
| Intercolonial Coal Co. | 5 | 344,000 | 1 Apl. 1 Oct. | ..... | 1 Apl., 1918. | 106 1/2 | |
| Laurentide Pulp | 6 | 1,112,000 | ..... | ..... | ..... | 109 | |
| Montmorency Cotton | 5 | 1,000,800 | ..... | ..... | ..... | ..... |  |
| Montreal Gas Co. | 4 | 489,074 | 1 Jan. 1 July | Company's Office Montreal | 1 July, 1921. | ..... |  |
| Montreal Light, Heat and Power | 4 1/2 | 7,500,000 | 1 Jan. 1 July | Bank of Montreal, Montreal | 1 July, 1932. | 102 1/2 | Redeemable at 105 |
| Montreal Street Ry. Co. | 5 | 292,000 | 1 Feb. 1 Sep. | Bank of Montreal, London, Eng. | 1 Feb., 1908. | ..... | after Jan. 1st, 191 |
| do do do | 4 1/2 | 881,333 | 1 Feb. 1 Aug. | Bank of Montreal, Montreal | 1 Aug., 1922. | ..... |  |
| do do do | 4 1/2 | 1,500,000 | 1 May 1 Nov. | Bank of Montreal, Montreal | 1 May, 1922. | 103 | |
| Nova Scotia Steel & Coal Co. | 6 | 2,500,000 | 1 Jan. 1 July | Union Bank, Halifax, or Bank of Nova Scotia, Mont'l or Tr'n'to | 1 July, 1931. | 107 | |
| Ogilvie Flour Mill Co. | 6 | 1,000,000 | 1 June 1 Dec | Bank of Montreal, Montreal | 1 June, 1932 | 116 | Redeemable at 110 after June 30 |
| Shelburne & Ont. Nav. Co. | 5 | 471,580 | 1 Feb. 1 Sep. | Montreal and London | 1 Feb., 1915 | 103 | Redeemable at 100 |
| St. John Electric Co. | 4 1/2 | \$ 120,900 | 1 Apl. 1 Oct. | Bk. of Montreal, Mont'l or London | 1 Oct., 1914 | ..... | Redeemable at 105 |
| 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 192 |
| Toronto Railway | 4 1/2 | 800,000 | 1 Jan. 1 July | Bank of Scotland, London | 1 July, 1914 | ..... |  |
| do do do | 4 1/2 | 2,509,953 | 28 Feb. 31 Aug. | ..... | 31 Aug. 1921 | 103 | |
| Windsor Hotel | 4 1/2 | 340,000 | 1 Jan. 1 July | Windsor Hotel, Montreal | 2 July, 1912 | ..... |  |
| Winnipeg Elec Street Railway. | 5 | 3,000,000 | 1 Jan. 1 July | Bank of Montreal, Montreal | 1 Jan., 1927 | 104 1/2 | |
| Windsor Ry. & Light Co. | 5 | 700,000 | 1 Jan. 1 July | ..... | 1 July, 1912 | ..... |  |
| do do do | 5 | 5,185,000 | 1 Jan. 1 July | ..... | 1 July, 1907 | ..... |  |
| do do do | 5 | 4,000,000 | 1 Jan. 1 July | ..... | 1 July 1909 | ..... |  |

[FIRE]

German American
Insurance Company
New York

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

AGENCIES THROUGHOUT CANADA.

Founded 1805—The Oldest Scottish Fire Office.

Caledonian Insurance Company

Extracts from the One-hundredth Annual Report.

FIRE DEPARTMENT.

| | |
|--|-------------|
| Net Premiums for 1904 (an increase of \$226,315) | \$2,096,195 |
| Interest on Fire Funds | 81,225 |
| | <hr/> |
| | \$2,177,420 |
| Deduct—Claims (Loss ratio 63.95 per cent) | \$1,340,535 |
| Less Sum provided in 1903 to meet Baltimore losses | 225,000 |
| | <hr/> |
| (Loss ratio allowing for sum deducted above, 53.22 per cent.) | \$1,115,535 |
| Commission, Expenses, and Taxes (35.23 per cent.) | 738,400 |
| | <hr/> |
| | \$1,853,935 |
| Addition to Reserve for Unexpired Risk, 44 per cent. on increase in Premiums | 99,580 |
| | <hr/> |
| | 1,953,515 |
| Sum carried to Profit and Loss Account | <hr/> |
| | \$223,905 |

DIVIDEND.

The balance of the Profit and Loss Account is \$462,640. Out of this sum the Directors recommend that a Dividend be declared at the rate of \$5 per Share and Bonus of \$1 per Share, the combined Dividend and Bonus (being the same as declared last year) to be paid free of Income Tax by equal half-yearly instalments of \$3 per Share on 15th May and 11th November next. This will absorb \$129,000, leaving a balance of \$333,640 to be carried forward.

FIRE REVENUE ACCOUNT (1904).

| | | | |
|--|-------------|---|-------------|
| Fire Funds at 31st December, 1903— | | | |
| Guarantee Fund | \$1,350,000 | Fire Claims (after deducting sums reinsured) | \$1,340,535 |
| Reserve for Unexpired Risk | 822,745 | Commission | 409,585 |
| Special provision towards 1904 Losses | 225,000 | Expenses of Management | 292,315 |
| | <hr/> | Foreign and Colonial Taxes | 36,500 |
| Premiums | \$2,670,390 | 2,397,745 | |
| Less Reinsurance | 574,195 | | \$2,078,935 |
| | <hr/> | | 2,096,195 |
| Interest and Rents from Fire Funds (less Income Tax) | 81,225 | Carried to Profit and Loss Account | 223,905 |
| | <hr/> | Fire Funds at end of Year, as per General Balance Sheet— | |
| | | Guarantee Fund | \$1,350,000 |
| | | Reserve for Unexpired Risk, 44 per cent. on 1904 Premiums | 922,325 |
| | | | <hr/> |
| | | | 2,272,325 |
| | <hr/> | | |
| | \$4,575,165 | | \$4,575,165 |

PROFIT AND LOSS ACCOUNT (1904).

| | | | |
|---|-----------|---|-----------|
| Balance from 1903 | \$339,325 | Dividend and Bonus paid in 1904 | \$129,000 |
| Interest (less Income Tax) yielded by investments representing Paid-up Capital, and Amount in Profit and Loss Account | 32,650 | Bad and Doubtful Debts | 865 |
| Transfer Fees | 70 | Income Tax on untaxed Interest | 3,445 |
| Transferred from Fire Account | 223,905 | Balance | 462,640 |
| | <hr/> | | |
| | \$595,950 | | <hr/> |
| | | | \$595,950 |

FUNDS.

| | |
|---|------------|
| Capital paid up | \$ 537,500 |
| Fire Insurance Funds | 2,272,325 |
| Balance Profit and Loss Account | 462,640 |
| Life and Annuity Fund | 11,197,525 |

Total Funds, 31st Dec., 1904 \$14,469,990

NOTE:—In the above, \$5 are taken as equivalent to £1 Sterling.

HEAD OFFICE:

19 George Street, Edinburgh.

LONDON OFFICE:

82 King William Street, E.C.

GENERAL MANAGER—Robert Chapman.

CANADIAN BRANCH OFFICE:

112 ST. JAMES ST., cor. Place d'Armes MONTREAL.

LANSING LEWIS, Manager.

JOHN G. BORTHWICK, Secretary.

LONDON LETTER.

FINANCE.

London, England, 29 June, 1905.

Another attempt to work off upon the confiding British public a Canadian "investment," which does not appear likely to raise the Canadian standard in British eyes is being made by one Tewkesbury, (formerly of U.S.A.), who now runs here what he styles the Investment Corporation of England. This grandiloquent designation is used for the purpose of circularising investors to whom is suggested the wisdom of buying the \$250 fully paid 6 per cent. debenture bonds on "Canadian Railways Finance Company, Ltd."—a company which we learn has "acquired the rights powers and privileges of Hudson's Bay and Pacific Railway Company."

Truthful particulars now published on this side, show that the last mentioned company obtained its charter in 1896, and for the last nine years has been engaged in a valiant endeavour to raise the 15 per cent. of the capital stipulated in the charter as the minimum with which to begin work, but without success. The said capital was fixed at \$8,000,000 and there was an authorised debenture issue of \$32,000,000. These are easy figures, but of course quite nominal.

The charter has been renewed three times, in order to give this company a chance of raising the proper quota of capital, but it is to lapse finally on October 1, unless the money be then raised. Hence a last desperate attempt to sell 2,000 \$250 debentures in a concern which is publicly charged here with having no commercial prospect even should it succeed in taking material shape. By most diligent efforts in the direction of financial obfuscation it is shown in plausibly worded circulars that these bonds will easily be worth over \$9,000 after 1910.

It does not seem that our banking houses will find the half year which is just closing, has been so profitable as was expected when the period commenced. Money has fallen in value pretty swiftly. The average Bank of England rate for the half year is £2 13s 9d per cent., as compared with £3 2s 6d per cent for the corresponding period (six months) of 1904. This reduction in the lending rates is illustrative of the whole market, and a principal cause is found in the way in which gold has been retained in this country, thanks to the improvement of our exchange balance with other countries.

The stock of bullion held at the Bank of England has increased from \$155,000,000 to \$194,000,000 and the expansion of credit facilities is wider than this. Banks which make a practice of taking in large quantities find (three months) bills from the market have not fared so badly on the half year as the profit margin between the average rate for these bills and the average deposit rate has been £1 0s 9d per cent. against only 11-4 per cent. for the June half of 1904.

This business in fine paper, however, is a dwindling one so far as proportion to total business done is concerned. Further the amount of money received on deposit by the banks under their rule of 1 1-2 per cent. under the bank rate is falling. There are also many other reductions. Day to day loans have only command-

ed about £2 1s 8d per cent. as compared with a previous £2 8s per cent., whilst Stock Exchange money has fallen off from £3 4s per cent. to £3 6s per cent.

INSURANCE.

Lord Rothschild speaking at the annual general meeting of shareholders of the Alliance Marine and General Assurance Company, declared in connection with marine business generally, that in view of the unexpected result of 1903 he would not like to prophesy, or be over sanguine as to the final outcome of 1904. So far as could be judged at present, the experience of that year was satisfactory.

This company carefully avoided war business as far as friendly relations with its regular clients was concerned, and has managed to keep its interest outside all the vessels captured. This experience and view of things is typical most of the leading marine companies, but of course, others have been caught very badly.

Just at the moment, London marine underwriters are being asked for rates concerning the shipping in Odessa harbor against damage from the Kinaz Potemkin. Total loss is being priced in the momentarily critical condition of affairs at no less than 75 per cent.

While the Board of Trade is slowly and languidly preparing to organize an inquiry into the doings of the crop of bond-investment, and free-home decrepitudes which have recently increased so tremendously here, there is no falling off in the endeavours of this companies to secure the money of the public.

Of the "free-home" institutions, I have spoken before. There are besides now, quite sixteen bond-investment corporations which generally promise subscribers of \$1.25 per month, a bond of \$250 at maturity. The tenure of these bonds is ten to twelve, and a half-year. Members are offered the further attraction of periodical redemption of the ten companies of \$25 each which are attached to each bond.

Many of them quite improperly use the word insurance as part of their title, and none of them, despite at times doing something indistinguishable from life business, have made the statutory deposit of \$100,000. The sixteen companies between them have issued about seventy thousand pounds.

\$500,000 GOVERNMENT

DEBENTURES.

Offers will be received up to 1st September, 1905, for Debentures to be issued by the Government of Prince Edward Island under authority of an Act passed in 1905. These Debentures will be in denomination of \$1,000, redeemable in 30 years and bearing interest at the rate of 3 1-2 per cent. per annum, payable half yearly. Offers will be received for the whole amount or any part thereof.

Address "The Provincial Treasurer, Charlottetown, Prince Edward Island, Canada."

S. E. REID,
Provincial Treasurer.

15th June, 1905.

BABCOCK & WILCOX, Limited. New York Life Insurance Co's Bldg.
11 Place d'Armes, MONTREAL.

THE BABCOCK & WILCOX PATENT WATER TUBE BOILERS

Are the **MOST SUCCESSFUL BOILERS** of the present day, because of their
High Economy, Great Durability, Perfect Safety

SEND FOR PARTICULARS AND PRICE. TORONTO OFFICE, 114 KING STREET WEST

The Employers' Liability

Assurance Corporation, Limited, of LONDON, ENG.

CAPITAL \$5,000,000

Stands First

in the liberality of its Policy Contracts, in financial strength, and in the liberality of its loss settlements

Personal, Accident, Health, Liability and Fidelity Guarantee Insurance.

RELIABLE SPECIAL AGENTS WANTED IN EVERY CITY AND TOWN.

Canadian . . Government Deposit . . . \$183,181.00

OFFICES: MONTREAL - TORONTO

Managers for Canada, Griffin & Woodland

GUARDIAN

ASSURANCE COMPANY, Ltd.
OF LONDON, Eng.

HEAD OFFICE FOR CANADA.

Guardian Assurance Bui'ding, St. James St.
MONTREAL.



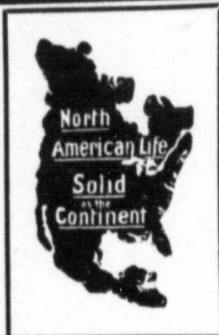
THE GUARDIAN

Has the Largest Paid-Up Capital of any Company in the World transacting a FIRE Business.

| | | |
|-----------------------|---|--------------|
| Subscribed Capital | - | \$10,000,000 |
| Paid-Up Capital | - | 5,000,000 |
| Invested Funds Exceed | - | 25,000,000 |

Established 1821

H. M. LAMBERT, *Manager*
BERTRAM F. HARDS, *Asst Manager*



Record for 1904 of the North American Life Assurance Company.

| | |
|------------------------------------|-------------|
| Policies issued..... | \$6,530,825 |
| An increase over 1903 of \$645,935 | |
| Insurance in force..... | 35,630,188 |
| An increase of \$3,005,095 | |
| Income..... | 1,504,063 |
| An increase over 1903 of \$122,700 | |
| Payments to policy-holders..... | 561,136 |
| An increase over 1903 of \$137,918 | |

The financial position of the Company is unexcelled.

A good Company for both policy-holder and agent.

Applications invited for Agencies in unrepresented district

JOHN L. BLAIKIE, President.

L. GOLDMAN, A.I.A., F.C.A., Managing Director.

HOME OFFICE:- TORONTO

ATLAS ASSURANCE COMPANY LIMITED

With which is Incorporated the
Manchester Assurance Company

Subscribed Capital - - \$11,000,000

Total Security for Policy-Holders exceeds Twenty-five million dollars.
Claims paid exceed One hundred and thirty million dollars.

The Company's guiding principles have ever been Caution and Liberality.

—Conservative selection of the risks accepted and Liberal Treatment when they burn.

Agents—i.e., Real Agents who work—Wanted in Unrepresented Districts

BRANCH OFFICES

NORTHWEST DEPARTMENT, 34 Main St. Winnipeg. R W. Douglas, Local Manager
TORONTO, 22-24 Toronto Street, Toronto. A. Waring Giles, Local Manager.
HEAD OFFICE FOR CANADA, 1735 Notre Dame Street, Montreal.

MATTHEW C. HINSHAW, Branch Manager