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## WHERE THE BUSINESS GOES

A despatch from Washington, discussing Canadian trade, records the fact that geography has been too much for tariffs. The position is emphasized by the statement that Canada buys more from the United States than from all other nations combined. To-day the United States takes almost the entire exports of Canadian minerals of all kinds, the bulk of its forestry exports, over half of the exports of manufactures and a third of its fishery exports. The United Kingdom is the principal market for its agricultural and animal products. The larger takings of Canadian wheat constitute the principal factor that makes England loom larger in the export trade, and the prospects are that in the future the United States will take a much larger proportion of this article.

The main exports from the United States to Canada consist of manufacturers of iron and steel. Next comes coal and coke, of which Canada is one of the largest importers in the world, and its purchases from the United States amounted to \$41,102,569, in 1912. Other large imports from the United States were wood and its manufactures, corn, oils, drugs, and chemicals, raw cotton, gutta percha and its manufactures, cotton goods, fruit, and leather and its manufactures.

The same Washington despatch, with true Yankee pride, says that in spite of tariff preferences Great Britain's share of the Canadian market has steadily declined before the advance of American goods. Geography undoubtedly has a lot to do with the fashioning of Canadian trade statistics, which show that in the year of confederation, the United States took 47.9 per cent. of Canada's total exports; in 1880, 37.9 per cent.; in 1890, 41.9 per cent.; in 1900, 35.7 per cent.; in 1910, 37.35 per cent.; and in 1912, 38.23 per cent. Of Canada's im-

## PRINCIPAL CONTENTS OF THIS ISSUE

<b>Editorial:</b>		
The Lady and the Contract.....		PAGE
Where the Business Goes .....	993	
Criminal Statistics .....	993	
Those Alarm Notes .....	994	
<b>Finance and Economics:</b>		
Canada's Growth and the Trade Balance.....	997	
Farmers Bank Depositors .....	998	
Plea for Currency Reform .....	999	
Over-Expansion by Borrowing .....	1003	
<b>Stock Exchanges:</b>		
Stock Exchange and Investment Business.....	1009	
Prices of the Week .....	1024-25	
<b>Bonds and Municipal Credit:</b>		
Municipalities are Not the Only Borrowers .....	1010	
Alberta's Financing Criticized .....	1028	
Canada and London Market .....	1028	
Debentures Awarded .....	1028	
<b>Commerce and Transportation:</b>		
Richelieu Navigation Merger .....	1000	
Dominion Steel Corporation Report .....	1001	
Million Dollar English Plant .....	1004	
Where Canada Buys Cotton Goods .....	1007	
Tuckett Tobacco Company's Report .....	1012	
International Nickel Company's Report .....	1022	
<b>Insurance:</b>		
Fire Insurance Conditions .....	1006	
Value of Life Insurance.—XVI. ....	1011	
Investment of Life Insurance Companies' Funds .....	1011	
To Raise Money for Union Life .....	1012	
Vancouver Underwriters versus Agent .....	1014	
Fire Insurance Companies and Legislation.....	1018	

ports in 1868 the United States furnished 33.77 per cent.; in 1880, 40.33 per cent.; in 1890, 45.99 per cent.; in 1900, 59.17 per cent.; in 1910, 58.81 per cent., and in 1912, 65.09 per cent.

Much has been said about lack of enterprise in Canada on the part of British manufacturers, but that lack is to some extent imaginary rather than real. The British manufacturer has other markets as well as Canada. He has keen competition in the Dominion from the United States, which has geographical advantages, besides knowing thoroughly the trading methods of the American continent. It is not for this country to make excuses for the comparatively small share of its import trade obtained by Great Britain. Commerce is purely a matter of business. All things being equal, however, Canada might well give the best consideration to the country which is financing, with many millions of dollars every year, the development of the Dominion.

## THE LADY AND THE CONTRACT

The name of Miss Katrine Ellen Fawns will go down in Canadian history, via Hansard, as the lady who caught the Dominion Government napping and caused an historic verbal battle between Hon. Rodolphe Lemieux and Hon. L. P. Pelletier, past and present postmasters-general, respectively. Miss Fawns obtained a twenty-year contract with the government for placing wherever she may please throughout the Dominion pillars for the sale of stamps and for advertising purposes. Mr. Pelletier said that his predecessor signed the agreement. Mr. Lemieux contended he did not. This contradiction and the terms of the contract engaged the attention of parliament for many hours.



One member enquired if the municipal authorities did not have full control of their streets and highways. He was told that the postmaster-general, in His Majesty's name, has the right to put pillar boxes wherever he likes. That power has been transferred to Miss Fawns, and she is entitled to choose the location for these boxes. Mr. Pelletier made some amendments to the contract, but he admits that the post-office department does not get much out of it. The chief advantage appears to be that the stamp vending machines will accelerate the circulation of postage stamps. In the meantime Miss Fawns has transferred her contract to the Dominion Postage Stamp Vending Company, Limited.

The pillar-box which the company will handle, will receive letters and have as part of its make-up an automatic stamp vending-machine. At the top is a revolving drum, which at night is lighted by electricity, and on which advertisements will be displayed. Mr. Nesbitt asked the postmaster-general where the pillars would be placed, and was told that under the contract Miss Fawns has the right to place one at the very door of that gentleman's home. Mr. Nesbitt, therefore, has the prospect of waking up one morning and finding a soap, pickle or mining stock advertisement staring at him from a blood-red pillar-box. Indeed, every good citizen has that prospect, unless they chance to be at church, as Mr. Pelletier has succeeded in amending the contract to the effect that the company "should not have the right to place one of these pillars at the door of a church or any place else merely at their own volition."

Mr. Pelletier said that the agreement was a baby which he found at his doorstep, and he named Mr. Lemieux as the father. The contract was signed on May 20th, 1911. Mr. Lemieux got hold of a document dated May 22nd, 1913, and triumphantly exclaimed: "So it is just signed. It is a new baby." But the postmaster-general claimed that it was the same child clothed in some much-needed amendments.

In the meantime, Miss Katrine Ellen Fawns may smile and the Dominion Postage Stamp Vending Company, Limited, proceed to sell its stock, for it has a fine contract.

**CRIMINAL STATISTICS**

The moral reformer will find food for much reflection in the criminal statistics just issued from Ottawa. During the year covered by the figures, 1911, there were 16,625 charges and 12,627 convictions for indictable offences. There were also 100,633 summary convictions for everything from food adulteration to larceny. Drunkenness accounted for 41,379 of these convictions. The indictable offences include those against the person, against property with violence, against property without violence, malicious offences against property, forgery and offences against the currency, and other offences not included in the foregoing classes.

The occupations of criminals is always an interesting study. The proportion of criminals who were engaged in commercial pursuits was 18.69 per cent. Only 1.31 per cent. were professional men, while 7.60 per cent. were domestics, 6.36 per cent. agricultural and 10.36 per cent. industrial workers. The percentage of criminals who were laborers was 56.68. This is excessively high compared with the other classes of occupations, and it may be assumed that a large number of offenders given as "laborers" in the returns, should have been credited to the more defined classes of occupations, such as agricultural, domestic, commercial or industrial, to which they properly belong.

The civil condition of the convicted shows that 67 out of every 100 were single, 31 married and 2 widowed. The educational status shows that 7 out of every 100 offenders were unable to read or write, 91 had an elementary education and 2 a superior education.

As to ages, 13.79 per cent. were under 16 years, 15.71 per cent. from 16 to 20 years, 55.53 per cent. from 21 to 39 years, and 14.97 per cent. 40 years and over. The use of liquors is represented by the following figures per 100 offenders: 63 moderate and 20 immoderate drinkers, with 17 not given, or "non-drinkers." Eighty-seven out of every hundred offenders were returned as living in cities and towns, and thirteen in rural districts.

The Canadian born criminals represented 50.5 per cent. of the total convictions in 1911, the British born outside of Canada 15.3 per cent., the United States born 5.8 per cent., and the foreign born 12.2 per cent. According to the Census of 1911, the Canadian born constituted 77.9 per cent. of the total population of Canada, the British born outside of Canada 11.6 per cent., the United States born 4.2 per cent., and the foreign born 6.2 per cent.

The statistics reveal the necessity for more stringent regulations throughout the country regarding the carrying of firearms. One of the most gratifying facts contained in the blue book is that juvenile courts have been established in Montreal, Toronto, Winnipeg, Vancouver, Ottawa, Halifax, Victoria and Charlottetown. Everything should be done to prevent the young delinquent from becoming a hardened criminal.

**FARMERS BANK DEPOSITORS**

The depositors of the Farmers Bank have been promised by Premier Borden "a reasonable measure of relief." This will be provided by legislation to be introduced at the next session of parliament. Mr. Borden's statement appears in detail on another page of this issue. The government apparently thinks that the Treasury Board which granted the certificate to the bank has some responsibility in the matter, and that this the government must assume. In that connection, the Premier says: "While the direct subsequent cause of the loss was the fraud and dishonesty of the bank manager in the administration of its affairs, there is nevertheless a certain connection between that loss and the power and status with which he became invested upon the granting of the certificate."

The case is of exceptional character, as Mr. Borden stated, and he plainly intimated that the depositors of two other banks which recently failed will not be granted relief as in the case of the Farmers Bank. This is as it should be, for the Dominion Government can scarcely be expected to shoulder the depositors' burdens when banks fail and argument is aimed at the Treasury Board. Perhaps one of the most important lessons to be learned from the Farmers Bank failure is that the Treasury Board cannot be too careful in granting new bank charters.

**THOSE ALARM NOTES**

The Winnipeg business men's excursion through the prairie provinces was a decided success. The captains of industry of that growing Western metropolis spent nearly three weeks in investigating at first hand conditions in Manitoba, Saskatchewan and Alberta. A paper, "The Overland Observer and Business Man's Bulletin," was circulated every day on their special train. Here is an editorial from the third issue, which appeared when the business men were approaching Prince Albert and Saskatoon:—

"A community spirit is the most desirable factor of a prosperous, contented town. While factories may exist in great number, while a city may have millions going into new buildings every year, while bank clearings soar upwards, and while a city may have thousands of people living in good homes, unless there is a unified interest between the inhabitants, unless each individual



feels that all are interested in him and he in all and others, that the institutions are his to share and rejoice in, there can be no real city. No city or town was ever made without the majority of its citizens doing their part toward the common good.

"The Canadian West has infinite resources. The alarm notes from the eastern world are sounding in our ears, but there is plenty of available cash, however, for legitimate needs. It would be economic folly for Western Canada to hesitate, to falter, to become penurious in its necessary or provident purchasing on the threshold of the era of prosperity it has entered upon.

"Let the ringing note of confidence be sounded throughout the western land at this time by the Winnipeg Business Men, and let the courageous note of a purposeful people, sure of themselves and confident of the future, be heard. The proof of the confidence rests with the people, and as they provide the proof so will be the verdict in a continued prosperity throughout the West. It rests with us."

These optimistic sentiments *The Monetary Times* thoroughly endorses. The statement, however, that "the alarm notes from the eastern world are sounding" is a little wide of the mark. Eastern Canada has the greatest possible confidence in the Canadian West. The alarm notes are sounding, not from Eastern Canada, but from the world's money centres. It, therefore, behoves both East and West to be of good cheer and answer those alarm notes with the proper measure of caution and economy.

**THE BUSINESS OF PROVISIONAL DIRECTOR**

The name of Athol George Robertson is becoming uncommonly frequent as a provisional director. During the past few months, he has appeared as such in connection with the following companies:—

- Photo Specialty Company, Limited, Streetsville, Ont., capital \$40,000.
  - Hagersville Furniture Company, Limited, Hagersville, Ont., \$40,000.
  - S. H. Reynolds & Company, Bothwell, Ont., \$50,000.
  - Alonzo Walker, Limited, Enterprise, Ont., \$40,000.
  - Firby's, Limited, Toronto, \$40,000.
  - Western Hotels, Dryden, Ont., \$40,000.
- Athol George Robertson was also one of the original incorporators of the Amalgamated Moving Picture Shows, Limited, which is offering stock to the public.

**ANOTHER UNITED STATES COMPANY IN CANADA**

The Canadian Connecticut Cotton Mills Company have decided to locate in Sherbrooke, Que., the ratepayers of that city having endorsed a by-law submitted in their behalf. Mr. C. W. Praray, mill architect of New Bedford, Mass., has been in Sherbrooke looking over the site and is preparing plans and specifications for the factory. This concern will invest about a quarter of a million dollars in plant and equipment, and expect to be in operation by January, 1914. Their principal lines are cotton fabric used in the manufacture of automobile tires and a dryer felt used in paper mills.

**BRITISH COLONIAL FIRE COMPANY INCREASES CAPITAL**

A special meeting of the shareholders of the British Colonial Fire Insurance Company, of Montreal, has been called for the purpose of making an issue of \$250,000 new stock, thereby increasing the subscribed capital to \$1,000,000. The company has been doing business since June, 1912, and at the first annual meeting of shareholders, held in February last, an issue of \$250,000 was made and immediately subscribed.

The balance of the proposed issue remaining unsubscribed at a certain date will be taken up by a Montreal syndicate, which has agreed to subscribe all the shares not sold, at a premium of \$10 per share.

The fact that Athol George Robertson on October 23rd, 1908, was sentenced to thirty days in jail on two charges, and on June 9th, 1910, to two years in Central Prison less one day, by Judge Winchester for fraud, should lead the Ontario Government to consider seriously whether Athol George Robertson has not figured as provisional director in a sufficient number of Ontario charters.

**SMALL CHANGE**

Friday, the thirteenth, has been passed safely.

\* \* \* \*

Included among current treasury bills is Sir William Mackenzie.

\* \* \* \*

And they could call Grand Trunk Pacific implemented bonds "White Plumes."

\* \* \* \*

Now is the season of large hailstones, fish stories, and grandmothers' deaths.

\* \* \* \*

Stocks are on the bargain counter, but the excursions from the country have not begun.

\* \* \* \*

British cabinet ministers probably wish that "wireless" were entirely a thing of the future.

\* \* \* \*

Prince Albert says that Canada is a "ripping" fine country. With which the stockbrokers agree.

\* \* \* \*

It is extraordinary, in tight money times, how many people have to sell automobiles at a sacrifice on account of ill-health.

\* \* \* \*

The Canadian Forestry Association propose to reforest the Dominion, while Premier Borden will put more timber in the Senate.

\* \* \* \*

After the Canadian Press Association had lunched at the Dome Mines, the stock commenced to go down—a deliberate slap at the power of the press!

\* \* \* \*

There are now twelve bank clearing houses in the West and ten in the East. Ten years ago the figures were eight and three, respectively. Thus is prairie progress affecting statistics.

**CANADA'S SHARE OF IMMIGRATION**

A total of 52,580 British emigrants, left the United Kingdom for countries outside of Europe during April, 1913. As many as 37,948 proceeded to other parts of the Empire, 29,984 going to Canada and 5,533 to Australia. Of the remaining 14,632, all but 603 went to the United States.

In the first four months of the year 133,350 natives of the British Isles emigrated, over three-fourths of whom have been retained within the Empire. They were distributed as follows:—

Canada .....	66,911
Australia .....	23,432
New Zealand .....	4,881
British South Africa .....	3,366
Other colonies and possessions .....	3,418
<b>Total British Empire .....</b>	<b>102,008</b>
United States .....	25,522
Other foreign countries .....	2,820
<b>Grand total .....</b>	<b>133,350</b>

Branches of the Canadian Bank of Commerce have been opened at Readlyn, Sask., and Monitor, Alta., under the management of Mr. G. G. Sutherland and Mr. J. B. Bell respectively.



## WORLD-WIDE DEMAND FOR CAPITAL

## Old Countries Emerging from Commercial Lassitude and New Lands Adopting Modern Enterprise

"Throughout the world at the present time there appears to be more or less uneasiness as to the money situation, and in this country particularly this apprehension seems to have assumed a somewhat aggravated form. I do not believe this condition affords any legitimate reason for anxiety as far as we are concerned if we have currency reform. The great demand for funds everywhere is largely due to the extraordinary development that is taking place in a number of the old countries that have emerged from commercial lassitude into a state of remarkable enlightenment and accompanying industrial progress, and in several new countries whose latent resources are being opened to modern enterprise," thus writes a well-informed writer, discussing in a recent issue of the New York World the monetary situation in the United States, and attributing to Mr. S. R. Guggenheim these interesting views on the existing worldwide demand for capital.

**Should Have Inspiring Effect.**

"The old countries that are undergoing this transition are China, Japan, India and Morocco, while the comparatively new nations that are feeling the impulse of this industrial evolution now under way in all parts of the world are Chili, Peru, Argentina and Bolivia, and Brazil in a less pronounced degree. The expanding demand for capital is therefore the result of a thoroughly wholesale condition, and should have an inspiring rather than a restraining influence on financial confidence. The question we in America should ask ourselves is whether we are keeping pace with this great movement and whether we are sufficiently participating in its benefits.

"The extraordinary demand for large amounts of capital is not, however, confined to the nations I have mentioned. Germany, England, France and others of the Old World countries are in the midst of great industrial activity. It is a rather unpleasant commentary upon the United States situation that it should be exporting gold to Europe at a time when it should have ample employment for it at home.

**Bankers are Perturbed.**

"Foreign countries, however, are ready and willing to pay 7 and 8 per cent. for accommodations, not because, as many of our people here seem to think, that they are preparing for war—the Great Powers know that there is to be no war—but because they can employ this money at home at terms that justify these banking arrangements, or because they sell their products to these newer countries at a handsome profit. The trouble with us is that the United States bankers have been so perturbed over the constant political alarms and uncertainties in this country that they have not had the courage to extend increased credit to our merchants and manufacturers so that they can reach out for the trade in South America and the Orient that Europe is practically monopolizing.

"They are content to limit their banking facilities to the encouragement only of the domestic trade which 90,000,000 people of the United States create, and I must admit that political conditions, at least those in the immediate past, have not permitted any departure from a policy that seems to be lacking in economic foresight.

"While domestic business conditions are good, it would seem to me that if we are to have our legitimate share of the world's trade expansion it would be a wise policy for the present administration to depart from some of the practices, if not the policies, pursued in the past.

**Tariffs and Currency.**

"Let the government enforce the law resolutely. If there are infractions, punish the malefactors, whether they are of high or low degree, but let not those officers charged with the administration of the law go about with a trumpet sounding alarms that destroy credit and disarm courage. There is, of course, some uncertainty as to the effect of tariff revision. It is more or less of an experiment, and there are many lines of business that will require some readjustment, but I do not believe that there will be any disturbance or more than a temporary halt if the administration will address itself earnestly to the task of securing from the special session of Congress an efficient currency measure, the urgent necessity of which is well understood by bankers and business men of all political creeds. If such a measure is passed and becomes a law before the early fall, when the harvest requirements begin to impose their usual strain upon the money situation in this country, it will largely, if not completely, offset any adverse influences that might result from tariff revision."

There are 2,304 miles of railways under construction in British Columbia.

## WORLD FINANCE AND LOCAL FINANCE

## Harvard Professor Tells Bankers at Ottawa of International Readjustments

That it is necessary for bankers to keep up with the changes that occur throughout the world, was a reminder given to the New York State Bankers' Convention at Ottawa this week by Professor G. G. Wilson, professor of International Law at Harvard University. Even a prospect of change may seriously affect business, he continued. The recent changes in the rates of exchange, the difficulty in obtaining gold for current use in Europe, the wide fluctuations in the great European money markets had an effect throughout the world.

"While a generation ago banking was for the most part national, it is now in an increasing degree international," continued Professor Wilson. "European bankers often claim that those who are concerned in the business on this side of the Atlantic are in reality not bankers at all because of the provincial point of view which the foreigner believes prevails in North America. In proof of his contention he cites the reluctance of North American Bankers to engage in South American financial undertakings and maintains that the European bankers have obtained the cream of this business. Their latest proof is the withdrawal of American bankers from the proposed Chinese loan leaving it wholly to Europeans.

**Bankers of North America.**

"Now it can be safely presumed that so successful a group of men as the bankers of North America probably know their own business and have been putting their money to what seemed to them the safest and most profitable use. Such a course would appeal to a novice as being entirely sound and praiseworthy.

"However as the old country bank, which had dealings only with the citizens of the immediate neighborhood has largely passed away and its place has been taken by a branch of some large financial institution which is in a central city and may have other branches, so these central banks are becoming allied to other larger banks. In European and in some Asiatic countries, the process has gone on till banks with names hyphenating those of two states are common. This change abroad is in some cases very recent and due to the readjustment of international relations.

"This readjustment has been accompanied by a drawing together of the states of the world. The tendency to international union cannot of course be neglected by bankers because their business is one of the first to respond to changed conditions."

**Pacific Coast Now the Centre.**

Professor Wilson then traced the history of the international postal system and of general international readjustments. "The shifting of the scene of world activities has been to some extent from Europe, from Africa, and even from the Atlantic until now the Pacific Ocean seems destined to be the great theatre of the early twentieth century drama of international politics," he added.

"As the result of the Boxer uprising in China in 1900, the powers of the world demanded of China an indemnity of above three hundred and twenty-five million dollars. Since the recent revolution in China in 1912-13 that country has endeavored to negotiate a loan of 300,000 million dollars. Such sums seem small when compared with national debts which have mounted to enormous figures in recent years, as e. g., the Russian debt of more than four and one-half billion dollars.

"In the same issue of a daily paper in early June, 1913, there is a statement that the Republic of Mexico has made a loan at six per cent. of one hundred million dollars secured by 38 per cent. of the customs revenue, and that the Balkan Allies have demanded an indemnity of four hundred million dollars from Turkey and that Turkey will pay. Such announcements show that the readjustments of international relations have a significance for finance which is quite unlike similar readjustments in the middle of the 19th century or even toward its close.

**New Dollar Diplomacy.**

"There is, therefore, a dollar diplomacy which is unlike the diplomacy usually named under that term. In diplomacy and in the readjustment of international relations more and more terms of settlement take the form of financial statements. Formerly his sounding treaties, lengthy apologies, formal promises might be made; now offer marketable securities must be substituted and the formal promise may be omitted.

"Conventional agreements have introduced an element of certainty where uncertainty prevailed previous to the middle of the 19th century. Upon these bases, or sometimes in disregard of them, changes have come in the relations of state to state and people to people."



# CANADA'S GROWTH AND THE "ADVERSE" TRADE BALANCE

Many Important Governing Factors Must Be Applied When Considering Excess of Imports over Exports

BY THE EDITOR



LAST week, *The Monetary Times* printed an article which showed clearly the growth in recent years of Canada's adverse trade balance. It was seen that the percentage of value of imports with aggregate trade rose from 56.97 in 1908 to 63.76 in 1913. The imports in the latter year were approximately \$300,000,000 greater than the exports. This unfavorable trade balance has been keenly criticized, especially in the United States. Mr. F. R. Macaulay, in the *New York Times* *Annalist*, dubs Canada's statistics as "what is perhaps the most absolutely bizarre set of trade figures ever returned by any country during any period of war or peace."

To what extremes such critics are going may be gathered from the following extract from Mr. Macaulay's article. He says:—

"Canada, instead of pausing like nearly all the rest of the world in 1908, used the world-wide monetary ease to inaugurate a tremendous borrowing campaign which has continued unabated up to the present time. It is astonishing that such an expansion as at present exists could have grown up at all, and, of course, the position becomes steadily more and more precarious. There are some reasons for believing that Canada is just at the turn; that the country has, indeed, perhaps already passed the crest of the wave and is headed toward the trough.

## Pace of Nineteen-Twelve.

"It is rather recognized in Canada that it will be impossible to continue the pace of 1912 during 1913. It is, however, hoped that 1913 may be a 'normal' year. A normal year is hardly possible in Canada—a return to a 'normal' year would itself probably involve the country in such liquidation as to threaten the whole business structure. London is becoming much less friendly toward Canadian flotations. The Canadian banks are in an extended position. It seems almost inevitable that a recession, if not a collapse, must occur in Western real estate values. This would involve the banks and the whole country. Canada has had so much capital the last few years she absolutely must have more—without more she cannot hold the pace, values must drop and liquidation supervene. It is already evident that the pace at which financial operations have been carried on for some time is slackening, imprudent speculations are beginning to recoil, dealers in luxuries are finding a falling off in demand. Even bank reports begin to recognize the danger signals."

## Banks are Adjusting Matters.

Dealing briefly with these statements, it is almost needless to state that the Dominion has not passed the crest of the wave and is by no means headed toward the trough. The pace of 1912 will not be continued during 1913 because of the world-wide money stringency and the determination of Canadian banks to adjust conditions during a quiet period. A return to a normal year is quite possible and without disaster. London is still friendly toward Canadian flotations. The Canadian banks are in the strongest possible position. A recession has occurred in some real estate values, but this was fully anticipated and the banks are by no means involved. Indeed, they have been the chief brakes upon wild real estate speculation. Altogether, the *New York* view of present con-

ditions is colored by a lack of knowledge of the actual situation. But this is aside from the main question of the trade balance.

An excess of imports over exports is not necessarily an unfavorable feature. Canada being in the throes of nation-making, must consequently be a large borrower. The country is adding to its population at the rate of about 400,000 people a year. Their needs alone necessitate an immense amount of imports. They must be housed and clothed and fed. It is no small task annually to absorb such new population. It means the creation of innumerable new towns, which must have their water and sewerage systems, fire protection and the hundred and one necessities to which the immigrant has been accustomed in old lands and which are also necessities in a new land.

## Capital from Immigration.

The trade balance is affected, too, by other items which do not appear in a bare statement of imports and exports. Not only is the immigrant an asset as a producer of wealth, but he brings with him considerable new capital. From compilations made by the Department of the Interior it has been conservatively estimated that the class of immigration Canada receives from the United States, that is to say of farmers who have sold out their holdings in the States and have taken up land in Western Canada, brings with it capital (including settlers' effects) to the amount of over \$1,000 per head, or, say, \$5,000 per family of five persons. The total number of such immigrants for the calendar year 1912 was 140,143. Applying the rate mentioned per head, the amount of capital and effects accompanying this immigration would reach a total exceeding \$140,000,000 in value. When considering the excess of imports from United States over our exports to United States this large influx of capital to be productively employed in our agriculture must not be overlooked.

## Development of Natural Resources.

Besides the task of looking after the volume of immigration, there is the general development of the country, natural and necessary, which accounts for a vast amount of capital expenditure. There is railway construction and equipment by three transcontinental systems. A large number of public works require financing, as well as industrial and commercial enterprises. This is the period of Canada's greatest growth. Mr. R. D. Bell, of Montreal, recently expressed the situation with great clearness.

"It is in the past ten years," he said, "that the balance of trade has been growing steadily against Canada—which period is that of her greatest growth. We have here a comparatively virgin country with a tremendously increasing population devoting themselves, for the most part, to the development of her natural resources—agriculture, mines, and lumbering. The products of this development constitute for the present Canada's only exports. But this increasing population requires an enormous amount of manufactured goods. And, in addition, in order properly to develop our raw material, we require an even greater amount of construction materials and equipment for permanent works, such as transportation lines. It could easily be seen, even were the situation to end there, that our imports of all



materials for the facilitating of this development would far exceed the sales of products. Such imports are in the nature of capital expenditure. The situation is comparable to that of a single industry commencing to exploit some natural resource. The sales in the first few years would fall very short of meeting the capital expenditures."

### Gap Between Imports and Exports.

The excess of imports over exports, therefore, is not in itself a serious feature. The factors contributing to what is called our adverse trade balance are natural incidents in nation-building. The gap between imports and exports will not lessen until the Dominion's manufacturing industries have expanded to a point when the home market can be supplied fairly well within the country.

These facts do not, however, constitute any legitimate reason for undue extravagance, a failing which is sometimes apparent in Canadian business spheres. Prosperity cannot always be founded on borrowed capital. While the so-called adverse trade balance is not alarming, efforts should be made to increase production, both agricultural and industrial. Mr. D. R. Wilkie the other day referred to what he thought an extraordinary fact, that notwithstanding all the country has done to build up manufacturing industries in our midst, manufactured goods of the value of \$348,500,000 were imported during the past year as against exports of the same class amounting to only \$35,800,000. At the same time, the increasing demands for manufactured goods of the home market must be borne in mind.

### Two Countries on One Continent.

In connection with this subject, an interesting point has been raised by a prominent Canadian financier in reply to the article of Mr. Macaulay quoted above. "Countries," he says, "are gradually becoming less and less financially independent. This is particularly true of the three great English-speaking countries—England, the United States, and Canada. The barrier of language is rather effective in preventing other countries from having as complete a knowledge of the financial operations going on elsewhere, but that barrier does not exist between the three named, and there is a strong tendency, further, for these three to segregate themselves more and more from the rest of the world. Canada, in particular, is less independent financially than either of the others.

"Our relations with the United States are very close, and becoming closer all the time, while our financial relations with England are also becoming increasingly close, and Canada, in fact, is becoming the chief outlet for British surplus capital. If there were no boundary line between Canada and the United States you would have no figures for the section of the continent which we call Canada. The movement of goods from the United States proper to Canada would not be recorded at all, and the great excess of imports from the United States would not be noticed.

### Three Countries as a Whole.

"In other words, Canada occupies a position somewhat analagous to the section west of the Mississippi when that section began rapidly to develop a few decades ago. If we had had, at that time, figures showing the imports and exports of the section of the United States west of the Mississippi, we would have found that the imports frightfully exceeded the exports, but as the Mississippi River was not a boundary line, this phenomenon passed unnoticed.

"My point," concludes the financier, "is that the territory of Canada must be viewed as being in reality rather the outer and most rapidly growing fringe, or new section, of the one great Anglo-Saxon triumvirate of countries, so to speak, and that Canada's relations to these two countries are so close that we must view the three countries as a whole, and not merely consider Canada alone."

## FARMERS BANK DEPOSITORS

### Government Will Grant Them Relief Next Session—Is a Unique Case, Says Premier

The depositors who suffered by the Farmers Bank collapse will be granted some relief at the next session of parliament. Mr. Lanctot the other day put the following question to the Government: "Is it the intention of the Government to reimburse the depositors of the Farmers Bank? If so, does the Government propose to act in like manner with the depositors of the Bank St. Jean and the Bank Ville Marie?"

#### What the Commissioner Found.

Mr. Borden replied as follows: "It appears from the report of the Commissioner appointed to investigate the matter of the failure of the Farmers Bank: (a) that the issue of the certificate of the Treasury Board authorizing the bank to commence business was produced by false and fraudulent representations, on the part of the promoter and subsequent general manager of the bank, W. R. Travers; (b) that in the Commissioner's opinion, it was incumbent upon the Treasury Board before issuing its certificate to have investigated certain charges made to the Department of Finance that the amount required by the bank act to be paid up in respect of subscriptions had not been so paid, and (c), that if the true facts had been disclosed the certificate of the Treasury Board would not have been given, and thus the bank under the management of Travers would not have been authorized to commence business.

#### Is An Exceptional Case.

"The case is of exceptional and indeed unique character both with regard to the fraudulent means by which the certificate was procured and in respect of the results which followed, involving the ultimate loss of all moneys placed in the bank by the unfortunate depositors. The man who fraudulently procured the certificate in the name of the bank was enabled to abstract those deposits by the unwarranted assumption of powers in violation of plain statutory conditions. While the direct subsequent cause of the loss was the fraud and dishonesty of the bank's manager in the administration of its affairs, there is nevertheless a certain connection between the loss and the power and status with which he became invested upon the granting of the certificate.

#### Depositors Are Entitled to Relief.

"Having regard to these considerations the Government considers that the depositors are entitled to a reasonable measure of relief, which will be provided by legislation to be introduced at the next session of parliament.

"The case of the other banks mentioned is in no wise similar, and the action which the Government proposes to take in the case of the Farmers Bank will afford no warrant or precedent for reimbursing their depositors."

## MAY COBALT ORE SHIPMENTS

The following are the shipments of Cobalt ore during May:—

Mine.	Tons.
Beaver .....	31.2
Buffalo .....	32.9
City of Cobalt .....	37.7
Cobalt Comet .....	80.4
Cobalt Lake .....	92.7
Cobalt Townsite .....	239.2
Coniagas .....	253.5
Dominion Reduction .....	126.5
Hudson Bay .....	62.6
Kerr Lake .....	30.1
La Rose .....	195.6
McKinley-Darragh .....	227.6
Nipissing .....	126.7
Nipissing Reduction .....	25.8
O'Brien .....	32.4
Pennsylvania-Canadian .....	25.4
Peterson Lake .....	30.3
Temiskaming .....	30.1
Trethewey .....	66.9
York, Ontario, Silver Mining .....	20.0
<b>Total .....</b>	<b>1,767.6</b>

#### Swastika—Gold Ore.

C. A. Foster .....

#### New Liskeard—Silver Ore.

Casey-Cobalt .....

#### Iroquois Falls—Nickel Ore.

Alexo Mine .....

(Omitted from April Statement).

Cobalt Townsite .....



## RETALIATORY DUTY AGAINST CANADA

### United States Tariff Committee Discuss Restrictions on Wood and Pulp Exports

A retaliatory duty against Canada on print paper valued at not more than 2½ cents a pound, is being discussed by the United States Senate Finance Sub-committee. The Dominion Government is in communication with Washington on the matter.

A despatch from Washington states that print paper in the Underwood Bill is on the free list, and the amendment being considered would provide "that if any country, dependency, province or other sub-division of Government shall impose any export duty, export license fees or other charge of any kind whatsoever, whether in the form of additional charge or license fee or otherwise, upon printing paper, wood pulp, or wood for use in the manufacture of wood pulp, there shall be imposed upon printing paper when imported either directly or indirectly from such country, dependency, province or other sub-division of Government, a duty equal to the amount of such export duty or other export charge imposed by such country, etc., upon printing paper, wood pulp or wood for use in the manufacture of wood pulp.

#### Want to Force Canada.

United States manufacturers urge that a retaliatory duty against Canada would force that country to yield on some of its restrictions against American manufacturers on wood and pulp exports.

In his argument, before the sub-committee, Mr. Norris, chairman of the paper committee of the American Newspaper Publishers' Association, in addition to reiterating his argument against countervailing duty, called attention to a proposal of American paper manufacturers to establish a system of operating their mills only five days a week instead of six. This, he argued, was another effort to curtail the American output of print paper.

"The consumption of paper has been growing steadily," Mr. Norris said in his brief, "at the rate of 90,000 tons per annum, or 300 tons per day, but in the year 1911 not a single paper machine was built by the manufacturers in the United States.

#### Position of Manufacturers.

"In the month of March, 1911, at the time they were appealing to your committee for relief, their reports to the bureau of corporations showed that they were restricting their output below normal capacity to the extent of 156,000 tons per annum, or 13 per cent. They were aggravating that restriction by the exportation of 49,755 tons of newspaper in the fiscal year of 1911. Any unusual condition arising during the year, such as a strike, a fire, drought or blizzard, or shortage of cars or congestion of traffic would have precipitated a situation similar to that in the fall of 1907 and the spring of 1908, when a paper panic costs publishers approximately \$10,000,000.

"The paper makers inaugurated a campaign to deter investment in new mills, and when they failed to stop construction in any other way, they attacked the credit of the projections of those new mills, and urged banks to refuse loans to the new enterprises."

#### Provoked Ugly Complications.

Mr. Norris contended that every measure the United States had directed against the Canadian provinces had reacted against the United States paper maker and consumer that "instead of composing the situation, they provoked an ugly complication, which will require years of intelligent and delicate handling to adjust.

"Nothing can be done," he argued, "by compulsion or tariff threats to provide wood for the American paper industry. That day has passed. Canada controls the pulpwood supply. Its authorities insist that they be dealt with upon a reasonable basis."

Duluth-Superior has declared the regular quarterly dividend of 1 per cent. on the common stock, payable July 2nd to shareholders of record June 21st. This is a reduction of 1 per cent. per annum.

The pulp and paper industry of British Columbia issued manufactured products to the value of \$1,250,000 last year, and the output this year is estimated at \$3,250,000. Between \$12,000,000 and \$15,000,000 is invested in the industry.

A Dominion license has been granted to the London and Lancashire Guarantee and Accident Company of Canada for the transaction of the business of automobile insurance, in addition to guarantee, accident, sickness and plate glass insurance for which it is already licensed. Mr. Alexander MacLean, Toronto, is the company's chief agent.

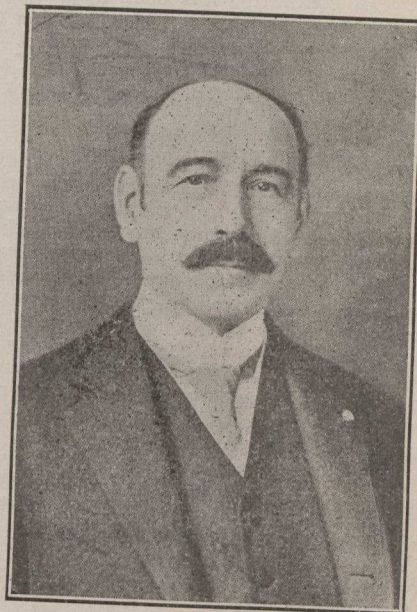
## PLEADS FOR CURRENCY REFORM

### President Pugsley, of New York State Bankers' Association, Wants a Better Monetary System

An eloquent address was delivered by the Hon. Cornelius A. Pugsley, president of the New York State Bankers' Association, at the opening session of the convention of the association at Ottawa this week, held in commemoration of a hundred years of peace between the English-speaking peoples. The close neighborliness and friendship engendered by this century of peace and good will which has "thriven and ripened in vast trade, in common prosperity and in growing esteem," was discussed by him at some length.

#### Capital and Labor.

Coming to business matters, Mr. Pugsley said:—"Within the boundaries of our great countries great railway systems demand just and equitable consideration, if they are to meet the requirements of a rapidly developing continent. Capital and labor must joint forces for the public weal. Every legitimate enterprise and industry, honestly conducted, should receive the sustaining influence of our governments, not their condemnation. Canada is to be congratulated upon an admirable currency system, while in the United States currency reform is a question of vital import now waiting and pressing for solution.



CORNELIUS A. PUGSLEY,  
President, New York State Bankers' Association, Which Met  
At Ottawa this Week

"A sound, stable and responsive currency is one of the great bulwarks of national glory, greatness and power, and one of inestimable value to its business interests. It is the life blood of a nation's commerce and prosperity. It concerns so closely not only the banker, but the manufacturer, the merchant, the farmer, the wage earner and all classes of our citizens, that no measure should be enacted into law unless it shall be the expression and the result of the most painstaking study, calm deliberation and the mature judgment of men qualified and equipped to deal with so great a financial and economic problem.

#### Currency Reform and Politics.

"I believe that any measure or measures considered by our present Congress should receive intelligent thought, study and discussion by men of all political parties if we are to evolve an ideal currency system. Currency reform should rise above political or party expediency. It should not be made the football of politics. I believe that the financial, commercial, and all other interests of the United States will consistently and conservatively press onward towards the attainment of a monetary system that shall command what the currency system of Canada commands, and which our own country in other particulars enjoys, the respect, the confidence and the admiration of the world."

The new Canadian Pacific trans-Pacific liner "Empress of Russia," tied up at Vancouver the other day, is the largest vessel ever berthed in that port.



## RICHELIEU NAVIGATION MERGER

Twelve Companies are Included in Consolidation with  
Capital of Twenty-five Millions

Monetary Times Office,

Montreal, June 11, 1913.

The Richelieu and Ontario organization has been extended and by the plans of reorganization the following companies will be included in the new concern: Richelieu and Ontario Navigation Company, Inland Lines, Limited, Northern Navigation Company, Limited, Niagara Navigation Company, Limited, St. Lawrence River Steamboat Company, Limited, Richelieu and Ontario Navigation Company, Limited, of United States of America, Quebec Steamship Company, Limited, Canada Interlake Line, Limited, Ontario and Quebec Navigation Company, Limited, Merchants' Montreal Line, SS. Haddington, and Thousand Island Steamboat Company, Limited.

These companies, combined, own over one hundred boats and the amalgamation will control the baggage, freight and passenger business of the St. Lawrence and Upper Lakes, in addition to which there is talk to the effect that a service to the West Indies may be controlled.

No decision seems yet to have been reached concerning the name of the new company, but so far as can be learned the name will be, "Canada Lakes, River and Ocean Corporation, Limited." A committee has been appointed to take up this question, as well as the question of the terms upon which the different companies will be included. This committee consists of the following:—Messrs. J. Carruthers, J. R. Binning, E. Bristol, C. A. Barnard, W. Grant Morden, J. Playfair and Sir Montagu Allan.

## Shareholders and Capitalization.

It is proposed to offer the shareholders of the Richelieu and Navigation Company \$120 par value of 7 per cent. preference stock and \$40 of common stock for each \$100 share of Richelieu. This would mean a preference yield of 8.40 per cent. on the exchange of shares, in addition to which would be the chances for a dividend on the common stock.

The new company to be formed will have a capitalization of \$25,000,000, half of which will be 7 per cent. cumulative preference stock and the remainder common stock. The company will also issue \$7,500,000 of 5 per cent. thirty year first mortgage debenture stock. The assets and liabilities of the companies entering the consolidation as shown by the Canadian Appraisal Company, are as follows:—

Assets.	
Vessels . . . . .	\$16,875,034.00
Real Estate, Buildings & Dock Properties . . . . .	5,450,267.99
Lease and Contracts, Goodwill, etc. . . . .	8,791,935.67
Bond Investments . . . . .	130,232.37
Stores and Supplies on Hand . . . . .	161,623.62
Cash in Banks and on Hand . . . . .	130,873.28
Notes and Accounts Receivable . . . . .	845,545.74
Unexpired Insurance . . . . .	98,802.66
Deferred Charges to Operations . . . . .	31,294.59
Cash Paid on Account of New Steamer . . . . .	60,078.95
	\$32,584,688.87
Liabilities.	
5% 30-Year Debentures . . . . .	\$ 7,500,000.00
125,000 7% Preference Shares of \$100 each . . . . .	12,500,000.00
120,000 Ordinary Shares of \$100 each . . . . .	12,000,000.00
Current Accounts Payable . . . . .	584,688.87
	\$32,584,688.87

## Issue to be Made in London.

Messrs. Brown, Shipley and Company and their associates have undertaken to issue all of the preference shares in London at par, so all the shareholders who prefer to dispose of their holdings at 120 will have the option of putting their shares in this issue: or, of keeping their preference shares with the bonus of \$40 in ordinary shares. Arrangements have been made for at least \$2,500,000 of the preference shares to be purchased at par in London, which will ensure a large English holding in any case, and all the securities of the company will be listed on the London Stock Exchange as well as the Canadian Exchanges.

As the securities of the new company will have the backing in London of Messrs. Vickers, Limited, Furness, Withy and Company, Brown Shipley and Company, Linton, Clarke and Company, and I. and A. Scrimgeour, and others of the highest financial influence in England, a strong market for all securities would seem to be assured.

The number of directors of the Sterling Trust Company, Limited, Montreal, has been increased from seven to eight.

## BRITISH COLUMBIA

Resources of Comox District—Canada's Trade with  
Australasia—Shipping and Docks

(Staff correspondence.)

Vancouver, June 9th.

It is only after one has had the opportunity of personally inspecting a district that the resources of it are understood. British Columbians are prone to boast of the great resources of their province, but when these are seen at first hand it is little wonder enthusiasm becomes greater. After a personal visit to the Comox district, one realizes that this section of the province, though at present remote comparatively, possesses all those resources for which British Columbia is noted, namely, mining, lumbering, farming, hunting and fishing. Comox is seventy-five miles north of Nanaimo, and is reached now by steamer or by wagon road. Soon, however, railway transportation will be provided, for the Canadian Pacific Railway line to the north of Vancouver Island has been graded beyond Courtenay, and the Canadian Northern Railway rails are laid to Comox Lake. As a farming district, Comox has few superiors. The mountains are back from the sea a considerable distance, and the bench land and the valleys are very fertile.

## Work in Progress.

Some of the finest agricultural scenes in the province are to be seen in the close vicinity of Courtenay and Comox. Eight sawmills operate in the district, and immense logging operations are carried on there by the Canadian Western Lumber Company. They employ 700 men, operate fifty miles of standard gauge railway and have a large output every month. Cumberland, also in this district, is the centre of the extensive coal mining operations of the Canadian Collieries. The miners there went out on strike last September, and though the dispute is still on it has ceased to have effect on the company. Normal output of 2,000 tons per month has again been reached. The hunting and fishing in Comox district is all that can be desired, both large and small game being found in abundance. Denman and Hornby Islands, which lie close to the entrance of Comox Bay, are also well adapted for agriculture, and many settlers are at present resident thereon.

## Australia-Canada Trade.

Since the Dominion government has offered to subsidize a drydock, one or two parties have been considering the construction of one on Burrard Inlet, but as yet nothing definite has developed. The fact has to be taken into consideration that only the business of this coast could be secured. Steamers that ply to the Orient would, whenever possible, have repairs made in Hongkong, where the work can be done much cheaper owing to Chinese labor being employed. It is thought that a commercial drydock here would be a profitable undertaking, but it should not have a less lifting capacity than 15,000 tons.

Mr. John Cooke, head of Messrs. J. Cooke and Company, the largest exporters of frozen meat from Australasia, who is on the coast this week, anticipates expansion in the frozen meat trade between Australia and this country. Dealing with the matter of the meat supplies of Great Britain, he said it was to be deplored that the situation was controlled by a foreign country. He stated that 64 per cent. of Britain's meat was last year imported from the Argentine, with 14 per cent. from Australia and 18 per cent. from New Zealand. Foreign operators, principally Americans, had already obtained a large part of the Argentine trade to England, and agents were similarly engaged in Australia, their object being to obtain complete control of the market.

Although several "Princess" boats are on the runs in local waters, the principal route being that to Seattle and Victoria, two more are to be constructed. These will be 5,000-ton boats, capable of carrying double the number of passengers that the boats now here carry. They are expected to be ready by 1915, in time to care for the Panama Pacific Exposition tourist traffic.

## TORONTO LIFE UNDERWRITERS MEET

A well-attended meeting of the Life Underwriters' Association of Toronto was held yesterday. Dr. Lowry, of the Imperial Life Insurance Company spoke on "A big writer of life insurance," and Mr. W. A. Pease, city manager of the same company, on "The peace that passeth underwriting." Mr. J. M. Langstaff, who is contributing a series of interesting articles to *The Monetary Times*, also addressed the meeting.



DOMINION STEEL REPORT

Conservative Policy Was Followed—Large Capital Expenditures Made

The conservative policy followed by the Dominion Steel Corporation last year was chiefly responsible for the fact that after the payment of dividends there was left the comparatively small surplus balance of \$98,067. The earnings of the company for the twelve months ended March 13th, 1913, were equal to 4.31 per cent. on the common stock. The company put back into the property during the year as much money as it paid to the holders of common stock in dividends.

The combined earnings of the two chief constituent companies, exclusive of the dividend on 50,000 shares of stock of the corporation held by the Steel Company, after providing for depreciation, sinking funds, etc., and all interest, except on income bonds, amounted to \$2,418,356.98. The interest on the income bonds held by the corporation, namely, \$420,000, is the first charge on this amount, and forms the primary source from which the yearly dividend of that amount on the preference shares is derived. The increase in reserve funds and surplus during the year amounted to \$1,272,199.96, and the dividends paid out on common stock were \$1,277,101.00.

Prices Were Low.

In view of the conditions that prevailed during the past year, the directors regard the result as encouraging. The prices received for steel products were low; the costs and output were affected adversely by the pressure to complete the new plant, and, as before, a considerable part of the product had to be marketed in forms of finished steel, which, owing to the condition of the tariff, were unprofitable. In addition, while the expenditure of new capital on the company's properties has increased fixed charges, it has not yet produced the increased earning power which is expected.

The tariff remains unchanged, but otherwise these disadvantageous conditions have passed or are passing away. The acute depression in iron and steel prices, resulting from the conditions which prevailed in the United States, was severely felt by the company during the year notwithstanding the heavy demand for these products, but conditions in this respect have greatly improved and better prices are now being obtained. In the financial year upon which we have now entered your business will have the advantage of larger outputs, of ability to produce more profitable forms of finished steel by means of the new mills, of enhanced prices, and, it is hoped, of lower costs.

Production Was Increased.

The production figures again show a fair increase over the previous year:—

	Year ending 31 Mar., '13.	Year ending 31 Mar., '12.
	Tons.	Tons.
Coal Company—		
Cape Breton collieries .....	4,640,940	4,063,205
Cumberland collieries .....	412,220	342,868
Total coal mined .....	5,053,160	4,406,263
Steel Company—		
Ore mined, Wabana .....	757,003	602,168
Pig iron .....	321,020	290,588
Steel ingots .....	343,251	335,553
Blooms and billets not further finished .....	49,132	43,950
Rails .....	174,802	153,498
Rods .....	53,323	70,633
Bars, wire, nails, etc. ....	10,778	.....

Large Capital Expenditures.

During the year the capital expenditure of the companies exclusive of the final payment of \$350,000 in respect of the Steel Company's purchase of Coal Company stock, amounted to \$4,939,866.25, of which \$2,456,026.27 was expended on the new collieries and other property and improvements connected with the coal business, and \$2,483,839.98 on the Steel Company's plant, mines and quarries. Of these expenditures the earnings of the combined companies supplied over \$1,000,000.

On the Coal Company's property, the re-opening of Victoria Mine (now No. 17) has been commenced, also of the mine on the Emery seam, known as No. 11, underlying No. 3 colliery, the latter being now nearly exhausted. These collieries will give an early addition to the output, and in the case of No. 11, will utilize in part the equipment of No. 3.

Nothing new has been undertaken in the steel department during the year, except in the way of additions to subsidiary plant and equipment, found necessary for the enlarged business. The two new blast furnaces, the large mixers, the bar and rod mill and the wire and nail mills are all at this date in successful operation.

Eight thousand shares of the common stock of the corporation were issued during the year in exchange for an equal number of shares of the common stock of the Do-

minion Iron and Steel Company, Limited, and were subsequently disposed of by the latter.

The additions to the steel plant have been more extensive and more costly than the early estimates, and with the enlargement of all branches of the business, much larger amounts are found to be absorbed in working capital. The directors have sold, at a satisfactory price, £200,000 of the 5 per cent. consolidated mortgage bonds of the Steel Company, and have under consideration the issue of a further moderate amount of securities to provide for these matters.

It is impossible with such properties to fix any limit to the growth of the plants, but, subject to unforeseen developments, it is proposed that for some time to come the energies of the staff shall be devoted to the development of the steel plant as now completed, and that no further extensions shall be undertaken until the existing plant has been brought to the highest efficiency. The equipment of the Coal Company must be not only maintained, but steadily increased to meet the growing requirements of its customers. A large part of this the directors expect to provide for out of reserves and surplus earnings.

CALGARY'S PUBLIC UTILITIES

(Special Correspondence).

Calgary, June 10th.

Preparatory to striking the rate, based on the estimated expenditure for 1913, Calgary's city commissioners prepared a report on all the public utilities under their control. It showed:—

"During 1912 there were 47 miles of water mains laid, 324 hydrants set, and 3,116 new connections made to the mains. The expenditure on the aforesaid works charged to capital account was the sum of \$558,846.52. The estimated revenue was \$258,550.10, and the actual income amounted to \$244,423.37.

"All bills chargeable to the waterworks system, up to December 31st, 1912, have been settled.

"The asphalt paving plant has been operated by the city since the month of July, 1912. Paving was constructed at an average cost of \$2.10 per square yard; price quoted includes an allowance for debenture interests, sinking fund and plant depreciation.

"The capacity of this plant in 1912 was, approximately, 1,000 square yards per day, and the new unit now nearing completion will much more than double the capacity of the plant.

"The revenue derived from this utility was \$87,558.02; the expenditure \$103,247.38, \$24,954.71 of the latter amount representing stock on hand, leaving a surplus of \$9,265.53.

"The street railway has expanded beyond expectations. Starting operations in 1909 with two cars, half a mile of track and 16 employees, in December, 1912, the system had increased to 54 cars in operation, 60 miles of track, 246 regular men employed.

"During the past year it carried 14,627,370 passengers, earning a gross revenue of \$603,975.38, with a total expenditure of \$502,254.81.

"Its capitalization account stands at \$1,615,000, of which has been expended \$1,537,490, leaving a balance of \$77,509.08 which is available for construction purposes.

"The electric light and power plant department, in the seventh year of municipal operation, continues to show gratifying financial results and satisfactory service.

"The normal peak load, namely, 7,000 horse-power, 5,000 horse-power of which is purchased from the Calgary Power Company, generating this energy by means of water-power obtained at Kananaskis Falls; the remaining 2,000 horse-power is produced by means of a battery of 16 boilers, six of which use as fuel, natural gas, and 10 coal, representing a total of 5,000 horse-power. There are 11 generators, whose prime movers consist of steam and electrical energy. The remainder of the city's power plant, representing 3,500 horse-power, is under stand-by to take over full capacity at short notice.

"The gross revenue received from the sale of electric light and power was \$489,264.72, and the expenditure was \$471,473.81, showing a net surplus of \$17,790.91. The gross capital account amounts to \$1,507,000, of which \$1,454,017.40 has been expended, leaving a balance of \$52,982.60. This makes a total gross plant account of \$1,454,017.40."

The mill rate has not yet been officially announced, but it is expected that even though it has to provide for the unpaid bills of last year on sundry accounts, it will not exceed 16 mills.

LONDON, ONTARIO, HANDS OVER BONDS

The block of \$764,500 bonds of London, Ontario, which were advertised for sale, have been placed in the hands of Messrs. Wood, Gundy and Company for disposal.



## UNITED STATES STEEL CANADIAN SUBSIDIARY

### Dominion Charter Obtained—Ontario Steel Products Company Will Have Twenty Millions Capital

With the incorporation of the Ontario Steel Products Company, Limited, with a Dominion charter, the Canadian branch of the United States Steel Corporation begins to take shape. The capital of the subsidiary company will be \$20,000,000, divided into 200,000 shares of \$100 each. The company's headquarters in the Dominion will be at Ottawa, Ontario. The corporation has about 1,500 acres of land with one and a half miles of waterfront opposite Detroit, Michigan. It will probably erect a number of blast furnaces in addition to wire, rail, structural and bar mills, tin plate and tube works.

The charter of the Ontario Steel Products Company, Limited, is dated June 5th, 1913, and several Montreal lawyers are named as the provisional directors. The charter grants very wide powers. As this is one of the most important events in Canadian industrial history, *The Monetary Times* prints in full the twenty-six clauses contained in the company's charter:—

#### Will Manufacture Iron and Steel Products.

(a) To manufacture iron, steel, manganese and all other metals, and all or any articles consisting or partly consisting of iron, steel or other metals and all or any products thereof, and also coke and cement.

(b) To trade in steel products, and all other kinds of goods, wares and merchandise, and to buy, sell, and in every manner deal in and with such commodities, and other property of every class and description.

(c) To acquire, own, lease, occupy, use, develop, deal with and dispose of mines, mining lands, mining rights, coal lands and coal, ores, minerals, quarries, oil lands and wells, and easements and privileges; and to mine, quarry, extract or remove the minerals therefrom, and to smelt, concentrate, dress, in any and every manner, and by any and every process, to sell and dispose of, and generally to deal with all the products thereof; and to engage in mining and quarrying in all its branches.

(d) To acquire, own, lease, occupy, use, develop, deal with and dispose of, timber, timber limits and timber licenses; to cut and mill timber and to manufacture wood products.

(e) To erect and maintain all suitable furnaces, forges, mills, factories, engines, houses, structures and buildings.

(f) To construct, improve, operate, maintain, develop, manage, carry out, lease and control bridges, buildings, public and private works and improvements of every kind, machinery, ships, boats, engines, cars and other equipment, harbours, docks, slips, elevators, water works, gas works and electric works, viaducts, roads, ways, railway sidings, reservoirs, water powers, water courses, aqueducts, canals, and other water ways, and any means of transportation except railways, and to contribute to, subsidize, or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof.

#### May Operate Tramway Systems.

(g) To own and operate, either by steam, electricity or other power, telephage systems, tramways and railway sidings, and railway connections, on or over the lands of the company, and lands adjacent to the lands of the company, with the consent of the owner or holder thereof, for the purpose of receiving, handling and delivering material, merchandise and products of the company.

(h) To construct, operate, maintain or lease, telephone and telegraph lines for the use of the company only; to manufacture gas and electricity for the use of the company, and to sell any surplus thereof, subject to such local or municipal laws and regulations as may exist.

(i) To apply for, obtain, register, purchase, lease or otherwise acquire, to hold, use, own, operate and introduce, and to sell, assign or otherwise dispose of any trade marks, trade names, patents, inventions, improvements and processes used in connection with, or secured under letters patent of the Dominion of Canada, or elsewhere, or otherwise; and to use, exercise, develop, grant licenses in respect of, or otherwise to turn to account any such trade marks, patents, licenses, processes and the like, or any such property or rights.

(j) To engage in any other manufacturing, trading, mining, construction and transportation business, of any kind or character whatsoever, except that of railways, which may be calculated directly or indirectly to advance the company's interests.

(k) To acquire by purchase, subscription or otherwise, and to hold, use, deal with, sell, or otherwise dispose of,

stocks, bonds, or any other obligations of any corporation having objects similar or in part similar to the objects of this corporation, or formed for, or engaged in, or pursuing any one or more of the kinds of business, purposes, objects or operations above indicated, or carrying on any business capable of being conducted so as to directly or indirectly benefit this company, or owning or holding any property of any kind herein mentioned or owning or holding the stocks, bonds or obligations of any such corporation, notwithstanding the provisions of section 44 of the said Act, and, while owner of any such stocks, bonds or obligations, to exercise all the rights, powers and privileges of ownership thereof, and to exercise any and all voting power thereon.

(l) To aid in any manner any corporation whose stock, bonds or other obligations are wholly or in any manner guaranteed by the company, and to do any other acts or things for the preservation, protection, improvement or enhancing of the value of any such stocks, bonds or other obligations, and to do any acts or things designed for such purposes.

#### Clause for Partnerships.

(m) To acquire and take over, as going concerns, the undertaking and good-will, assets and liabilities, of any person or company carrying on any business in whole or in part similar to that which the company is authorized to carry on, or possessed of property suitable for the purposes of this company, and with a view thereto to acquire all or any of the shares or liabilities of such companies.

(n) To sell, lease or otherwise dispose of the whole or any branch or part of the business, undertakings, property, liabilities, and franchises of the company to any other person or company, for such consideration as the company may think fit, and by such officers and upon such authority as the by-laws of the company may provide, and in particular for shares, debentures or securities of any company which this company is authorized to acquire.

(o) To enter into partnership or any arrangements for sharing profits, union of interests, co-operation, joint adventures, reciprocal concessions, or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company; and to lend money to, guarantee the contracts, bonds, debentures and other obligations of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.

#### Several General Clauses.

(p) To invest and deal with the moneys of the company not immediately required in such manner as from time to time may be determined.

(q) To distribute in specie, or otherwise, as may be resolved, any assets of the company among its members and particularly the shares, bonds, debentures, or other securities of any other company formed to take over the whole or any part of the assets or liabilities of this company.

(r) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the company.

(s) To enter into any arrangements with any governments, or authorities supreme, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them, and to obtain, from any such government or authority, any rights, privileges and concessions, which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.

(t) To do all or any of the matters hereby authorized either alone or in conjunction with, or as factors, trustees or agents, for any other companies or persons, or by or through any factors, trustees or agents.

(u) To issue shares of the company in payment for property acquired by, or services rendered to the company, including, with the approval of the shareholders, services rendered by the promoters in connection with the incorporation and organization of the company.

#### May Register Company Abroad.

(v) To procure the company to be registered and recognized in any foreign country, and to designate persons therein according to the laws of such foreign country to represent the company, and to accept service for and on behalf of the company of any process or suit.

(w) To establish or aid in the establishment of institutions, funds and conveniences for the benefit of employees or ex-employees of the company or their dependants, and to grant pensions and allowances, to make payments towards insurance, and to subscribe money or incur obligation for



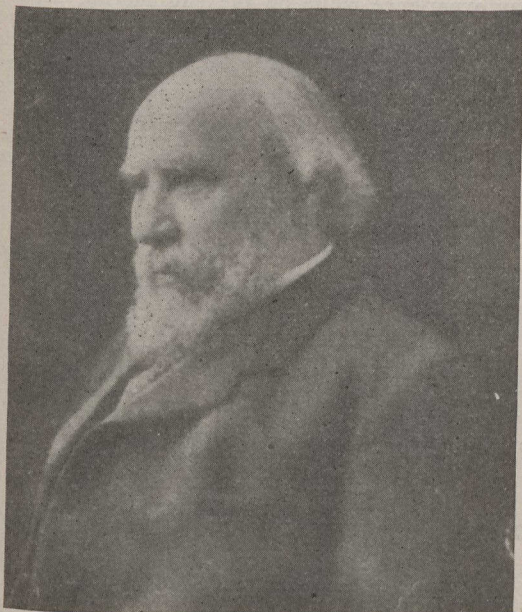
**OVER-EXPANSION BY BORROWING**

**James J. Hill at Ottawa Sounds a Note of Warning—  
Government Extravagance**

Extravagance in the conduct of government and the over-expansion of both public and private credit by borrowing, were cited by Mr. James J. Hill before the New York State Bankers' Convention at Ottawa, as the two great dangers of every country in this era. This applied especially, he said, to those countries whose settlement was more recent and whose needs were large. "It is to a great extent within the power of those who direct the financial interests of a nation to hold these tendencies in check," continued Mr. Hill. "I know that it is necessary in the United States. You know better than I what need, if any, there may be in Canada. But when one compares the appropriations of any legislative body, and the total debt of any public corporation to-day with the corresponding figures for thirty, twenty, or even ten years ago, he cannot fail to be impressed with the prudence of shortening sail. Just as the banks, by their control of credit and the directions in which it can be enlarged or curtailed, are powerful to help the farmer, so may they, when they deem it wise and necessary, slacken the speed of these modern high-power forces that cannot be allowed to speed up indefinitely without serious consequences.

**Capital, a Cosmopolitan Force.**

Mr. Hill reminded the bankers of Canada and the United States who heard him that one hundred years ago what was



**JAMES J. HILL**

**Who at Ottawa this week Cautioned Bankers of the United States and Canada Against Over Expansion of Credit By Borrowing**

probably the last war ever to occur between English-speaking peoples, was drawing to a close. It was fitting, he said, that this century of peace should be celebrated in Ottawa, and under the auspices of the representatives of capital in both countries. "Capital is the most cosmopolitan force in the world. From the beginnings of human intercourse it has broken down more barriers, cemented more bonds, than all the armies and navies of the world. Capital to-day furnishes the sinews of war; for none can long be carried on anywhere, as a rule none would ever be begun, if the great bankers of the world should agree in refusing to finance it. Arbiters of peace and agents of material development everywhere, it is most appropriate that they should be heard here and to-day.

"When I decided, as a boy, to leave home," said Mr. Hill, "there was no Canadian North-West to go to. There was, in fact, no Canada, as the word is understood to-day. The provinces that existed were only just coming together in any real relation of interest and understanding; only just preparing themselves for the Confederation that was to pave the way to present strength and greatness. A century has written in the United States a record never before equalled. It has meant very much to our neighbors of the north. If Canada is now, in regard to population, about where the United States was in 1913, in all other respects she stands about where the United States did sixty years ago. The apparatus for her development is substantially complete, and the process is going forward at a startling pace. "Most countries have been accustomed to value their relations with one another by the total money volume of the

commerce between them; and, rightly or wrongly, they have laid special stress upon that difference between imports and exports which is known as 'the balance of trade.' Without asserting any theory as to its value as an indicator of prosperity, or the contrary, both of which views have ardent champions, both sides will agree upon the fact that it is an important measure of commercial intercourse. In spite of all obstructions, the commercial relations between Canada and the United States have grown to proportions that astonish even those familiar with the official figures. According to the report of the United States consul in this city, the foreign trade of Canada reached a total of over a billion dollars for the calendar year 1912. The increase over 1911 was 23.5 per cent. Of the total, 56 per cent. was business done with the United States. For that same calendar year the balance of trade for the whole United States was \$581,000,000; and of this \$255,000,000 was due to our commerce with Canada. It supplied 44 per cent. of the balance rolled up by our commerce with the whole world.

"It is usual to speak and think of Europe as the best customer of the United States; and, in so far as this refers to the United Kingdom, it is true. But the Dominion of Canada is far and away the second-best customer we have. The statistics have been brought down to cover the first ten months for the current fiscal year, which began on the first day of last July. During that time our exports to the United Kingdom were \$524,000,000; to Germany, \$291,000,000; to France, \$131,000,000; to Canada, \$338,000,000; and to all Europe combined, \$1,294,000,000. No other country except Great Britain and Germany even approaches Canada as a buyer in the markets of the United States. Her purchases were a seventh greater than those of Germany. They were 26 per cent. of those made up by the whole of Europe combined. Nor is this trade a one-sided affair. It looks impressive when considered as a whole. Of the total exports from Canada in 1912, the United States bought over 38 per cent. Almost all the mineral exports of Canada go to the latter country, most of its forest products and manufactures, and a third of the yield of its fisheries. This commerce in both directions is destined to grow even more rapidly in the next few years, owing to impending changes in the tariff regulations of the United States, than it has at any time during the last forty to fifty years. This business has been done not by reason of any sentiment whatever about it on the part of either country, or of any artificial favoring conditions, but simply because it is more profitable for both to deal with each other than for either to deal anywhere else in a large percentage of its commercial transactions. And nothing can reverse or annul that condition, which nature herself has established.

**Immense and Valuable Connection.**

"For years the people of the United States have entertained the notion that the South American trade was one of their most valuable assets. It has been played up to and fostered in many ways. One of the chief arguments in favor of spending several hundred million dollars on a canal across the Isthmus of Panama was its assumed value as a promoter of our commerce with the republics to the south of us. Well, for these same ten months of the last fiscal year, bringing us down to within six weeks of the present time the sales of the United States to Canada were, as stated, \$338,000,000. The sales to the whole of South America amounted to \$122,000,000, or a little more than one-third as much. Throw in Cuba and Mexico, and the total is \$227,600,000, which is just about two-thirds of Canada's total. Swing the net still wider, and taken in both American continents, from the Arctic circle on the north to Cape Horn on the south, add Cuba and all the West Indies by whomsoever controlled, that nothing between the two oceans may escape. We did, in these ten months, a total export business of \$630,000,000 with this western hemisphere; and of the whole, Canada furnished 54 per cent. It seems to me that a connection so immense and so valuable to both parties is the central and controlling fact of every occasion like the present when business men from both sides of the line get together to take stock of their present and their future.

**Banking and Agriculture.**

"On two main lines the bankers of the two countries may well take counsel and learn from each other. The next task of the United States is to provide a safe and adequate currency for the country. For Canada that problem has been solved in what appears to be a practical way. By your system banking facilities can be furnished, through branch offices, as they have been to all the communities of commercial importance. The latest message which the bankers of the United States, by common consent and a resolution for common action, have to bring in their firmly realized conception of the importance of agriculture and its wise promotion to all interests in the community.

"The bankers' associations of several of our states began to realize some time ago the importance to them of a sound and profitable agriculture. The Association of American



## MILLION DOLLAR ENGLISH PLANT FOR MONTREAL

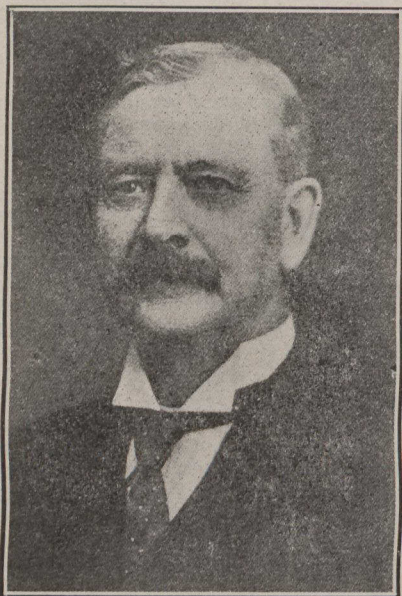
### Armstrong Whitworth Company Has Purchased Site on South Shore of St. Lawrence

The big industrial corporations of Great Britain and the United States are realizing the significance of the rapidly-growing markets of Canada. The United States Steel Corporation is establishing a large branch plant in Ontario and the Sir W. G. Armstrong Whitworth Co., Ltd., of England, will take a similar step, although their establishment will be in Quebec province. The company have acquired a site on the south shore of the St. Lawrence River, within Montreal harbor, and a plant will be erected there at an estimated cost of \$1,000,000. This will be extended as often as needs justify. The Canadian branch of this famous company will be used solely for commercial or civil or mechanical engineering, and not for naval or military work. At no time will the company make guns, boats, or anything of that nature here. This is, at any rate, in keeping with the spirit of the celebration of one hundred years of peace in North America.

They will manufacture twist drills, punches, milling cutters, cranes, drop forgings, tool steel, etc.

#### Event in Industrial History.

The decision of this large English corporation to erect a branch plant in Canada is a great event in Canada's industrial history.



M. J. BUTLER,

Largely through Mr. Butler's efforts and those of Sir Percy Girouard, the Armstrong Whitworth Company, of England, will establish a million dollar plant at Montreal.

It indicates the confidence of keen and observant business men and capitalists in Canada's future and that confidence is welcome and gratifying to Canadians.

British capital will finance the entire enterprise and no issue will be made in Canada. The share and debenture capital of the company is as follows:

	Authorized.	Issued.
Ordinary Shares of £1 each	£4,012,500	£4,012,500
Four per cent. cumulative preference shares of £5 each	1,000,000	1,000,000
Five per cent. non-cumulative second preference shares of £1 each	2,000,000	—
Four per cent. mortgage debenture stock	2,500,000	2,500,000

#### Issue in London Market.

Applications have just been invited in the London market at par for £1,000,000 five per cent. non-cumulative second preference shares of £1 each of the company. The issue is made "to provide further capital for the expansion of the company's business." The certified profits for the past three years, after providing for depreciation, interest on the debenture stock and the dividend on the four per cent. preference shares, have been as follows. For the year ended December 31st, 1910, £487,864 18s.; for the year ended December 31st, 1911, £467,826 3s. 7d.; for the year ended December 31st, 1912, £635,526 11s. 6d. Dividends have been paid on the ordinary shares for the past five years as follows: 1908

to 1910, 10 per cent.; 1911 and 1912, 12½ per cent. In the year 1912, after providing for the interest on the debenture stock, the dividend on the four per cent. preference shares and the above-mentioned dividend for 1912 of 12½ per cent., there was carried forward to the credit of profit and loss account the sum of £335,849 10s. The company's works at Newcastle, Manchester and elsewhere are fully occupied, and orders are in hand which the directors consider sufficient to justify them in estimating that the rate of profit above indicated will be maintained.

#### How the Plant was Obtained.

Largely through the efforts of Mr. M. J. Butler, of Montreal, was the company induced to locate a plant in the Dominion. He was successful in interesting their board of directors, however, only through the kindly co-operation of Sir Percy Girouard, a Canadian, and a director of the Sir W. G. Armstrong Whitworth and Company, Limited. To these two gentlemen, therefore, is chiefly due the establishment in Canada of such an important industry. Mr. Butler is well known as the former general manager of the Dominion Steel Corporation. Prior to that, he was chairman of the board of management of the Canadian Government railways, and previously deputy minister and chief engineer of the department of railways and canals. He is a member of several engineering societies, and has been engaged in some notable engineering projects in various parts of the Dominion. A contemporary recently described him as a man possessing "keen business instincts, systematic methods of work and all the firmness of the disciplinarian."

Sir Percy Girouard was born in Montreal and gained his railway experience while on the engineering staff of the Canadian Pacific Railway. He acted as director of the South African Railways from 1896 to 1898. He was also president of the Egyptian Railway Board and later director of the railways of South Africa. As a military man he has served with honor in many engagements. Lord Kitchener described him as an officer of brilliant ability, and Lord Desborough has stated that he is a great civil servant who has succeeded in every position he has undertaken.

#### Directors of the Company.

The following are the directors of the company: Sir Andrew Noble, Bart., K.C.B., F.R.S., chairman; the Right Hon. Lord Rendel, vice-chairman; Herbert Hambury Smith Carington; John Meade Falkner; Col. Sir Edouard Percy Cranwill Girouard, K.C.M.G.; Henry Neville Gladstone; the Right Hon. Sir George Herbert Murray, G.C.B.; John Henry Brunel Noble; Saxton William Armstrong Noble; Rear-Adm. Sir Charles Langdale Ottley, K.C.M.G.; and Henry Whitehead, M.V.O.

## REGINA IS WATCHING POWER EXPERIMENTS

(Special Correspondence).

Regina, June 10th.

Regina's civic officials are desirous of solving the cheap power problem, and are following closely the experiments being made by Professor Darling for the provincial government. The board of trade recently had Professor Darling deliver an address when he very ably outlined his views. As the lignite coal fields from which it is proposed to develop power are about 150 miles from Regina, he proposes that the coal be carbonized, then shipped to Regina, and used as fuel for the generating of power. To generate the power at the mines and transmit it to the city would be an expensive proposition, he claims, unless numerous towns along the line, required power which is not the case at the present time. The cost of transmission such a distance would be very considerable. Mr. Darling has erected an experimental station at the coal fields, and the Regina board of trade intends to keep closely in touch with the results obtained, as the city is ever anxious to secure lower power rates for manufacturers, etc.

Mr. A. S. Porter, a well-known Regina citizen, who owns considerable coal lands, is organizing a \$1,000,000 company for the purpose of developing power from the coal deposits on his land. He has set aside 15,500 acres of land to be mined for this purpose. A line of the Canadian Pacific Railway runs right through the property owned by Mr. Porter, and this he considers would make it an easy matter of getting the by-products such as briquettes, etc., to the cities and towns where they could be marketed.

The Dominion government sheep commissioner, F. R. Arkell, has been in Regina for several days past. While here he stated: "The removal of the tariff on wool into the United States which will probably take place this summer will mean that the Canadian farmer will find a market there as well as in Great Britain and Canada." Since last year he claims there has been an increase of 100,000 in the number of sheep raised in Western Canada.



INDIVIDUAL EFFICIENCY AND NEW CAPITAL

Two Essentials to a Progressive People—Address of Washington's Director of Mint

"There are two essentials to a progressive people. There must be constant gains in the individual efficiency of the population and there must be a constant accumulation of new capital to finance the new ideas and supply the new equipment that progress requires. It used to be said out west that a farmer wanted to buy more land to grow more corn to feed more hogs to buy more land, and so on ad infinitum. And so gains in efficiency and gains upon capital will act and react upon each other indefinitely and for the common good, and if the bankers have a better comprehension of these common interests than any other class, it is for them to lead in the work of education."

This was the keynote of an unusually interesting address by Mr. George E. Roberts, director of the Mint, Washington, to the New York State bankers at Ottawa, this week.

All Interests are Interwoven.

"The bankers," he continued, "know, because the facts are daily under their eyes, that the interests of all classes are so interwoven that there is, and can be, no such thing as a 'class struggle' in the sense in which that term is used. There are conflicting interests, but they are within classes as much as between classes. In the nature of things, capital competes with capital rather than with labor. New capital

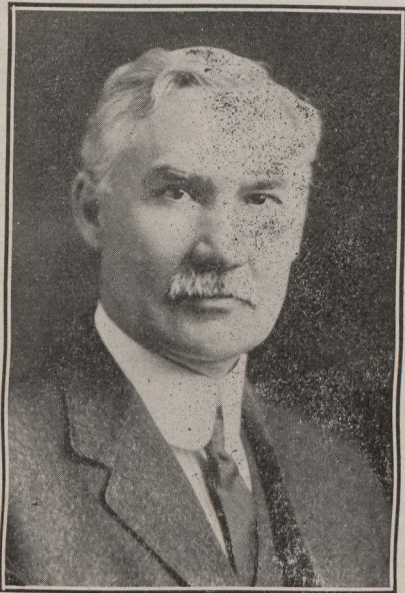
very practical reason that its works were full of orders and it wanted men.

"Labor will never be 'liquidated' as long as capital grows faster than population. But if capital accumulations fall off; if our earnings fall off or our savings fall off; if we become inefficient in production or wasteful in expenditure—then there will be danger that everybody will be 'liquidated.'"

"There is still another phase of this subject. It is said that capital substitutes machinery for labor. So it does, but what becomes of the products of machinery? Does it come home to you that practically all of the vast expenditures we see going on about us for construction and equipment, are for the purpose of serving in some manner the masses of the people—of supplying something they want and can afford to buy? It wouldn't take many railways or factories to supply the wants of the rich? It is the wants of the millions that keep the wheels of business moving. And with capital increasing faster than population, and with this enormous increase in equipment, together with the improvements in methods and machinery, we have a constantly increasing supply of commodities per head of population, and the only way these commodities can possibly be distributed is by such a continual readjustment of wages and prices as will enable the masses of the people to buy them. There would be congestion in every line of production, and enterprise and industry would choke down if the purchasing power of the masses did not constantly increase."

Finance and War.

Speaking of the relations of finance and war, Mr. Roberts recalled the occasion when two years ago, a German warship steamed into a port of Morocco, with a remotely implied threat of war with France, with the result that so much French money was withdrawn from Germany that the Imperial Bank was obliged to expand its loans by \$200,000,000 within 30 days, and meantime the Berlin Stock Exchange was in panic and German industries and securities lost hundreds of millions more. "No nation liveth to itself alone in the twentieth century," said Mr. Roberts. "The wealth of the world is now a common fund. There is a reservoir in London, another in New York, another in Montreal, and others elsewhere, but they are all connected. You cannot draw down the supply of capital in one without affecting the supply in all. You cannot burn up, confiscate, or destroy capital anywhere that the whole civilized world does not suffer loss. There is not a remote district in Canada to-day where money is not tight and enterprise in check because of the war in the Balkan States."



GEORGE E. ROBERTS, Director of the Mint, Washington.

is always waging a war of extermination upon old capital, and outside of land values nearly all of the capital that existed in the United States fifty years ago has been thrown on the scrap heap since.

"Take a look over the so-called struggle between capital and labor for a moment. In all progressive countries the supply of capital increases faster than the population. The population of the United States in 1880 was 50,000,000; in 1910 it was 90,000,000, or doubling in about 35 years. The wealth of the United States doubled between 1880 and 1900, twenty years.

"Now what does it signify that capital increases faster than population? Simply this; there is no way by which capital can be put into use except by employing labor. Every dollar of new capital accumulated creates a new demand for labor, and if the two are increasing at the rate of 35 to 20 how will the equation work out?"

Capital and Labor.

"Capital and labor must be used together, and with the supply of capital increasing faster than the supply of labor it is inevitable that labor shall steadily gain a stronger position. Every little while we have the suggestion, and from wise men too, that before things are settled labor will have to be 'liquidated.' I remember of reading it after the panic of 1907, and every year since. I read it in January last, and then in another column of the same paper I read that the largest employer of labor in the world would on February 1st give the largest advance to unskilled labor ever granted by a single employer at one time. And I do not doubt that the United States Steel Corporation granted that advance for the

INSURANCE COMPANIES IN THE WEST

The Mount Royal Assurance Company, of Montreal, has been registered in Alberta.

The Canada Hail Insurance Company, of Winnipeg, has been authorized to carry on the business of hail insurance in the Province of Alberta.

The Canada Hail Insurance Company and the Excess Insurance Company, Limited, have been registered in Saskatchewan.

CROWN RESERVE FINANCING

Monetary Times Office, Montreal, June 11th.

At a meeting of the Crown Reserve Mining Company, held in Montreal this week, it was announced that the shares of the Porcupine Crown Mines, Limited—which is the name of the company owning the new McEnaney property—will be offered to shareholders of Crown Reserve Mining Company at 80 per cent. of par (80 cents a share) in the ratio of one share of Porcupine Crown Mines to each four shares of Crown Reserve. The number of shares available for Crown Reserve shareholders is 440,000 of \$1 shares. In addition to this, employees will have the right to subscribe to 26,664 shares, also at 80 cents per share. The balance of the \$2,000,000 capital of the new company remains with the Crown Reserve Company itself and with the vendor of the McEnaney, the Crown Reserve Company having 1,200,000 shares and the vendor 333,333.

No estimate is placed on the value of the rights. If one were to assume that the new stock is worth par, it is easy to see that this would mean five cents per share of Crown Reserve stock.

In addition to the shares given to the vendor of the McEnaney property, the sum of \$200,000 has been granted him. Out of this he will, however, refund one-sixth of the initial capital expenditures, which refund amounts to \$66,000.



## TRUST AND LOAN COMPANY OF CANADA

## Increased Net Profits—Dominion's Strength Being Shown in Tight Money Period

The balance sheet of the Trust and Loan Company of Canada, as presented at the company's recent annual meeting in London, indicated that investments in Canada stood at £3,534,000, showing an increase of £373,000 over those of a year ago. They were now feeling the benefit of the creation of new debenture stock, of which £667,000 had been issued in the course of the year, stated Hon. Sidney Peel, the company's president. Their debenture issue—as distinct from their debenture stock—stood at £2,217,000, against £2,400,000 a year ago. The decrease was owing to the replacement of short-term by longer-term obligations. Their share capital remained the same. Their net profits for the half-year were £61,869, against £50,735 for the corresponding half-year. These figures constituted a record; they were the best in the history of the company. Working expenses had decreased from £14,086 to £13,747 for the half-year. He did not believe that any mortgage company working in Canada could show results surpassing theirs in excellence, but he did not rely only on the figures of their balance sheet for taking an optimistic view of the company's position.

Last autumn he paid a visit to Canada, and spent some time in visiting all the centres in which their loans were made, in going through the books of the company in their various offices, and in forming an opinion by personal inspection as to how their business was being carried on in Canada. He found everything in a most excellent condition, and they had able and energetic men working with devotion in the interests of the company.

## None in Doubt as to Distant Future.

Whatever might happen in the future—and, of course, those who managed mortgage companies could not always be right in their judgment—he saw at present no reason to doubt the security of any of their investments. Canada, as he had said, was passing through a period of very tight money, but, as far as he could see, the country seemed to be coming through the ordeal with remarkable strength. It was the fashion in some places in London to talk apprehensively about the immediate future of Canada, though few, he thought, were in doubt as to the more distant future.

With the results of their own company before them he found it impossible to share those apprehensions. He returned from his visit to the country convinced that, as far as Canada herself was concerned, it was impossible to foresee the limits of her future. Great as her progress had been, he was convinced that it was only just beginning. In the end the level of prosperity in a country must be decided by the productivity of her soil.

Values based on sentiment or temporary conditions were bound to have great fluctuations from time to time, and, no doubt, there would be fluctuations in the values of town properties in Canada; but when they had those vast areas of fertile soil, producing annually immense crops of the necessities of life, it was impossible to doubt the stability of the country.

## Would Pay Expenditure Over and Over.

Some people were alarmed at the amount of Canadian borrowing that was going on, but when one considered the number of people who were pouring into the country, for all of whom accommodation had to be found and the organization of government provided, he did not think that the Canadian authorities could be accused of extravagance. All this expenditure would be repaid many times over by the expansion and development of the resources of the country. Of course, Canada depended for its continued expansion on the supply of credit and the supply of men, and it was easy to see that causes entirely outside the country might affect the supplies of both; but whatever might be the causes external to Canada which might occasion a halt or even a setback in her progress, he was convinced that her internal resources were so great that no investor need fear for the result—always provided, of course, that he acted with ordinary caution.

The officers of the company in Canada are: Commissioners, Capt. R. D. Macdonnel, Winnipeg, who is resident director; Col. L. Edye, Montreal; Mr. J. Campbell, Regina; assistant commissioners, Messrs. E. R. Whitehead, Winnipeg, and R. C. Young, Montreal. All Canadian transfers of the company pass through the head office at Montreal.

The capital stock of the Toronto Insurance and Vessel Agency, Limited has been reduced from \$500,000 to \$50,000, such reduction being affected by the cancellation of 3,000 shares of authorized and unissued capital stock of \$100 each and 1,500 shares of the authorized and issued capital stock of \$100 each, recorded in the name of the Winnipeg Insurance and Vessel Agency, Limited.

## FIRE INSURANCE CONDITIONS

## World-wide Survey—European, American and Asiatic Losses—Notes on Legislation

World conditions relative to fire insurance, as reviewed in the Post Magazine Almanac, show that in Great Britain, there were indications that the year would prove more favorable than 1911. As regards trade there has been unexampled prosperity in almost every direction, in spite of much unrest in the labor world. To this must be added a very general rise in prices and values so that the amount of insurance premiums should show a large increase. This would certainly be the case if it were not for the steadily progressive fall in rates.

In Great Britain there were no losses of conflagration magnitude, though the number of fires was heavy. Perhaps the largest was that which occurred in a big grain warehouse at Ranks' Corn Mill, Barry Dock, where damage to the extent of £95,000 was sustained. Corn mills and granaries were anything but fortunate. Maltings were also conspicuously bad. Among the textile classes, cotton mills stood to the fore on account of the number and extent of fires.

Losses on woolen mills were above the average. Several serious fires also took place in joiners and builders risks. There were losses in textile goods warehouses at Manchester and Leeds, as also in mercantile warehouses at Tilbury Docks, and cotton warehouses in Bootle and Liverpool. Of risks of the industrial type, bleachers and printers, dyers and finishers fared very badly. Some improvement showed itself in regard to country mansions, although the loss ratio still remained excessively high.

Of new schemes of municipal insurance, the only one of any importance which came into force during 1912 was that adopted by the Glasgow corporation.

## Canada and the United States.

While business in the United States was not, perhaps, quite so much unsettled as generally happens during a presidential election campaign, it was inevitable that there should be some disturbance of the commercial activity. There was a downward tendency in rates and an upward tendency in commissions, and there were two serious rate wars.

Among notable fires there was the destruction of the New York building of the Equitable Life Assurance Society of the United States, which entailed no loss on the insurance companies. There were also two conflagrations at Houston, Texas.

Prospects of a good insurance year in Canada were most promising, the wheat crop being said to be the largest ever raised. Losses were fairly numerous and several large fires have to be recorded. The worst was that at Vancouver, B. C., in wholesale warehouses, etc., the damage approaching \$1,750,000. About 200 buildings, involving a loss estimated at \$1,200,000, went down in a conflagration at Chicoutimi, Que.

## Far Distant Countries.

In Japan, owing to competition among the foreign and native companies for textile and other industrial business, the tariff had to be suspended for these classes of risk. There was a conflagration at Osaka, where about 5,000 houses were destroyed.

In India the extensive outbreak at the Colaba Cotton Green, Bombay, involved a loss little short of £100,000.

Russia was conspicuous for large fires. A joint committee of insurance companies and representatives of the public sat in France with the object of revising the policy conditions.

The struggle between the insurance companies and the various legislatures of the United States became more and more acute, but legislative repression was not quite so aggressive in other countries.

Arrangements have been arrived at between the city and the Bank of Montreal for financing Saskatoon's current expenditure to the extent of one million dollars.

A movement is afoot among the business men of Saskatoon to establish a citizens' demonstration farm. The plan is to secure a parcel of land, place it under competent management, and demonstrate by actual example the value of mixed farming, whereby an all-the-year-round revenue is obtainable. As \$8,000,000 worth of pork, \$6,000,000 worth of hams, bacon, etc., \$10,000,000 worth of lard—totalling \$24,000,000 as the product of the hog industry—are imported annually from the United States, the farmers of the district surrounding the city of North Battleford are turning their attention to hog raising and are realizing that there is actually more money in raising hogs than in wheat growing. The country surrounding North Battleford, to the north especially, is suitable for stock raising, being well watered, and has good shelter for the cattle, which winter out.



## WHERE CANADA BUYS COTTON GOODS

## Total Imports—Relative Positions of United Kingdom and United States—Canadian Manufacturers

The United States bureau of foreign and domestic commerce, department of commerce, in a report on the cotton goods trade and industry of Canada just completed, shows that the United States is second only to Great Britain in supplying cotton goods to Canada. The import of manufactures of cotton comes almost entirely from England and the United States; the former usually supplying about two-thirds and the latter about one-fourth of the total. Switzerland ships embroidery and lace; Germany, hosiery and embroidered lace, and France some lace, embroidery, velveteens, and women's clothing, but outside of these specialties the market for foreign cottons is dominated entirely by England and the United States.

## Quadrupled in Fifteen Years.

The following table of the imports of cotton into Canada in 1900, 1905, 1910 and 1912 gives a good idea of the amounts supplied by the various nations:—

Countries.	1900.	1905.	1910.	1912.
United Kingdom	\$4,649,690	\$6,004,492	\$13,114,594	\$14,373,664
United States ..	1,694,379	2,062,062	3,462,335	5,974,016
Switzerland ...	227,899	341,889	982,468	1,097,991
Germany .....	184,074	224,810	577,975	717,843
France .....	80,572	100,712	270,769	432,116
All other .....	38,668	58,888	183,158	162,003
Total .....	\$6,875,282	\$8,792,853	\$18,591,299	\$22,757,633

Canadian imports of cotton goods have more than trebled in the last twelve years, and they have about quadrupled in the last fifteen years. During the period from 1900 to 1912 the total imports of cottons increased 231 per cent., while English cottons increased by 209.13 per cent., American by 252.58 per cent., and those from other countries by 353.67 per cent.

The latter figure, however, is larger than it should actually be, as embroidery and lace were formerly stated separately from the cotton schedule, but now white and cream colored cotton embroideries are included under that schedule.

Of the total imports of cottons in 1900, England is listed as supplying 67.49 per cent., the United States 23.18 per cent., and all other countries 9.33 per cent. Of the total imports of cotton in 1912, England supplied 63.16 per cent., the United States 26.26 per cent., and all other countries 10.58 per cent. Allowing for the usual fluctuations from year to year, England and the United States seem to be maintaining their relative positions in the increasing trade.

## Canadian Mills Not Keeping Pace.

In the manufacturing of cotton goods, the Canadian mills are not keeping pace with the demands of their home market, but they are enlarging, and if a line is imported in considerable quantities they soon get out an imitation. However, on some lines of American goods, such as ducklings, fleeces, printed scrim, Stiefels, and blue drills, in spite of many attempts, they have not been able to make an article that will meet the demands of the consumers. The preference duty tends to keep out American piece goods to a large extent, but the importers say that in some cases they could still afford to buy American goods if they were made to suit the market.

## NEW RECORD FOR GREAT LAKES

A contract has been awarded by Montreal interests to the Western Drydock and Shipbuilding Company at Port Arthur for constructing the largest freight-carrying vessel ever built on the Great Lakes. It will have a capacity of 450,000 bushels of grain. Its length will be 625 feet; width, 59 feet; depth, 32 feet, with bulk-freight pattern, engines of latest type and of sufficient power to lead in speed, and Isherwood construction system, with five bulkheads, thus dividing the ship into six compartments. Work will commence this month and the vessel is to be ready for the 1914 season, operating between Port Arthur, Fort William and Collingwood, Ontario.

First steps have been taken in the instigation of a project which has for its object the dredging of the Cowichan River sufficiently to allow the movement of deep-sea vessels from tidewater to the city of Duncan. This would add another important shipping point to those surrounding Victoria within a radius of thirty miles.

## CANADIAN MATTERS IN LONDON

## British Trade with Canada—Manufacturers Should Visit the Dominion

The first annual general meeting of the Canadian Chamber of Commerce was held in London recently at the Royal Colonial Institute. The Hon. J. H. Turner, agent-general for British Columbia, presided.

The annual report stated that a resolution had been passed, in view of the enormous importance of the Panama Canal to Anglo-Canadian trade and commerce, urging His Majesty's Government to insist on the fulfilment of the Hay-Pauncefote Treaty.

## Trade With Canada.

It was further stated that the principal Canadian cities were giving early notification of expenditure on public works, etc., so as to enable British manufacturers to compete. In the principal cities of this country proposals were being considered for the establishment in Canada of a permanent exhibition of British manufacturers. Practically every important town in Canada had sent the Chamber particulars of its industrial opportunities, and they had further stated the inducements which they were prepared to offer to British manufacturers likely to be interested.

The chairman, in presenting the report, reminded those present that the last Canadian Budget showed a surplus for the year ended March 31st, 1913, of \$55,000,000. The revenue was \$165,528,137, and the expenditure \$124,383,469. In ten years the revenue of Canada had doubled.

## Opportunities for British Merchants.

The trade figures for the year under review showed startling increases. The total exports amounted to \$393,000,000, and the imports to \$691,000,000. In the last six years the trade with the United Kingdom had steadily increased until the imports from Great Britain now amounted to \$140,000,000, and the exports to Great Britain to \$177,000,000. The United Kingdom was again the Dominion's best customer. There were splendid opportunities for British manufacturers and merchants to very largely extend their business in the Dominion. Dealing with the first year's work of the Chamber, Mr. Turner stated that all members selling Canadian real estate in this country had pledged themselves to conform to reasonable regulations as to the issue of maps or plans. Thus a standard had been set for the conduct of Canadian real estate business in this country, which was being followed largely by other persons engaged in this business.

## As to the United States Tariff.

The Chamber was in various ways arousing the interest of the British manufacturer in the great and increasing import trade of Canada. A letter had been sent to the Chambers of Commerce, manufacturers' associations, and leading manufacturers in the United Kingdom urging upon them the desirability of British capitalists and manufacturers investigating for themselves industrial and commercial conditions obtaining in the Dominion, more especially with a view to the establishment there of branch factories by English firms. The Chamber was closely watching the question of the Panama Canal, and also the proposed new tariff in the United States, and any action which it was found necessary to take in the interests of Anglo-Canadian trade would be taken by the council. The report was unanimously adopted.

## TORONTO'S MAY FIRE LOSS

Toronto's fire loss figures for the first five months of the year are:—Damage—January, \$42,828; February, \$81,806; March, \$8,810; April, \$25,407; May, \$25,855. Alarms—January, 154; February, 217; March, 126; April, 96; May, 225. False alarms—January, 26; February, 18; March, 9; April, 8; May, 21.

Of the 225 calls during May, 113 were for fires where there was no damage at all. The largest loss was where a number of buildings were damaged to the extent of over \$5,000. The smallest fire was for \$2, caused by fireworks lighting on the roof of a house on May 24th. There was also another bad fire where 15 horses were burned in a stable, and a boathouse burned where the damage was over \$3,000.

The estimated damage was \$25,853; number of alarms, 225; false alarms, 21. The list of causes were:—Unknown causes, 45; boys and matches, 21; rubbish, 21; chimneys, 17; fireworks, 6; grass, 5; incendiary, 4.

The third annual meeting of the International Association of Casualty and Surety Underwriters will be held from July 8 to 11 at the Chateau Frontenac, Quebec.



## RECENT FIRES

## Monetary Times' Weekly Register of Fire Losses and Insurance

**Cochrane, Ont.**—June 1—Mr. Percy Foley's residence. Loss and cause unknown.

**Brussels, Ont.**—June 6—Mr. A. Baekar's poultry houses. Loss and cause unknown.

**Mulgrave, N.S.**—June 5—Messrs. A. and R. Loggie's fish plant. Loss and cause unknown.

**Almonte, Ont.**—June 2—Mr. A. Camelon's barns and out-buildings. Loss and cause unknown.

**Burnaby, B.C.**—June 3—Mr. W. Besley's residence, 14th Avenue. Loss \$2,000. Cause unknown.

**Ottawa, Ont.**—June 3—Mr. J. Fitzgerald's residence, Ottawa West. Loss \$800. Cause, sparks.

**Belleville, Ont.**—June 8—Mr. W. Kellar's residence, Wharf Street. Loss and cause unknown. Insured.

**North Transcona, Man.**—June 5—Dominion Tar and Chemical Company's premises. Loss \$160,000.

**Saskatoon, Sask.**—June 5—Mr. R. T. Dennison's automobile. Loss \$1,800. Cause, engine backfiring.

**Cambray, Ont.**—June 11—Frame residence of Mrs. McIntyre and adjoining residence of Mr. W. G. Webster.

**Point Grey, B.C.**—June 4—Mrs. Fraser's residence, West Boulevard, Kerrisdale. Loss \$1,700. Cause unknown.

**Welland, Ont.**—June 11—County buildings. Loss, \$50,000. Insurance on building and contents, \$40,000. Cause, defective wiring.

**Prince Albert, Sask.**—June 11—Big River Lumber Mill, together with 30 million feet of lumber, 10 miles north of town, destroyed. Loss, \$500,000.

**Regina, Sask.**—June 11—New grand stand, old stands, main building and district building at exhibition grounds. Loss, \$100,000. Cause, gasoline explosion beneath grand stand.

**Montreal, Que.**—June 5—44 and 46 St. Antoine Street. Loss and cause unknown; Messrs. McArthur, Irwin and Company, 159-161 Commissioner Street. Loss, \$10,000. Cause unknown.

**Sydney, N.S.**—June 11—Twenty buildings, including Roman Catholic Church of the Holy Redeemer, Holy Redeemer Convent and Glebe House, destroyed. Loss to church property, \$80,000. Total loss, \$125,000. Fire started in roof of church. Supposed cause, defective wiring.

**Winnipeg, Man.**—June 2—259 Dorothy Street. Loss \$600. Insured with London and Ontario companies for \$2,500. Cause, probably coal oil became ignited.

June 4—Henderson Block, Garry Street. Losses, Henderson Company, \$7,000; Noble Company, \$25,000. Cause, unknown. Railroad ties left with Dominion Tar and Chemical Company, Transcona. Loss, \$100,000. Plant of Dominion Tar and Chemical Company slightly damaged. Cause, spark from locomotive.

**New Westminster, B.C.**—May 28—Mr. Andrews residence, 506 5th Avenue. No damage. Cause, defective chimney.

May 29—Mr. J. G. McKoe's garage, 13 5th Avenue. Loss \$500, fully insured. Cause unknown.

**Vancouver, B.C.**—June 1—Mr. I. Vince's residence. Loss \$500. Cause, probably defective flue.

June 4—253 and 259 Hastings Street East, owned by Maritime Trust Company, and Mr. J. Kinneg. Loss \$11,000. The approximate loss of each of the establishments is as follows: Empress Hat Factory, \$200; Vancouver Cafe (James Zaloulis), \$1,000; Mrs. Ringdal, \$800; entire building, \$3,000; English Secondhand Store, building and contents, \$5,000; Mrs. Gravell, \$700. The roof of the cabin in the rear of the Empress factory was destroyed. Cause unknown.

**Toronto, Ont.**—June 5—Slaughter house at 152 Christie Street, owned by Mr. J. H. Kenyon. Loss to building, \$100; contents, \$20.

June 6—Stable, 14 Paisley Street. Loss, \$300. Cause unknown. One death. 104-6-8 Teraulay Street. Loss \$2,000. No insurance. Contents owned by A. Robstein. Loss \$2,000. Insurance \$800. Ross and Wright adjusters for assured, Toronto. Contents owned by S. Goddard. Loss \$300. Insurance, \$300, York. 35 Lombard Street, Mr. J. Coulter, owner. Loss \$200. Insured. Canadian Linotype Company. Loss \$3,000. Insured. Ross and Wright, adjusters for the assured, Toronto.

June 7—John O'Connor, 194 Leslie Street, loss, building, \$300; household furniture, \$200. Insured in Anglo-American for \$250 building; \$150 household furniture. Ross and Wright, adjusters for the insured, Toronto.

June 8—Mrs. Sarah King, 74 Eastmount Avenue. Loss on building, \$1,200; household furniture, \$500. Ross and Wright, adjusters for the insured, Toronto. 159 Fern Avenue. Loss on household furniture, \$20. 65 St. Clemens Avenue. Loss on household furniture, \$75. 63 Rose Avenue, R. H. Butt. Loss \$300 on building. 65 Rose Avenue, Mr. Johnston. Loss on building, \$500; household furniture, \$500.

Gold Medal Furniture Company, fire in shaving room. 39 Uxbridge Avenue, F. Glanfield. Loss on household furniture \$100. loss on building, owned by J. Dubroski, \$200. 65 St. Patrick Street, stable; damage \$250; no insurance. 1008 Dundas Street, Max Goldman. Loss to stock and fixtures \$1,000. 1008 Dundas Street. Loss to building, owned by J. Minto, \$250.

June 9—227 Davenport Road. Loss to building \$50. 229 Davenport Road. Loss to building \$100. 178 Spadina Avenue, Wettlaufer Brothers, \$20. Dundas and Runnymede Road, J. C. Graham, hardware stock damage, \$75; building owned by Mr. Jewell; damage \$400. 19 Bismarck Street, Frank Giles. Damage to building \$250, insured in London Assurance. Ross and Wright, adjusters for the insured, Toronto.

June 10—Rear 41 Wolseley Street, Frank Kaplan. Shed damage, \$75; no insurance. Rear 43 Wolseley Street, Mr. Dretz. Damage to shed \$25.

June 11—Marine Construction Company, foot of York Street. Seven gasoline launches destroyed, and building gutted. Loss \$7,000. Cause unknown.

## ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

**Toronto, Ont.**—June 2—Building at 624 Parliament Street, owned by Mr. Richard Sherwin. Loss to building, \$541; to contents, \$150. Building insured in London, Liverpool and Globe for \$2,000; contents in Western for \$600. Messrs. Ross and Wright, Toronto, adjusters for the insured.

## THREE RIVERS FIRE LOSSES

The following fire losses were reported to *The Monetary Times* by the fire chief.

April 17—Mr. J. Portren's barber shop. Cause, explosion of oil stove.

April 25—Canadian Iron Corporation's factory. Cause, overheat.

May 5—Canadian Iron Corporation's factory. Loss \$700. Cause, sparks from locomotive.

May 6—Mr. F. R. Grant's residence, chimney fire.

May 13—Mr. Honore Gauthier. Loss, contents, \$600; stock, \$200. Cause unknown.

May 29—Mr. W. Gravel's residence. Chimney fire.

May 31—Mr. C. Bourcier's stable. Loss \$50. Cause, hot ashes.

## SASKATOON'S FIRE LOSSES

Fire Chief Heath, of Saskatoon, informs *The Monetary Times* that during April the alarms in Saskatoon were mostly for prairie fires and false alarms, with the exception of one fire with a loss of only \$10.

During May the losses were:—

May 6th—Mr. J. Searle's residence, 717 11th Street. Loss, \$100. Insured with Adanac Insurance Company. Cause, defective chimney.

May 8th—Prairie fire.

May 9th—Mr. Parrott's steam laundry, 439 Avenue B South. Loss slight. Cause, electric light. Mr. W. A. Gal's restaurant, owned by Mr. R. S. Preston. Cause, gasoline light. No damage.

May 10th—Prairie fire. Elosco Paving Company, covering for lanterns, 1st Avenue and 24th Street. Cause, supposed carelessness.

May 12th—John East Foundry Company, premises 117-121 Avenue C North. Loss, 10. Cause, spark from casting.

May 13th—Saskatoon Hardware Company. Loss, building, \$750; contents, \$467. Insured with Canadian, New York, Acadia, Springfield, Western, Norwich Union, North British, Phoenix, London and Liverpool Companies and Protector Underwriters. Cause unknown.

May 19th—Mr. D. E. Fisher's barn. Loss, \$100. Insurance, \$1,100, Queen's. Cause, matches.

May 22nd—Mr. B. B. Gilbert's stores, 335 20th Street West. Cause, rubbish burning. No damage.

May 23rd—Mr. G. R. Canie's store, 223 20th Street West. Loss and cause unknown.

May 26th—Mr. H. H. Robertson's barn, 514 10th Street. Loss, \$75. No insurance. Cause, children playing with matches. Mah Wah Bros.' laundry, 423 Avenue S. Cause, rubbish in rear. No loss.

May 27th—Mr. F. F. McClelland's rooming-house, 337-339 Avenue B South. Loss, building, \$1,500; contents, \$1,200. Insurance, building, Phoenix, \$1,300; contents, Yorkshire, \$1,500. Cause, unknown.



# THE SITUATION AND THE OUTLOOK I.

## STOCK EXCHANGE AND INVESTMENT BUSINESS

### Unusual Speculation Last Year is Affecting Conditions —Canadian Interest in New York Stocks Has Declined

In one week recently thirty-four stocks on the Montreal Exchange made new low records for the year. This is but one indication of the condition of stock exchange business. Investment is at a low ebb, and brokers and financial houses have plenty of time to study the causes of the present lax period in investment spheres.

In response to enquiries, a large number of stockbrokers have given their opinions of the situation to *The Monetary Times*. Several blame real estate speculation as one of the chief causes for the diversion of funds from the usual investment channels. Most of them agree that the financial stringency will continue throughout the greater part of the year, and that relief will not come until the autumn at the earliest.

It has been stated that Canadians have of late years taken less interest in the New York market. *The Monetary Times* has asked leading brokers as to the truth of this assertion. They are all of the opinion that the tendency for Canadian investors to place their funds in New York stocks is declining. Messrs. Colin M. McCuaig and Company, of Montreal, think that the decline has been marked in the last year, and that the volume of trading with New York by them is very small. The attitude of the investor to Canadian stocks appears to be "standoffish," and they are evidently waiting for a clearing of the political situation and financial stringency.

#### Exhaustion of Liquid Capital.

Messrs. F. B. McCurdy & Company record the fact that for months past the tendency of speculation, first in real estate, and second in weak ventures promising high rates of interest, has diverted large sums of money from the ordinary channels of investment.

These speculative orgies, which always immediately precede a period of readjustment, such as exists at present, and which promises to continue for some time, gained increasing headway until the exhaustion of the liquid capital of the country prevented further unwarranted inflation and compelled liquidation.

The bond market, which has been practically non-existent for some time, does not yet seem to show any sign whatever of improvement.

#### Money is Locked Up.

There is no doubt, say Messrs. McCuaig Bros. & Company, Montreal, that the percentage of population investing in securities is increasing, but not at a very rapid rate, owing to the recent real estate booms that took away a lot of interest from the security markets. At the moment, things are more or less at a standstill, as there is a great deal of money locked up in various forms of investment, and even the people who have money are inclined to adopt a waiting attitude. The tendency for Canadian investors to invest in New York stocks is diminishing, and the same applies to speculative commitments.

"We take," conclude this firm, "what is practically the general view, that market conditions will be stagnant until money loosens to some extent. As to the latter tendency, we hardly look for any immediate relief before the end of the year, although we believe that the curtailment of business generally will result in releasing a certain amount of money gradually during the autumn, but this will probably be largely offset by the amounts required to bring forward the crop."

#### Tight Money Will Continue.

Private investors are still accumulating stocks in the Canadian market, and there seems to be very little disposition on their part to liquidate at the present time. That is the opinion of Messrs. J. C. Mackintosh & Company, Montreal. Canadian investors' interests in the New York market have decreased. With reference to money conditions, funds are available in small amounts, from time to time. The situation does not seem any more improved than it has been during the past six months. The consensus of opinion in banking circles seems to be that there will be no material relief until after the turn of the year, and if money conditions remain the same throughout the next two or three months lower prices for Canadian securities are likely to be seen.

In the opinion of Messrs. Oswald Bros., Montreal, the better class of Canadian stocks are being absorbed by in-

vestors. There are some unsold securities, particularly those of recent mergers, which are hanging over the market, but the amount of these is not very large. The experience of this firm would indicate that there is less interest taken in United States securities in Canada than formerly. This is no doubt due to the attitude of the United States government to corporations.

Money is still tight in Canada, and no doubt the crop moving period will add to the strain, but provision for this will be made by the banks and no great trouble should be caused.

#### Dependent on Money Markets.

The country's financial, industrial and commercial affairs are at present quite dependent on the condition of the world's money markets, say Messrs. Greenshields & Company, Montreal. There is at present a larger world-demand for money than can be supplied. We see no immediate hope of any relief in the local money market, either this summer or next fall. It seems to us that in general there is little outlook for an adequate supply of money for a year or two at least. Progress must, therefore, proceed at a much restricted pace.

That firm finds that the private investor in both Canadian stocks and bonds is multiplying in number. This is particularly true of the so-called small investor.

Interest of Canadian stock investors in the New York market has steadily decreased. The only inducement which the New York market can give lies in the fact that the market is broader. The average New York stock is, therefore, more liquid in large amounts. This only affects the investor in large amounts and the speculator. With the eventual growth and breadth of the Montreal market the business done in New York will, they think, be very small, indeed.

The money conditions outlined must affect the stock market as they should affect general progress. One can only look for activity and a rise in individual stocks where affected by specific conditions. The general average level of the market will not likely show any great appreciation in the next twelve months.

Next week: II. "Life Insurance Business Prospects."

## BRITISH COLUMBIA'S PRODUCTS

The estimated wealth production of British Columbia for 1912, as given in the annual Budget of the Provincial Treasurer, is:—

Mines, \$32,600,000.	Lumbering, \$19,000,000.
Agriculture, \$22,000,000.	Fisheries, \$13,678,000.

## CANADA'S TRADE GROWING

During the month of April the total trade of Canada increased by over 18 per cent., from \$59,284,480 in April, 1912, to \$70,505,160 in April, 1913, while the exports of domestic merchandise increased by no less than 60 per cent., from \$15,676,989 in April, 1912, to \$22,016,880 in April, 1913.

The imports increased from \$45,607,491 in April, 1912, to \$48,488,280 in April, 1913, or by 6 per cent. The duty collected increased from \$7,860,759 to \$8,463,576.

The most noticeable increase in exports is in agricultural products, which have nearly doubled, from \$5,936,313 to \$11,365,018. Manufacturers also went up from \$2,601,537 to \$3,478,598.

## COBALT ORE SHIPMENTS

The following are the shipments of Cobalt ore in pounds, for the week ended June 6th:—Cobalt Townsite, 87,405; City of Cobalt, 75,400; Buffalo, 66,360; Trethewey, 47,914; Hudson Bay, 82,591; O'Brien, 64,112; McKinley-Darragh, 61,229; Nipissing, 77,520; Cobalt Lake, 64,410; Coniagas, 142,640; Beaver, 54,373; total, 823,963 pounds or 411 tons. The total shipments since January 1st are now 17,449,782 pounds or 8,724 tons.

In 1904 the camp produced 158 tons, valued at \$316,217; in 1905, 2,144, valued at \$1,437,106; in 1906, 5,835 tons; in 1907, 4,850 tons; in 1908, 29,360 tons; in 1909, 29,941 tons; in 1910, 34,041 tons; in 1911, 25,089 tons; in 1912, 21,509 tons.



## MUNICIPALITIES NOT THE ONLY BORROWERS

### Demand for Capital is Large—Civic Administrators and Expert Advice

BY G. H. BURGESS.

A combination of circumstances has brought about existing conditions in the Canadian bond market, three of which are as follows:—World-wide demand for money. Some shaking of confidence. Lack of caution in borrowing.

Many municipal officials seem to have the idea that the greatest demand for money is confined to our own country, Canada, that it is the only country that is making great progress, and, therefore, generally speaking, they do not look beyond local conditions.

As an instance of this during last year one particular municipality was trying to sell its bonds at 5 per cent. During the year they had an offer of 99 but they wanted full par. This was a town with something, a little under or a little over, two thousand population. They finally sold their bonds to yield about 6 per cent., and were fortunate at that.

While negotiations were proceeding the city of Moscow in Russia brought out an issue of 5 per cent. bonds in London at 95. This was an opportunity to point out to them the prices that big cities were paying, but they said "That is Russia," and they did not think any security in Russia could be particularly good. Moscow, we understand, is one of the finest cities in the world having over one million population, and a little town in Ontario thought it was badly used when it had to pay as much as the city of Moscow for its money.

#### Many Countries After Money.

This feeling seems to permeate a great many Canadians. There are other countries developing and developing very fast, and they have to have money, and they are going to the money centres to borrow it. While sentiment in London has been a real factor in the price at which Canadian municipals have been able to borrow their funds, we think, investors there have realized that they have rather cheated themselves in loaning money at so low a rate to our Canadian municipalities, and have determined to get a bigger return.

The result is that Canadian securities have not been sought after in the manner as heretofore. The condition of the London market, it is needless to say, has affected our Canadian market and has even had its effect indirectly upon those securities that cannot be sold in London because where the best and larger and what are termed high-grade bonds are affected, it grades down to the other securities which have a narrower market and each feels its effect in turn.

#### Growth Brings Many Civic Problems.

On the top of the lowering in prices the usual condition prevails, people stop buying securities, the municipalities continue to put them out and consequently the prices lower, and when prices are going down folks first begin to wonder why they are offered so cheap and then feel that they had better hold their money because they might buy cheaper. Then they wonder what has happened and decide they had better keep their money for fear something serious will occur.

This feeling coming at a time when there is such an increase in population in this country and when under even good money conditions, municipalities have tremendous problems to solve, creates a condition which is not enviable, and the municipalities wish to borrow or indeed have to borrow the lower the price goes, the fewer buyers there are.

It can be easily appreciated that with an increase in population such as Toronto has had, say of from 35,000 or 40,000 per annum, that the problems presenting themselves to the civic council and officials are large, and we cannot honestly say that the best business men to be had are managing the affairs.

#### In Interest of Public Health.

With the increase in this city it has been necessary to lay out almost as much in one year as for example the city of Brantford has had to lay out in its lifetime.

Calgary in 1904 had a population of about 6,500, they now claim a population of 75,000. In less than ten years they have had a growth of as much as we will say the city of Hamilton has had in fifty years or more. This increase in population means that the people have, of necessity, to be given water and sewer connections in the interest of public health, and in addition to that there are electric light connection, sidewalks, grading and all the other things that go to make up the city.

Nearly all municipalities, especially in the west, are growing in much the same proportion and they all have to borrow money, and to borrow money quickly, with the consequence that many people think that the municipalities are borrowing far too much with the result that their confidence begins to be affected, and debentures which they thought were excellent before, they now have some feeling of uncertainty regarding

them, although when they analyze conditions they cannot say why.

On the other hand, as with the case of municipalities, many mistakes are made and although their population is growing very fast they could save a great deal of money and could choose more opportune times of placing their securities on the market. Past experiences seem to be forgotten and although dealers have in nearly every case warned municipalities to arrange for their money before letting their contracts they have been so self-satisfied with the importance of their particular municipality and the prospect of their becoming larger and more important that the advice has been so often disregarded.

Many municipalities are, therefore, speculating on their creditor's money, and instead of "cleaning up" when they could sell their bonds to reasonable advantage they hang on expecting as soon as the Balkan war, or a railway strike, or something else is settled that prices will be good again. There are very few instances where a municipality has saved money by holding their bonds for better prices rather than taking what they are first offered.

#### Banks and Municipalities.

Then come the banks who have advanced money to municipalities, and wish to have the loans cleared up. The banks put pressure and nearly all the municipalities come to the dealers to sell their bonds with the result that the dealers not being able to borrow money from banks and having so many bonds offered to them are very loath to load up and then there is quite a lot of talk about the borrowings of municipalities and how hard it is for them to sell their bonds with the result that people think they will hold off from investing and create a very dull market.

Notwithstanding conditions mentioned above the municipalities have marketed this year as many bonds as they have in other years only that they have had to pay more for their money and have not been able to get it so readily.

We cannot say that we think the market will be entirely clear for some little time to make room for better conditions, but prices of high-grade bonds are now lower than they have been for twenty or twenty-five years, and it is almost sure to be realized sooner or later and a demand set in for them.

#### Mortgages Versus Debentures.

Mortgages have been the greatest competitor for municipal bonds, and as long as there is so much building going on there will be this demand for mortgages. Any slackening in trade will mean in due course accumulation of funds and the natural opening for investments will be for high-grade bonds. The municipal bond market has been through periods like this before, only less emphatic, and usually of shorter duration, but it will ultimately return to normal conditions and absolute confidence again.

With regard to the private investor, he has never been a real factor in Canadian municipal business. In a young and growing country most of the private investors prefer to take a chance and their money has been going more along the lines of industrial and commercial investments.

There is, however, from year to year a continual increase in private investor's buying of Canadian bonds and when rates are so high as they are, naturally there is more temptation for him to consider this line of investment further, and we do not think he will find a much more profitable field for investment of his money than good municipal debentures, because his chances of loss through non-payment by municipalities is the slightest of any other form of investment and a chance of appreciation in the price of his security is very considerable.

#### LAKE ERIE AND NORTHERN RAILWAY BONDS

Messrs. G. W. Farrell and Company, Montreal, were able to sell \$1,100,000 first mortgage 5 per cent. bonds of the Lake Erie and Northern Railway Company before the prospectus was issued. The chief object of the road is to provide a direct route between Brantford and other municipalities in that district to connect with the Canadian Pacific Railway at Galt, in addition to providing an outlet on Lake Erie to enable the manufacturers of the district to ship their goods by water during the open season to the markets of Western Canada. The Dominion Government has granted a subsidy of \$6,400 a mile. Tenders have been let for the building of the road, which it is expected will be in operation by the latter part of this year. The capitalization of the company is as follows:—

Common stock, \$1,500,000.

First mortgage bonds 5 per cent., \$1,100,000.

Second mortgage bonds 5 per cent., \$500,000.

All these securities have been issued. The directors of the road include a number of well-known manufacturers in Brantford and Paris. Application will be made to list the securities of the company on the Montreal and Toronto Stock Exchanges.



## VALUE OF LIFE INSURANCE

## XVI.

## Policies that are Cheapest and Best

By C. A. Hastings.

In a previous article I have illustrated a contingent survivorship policy, which policy is, of course, not only unattractive to the married man of limited means, but it is also a cost, for if the beneficiary predeceases the assured, the policy becomes null and void, so that the money saved ceases to be a saving and becomes an actual expense.

When a man takes unto himself the responsibilities attaching to marriage, his first step should be to secure protection for his wife in the event of her becoming a widow. The cheapest and best form of policy is, without any doubt, a whole of life policy participating in profits. So much has been written in favor of non-participating policies that I must here endeavor to point out the difference.

For a moment put life insurance on one side, and call it a railway debenture or corporation stock, or anything you like, as long as you know the history of it. Now then, I am assuming that on the corporation stock that you have chosen to buy, you know that a high rate of dividend has been declared and paid—for say half a century, without missing a year: you also know that it is strong and well-managed; that the investments are only in the strongest and best securities, that the bulk of the funds are not all in one basket, and that their principles of business are conservative.

## Applies to First Class Offices.

Very well, would you not therefore consider it safe to assume that future bonuses or dividends will not fall lower than at the last declaration? In other words, is not this an absolute proof to you that they (the stock company you have chosen) have sought to avoid declaring a bonus which they cannot maintain? Certainly. The same applies to all first class life offices.

Take, for example, a healthy man aged thirty, who pays, say, \$240 a year for a \$10,000, whole of life policy, participating in profits, and, as I cannot know for certain, I will assume that at age 65, when he will have paid in \$8,400, his policy would then be worth \$17,000 odd—should he then die, against the other man who took a non-participating policy at the same age and who has paid in, during the same period, \$7,000, and his estate would only receive \$10,000 should he then die.

## Distinct Advantage With Profit Policy.

Another distinct advantage to the with profit policy is (I will continue with the example I have taken) that at the end of any period—say thirty-five years in this case—the assured may apply his bonuses towards totally extinguishing all future premiums. I will assume he does that, he will then have a fully paid-up policy for, at least, \$10,000, which continues to participate in dividends as long as he lives, and he has not another cent to pay.

Compare this to the unfortunate individual who has already paid \$7,000 in thirty-five years for a \$10,000 policy. He may go on living to a great age, his premiums never cease—unless he chooses to take a paid-up policy for less than the face value of what it calls for.

There are so many persons who will persist in thinking that the cheapest goods are always the best, and do not realize that it is not the rate that a company charges but the bonus a company pays that constitutes the value of life assurance as an investment. Dividends determine cost all the world over.

The following articles in this series have already appeared:—

- (1) March 1st—How to become one's own master.
- (2) March 8th—How depreciation of assets can be met.
- (3) March 15th—How to borrow at a profit.
- (4) March 22nd—The automatic production of capital.
- (5) March 29th—How to redeem debentures.
- (6) April 5th—Value of goodwill and how to preserve it.
- (7) April 12th—How to protect capital in land, etc.
- (8) April 19th—Short-term policies.
- (9) April 26th—Endowment policies.
- (10) May 3rd—Single premium policies.
- (11) May 10th—The policy for the professional man.
- (12) May 17th—A life policy as collateral security.
- (13) May 24th—Lucrative investment.
- (14) May 31st—Partnership protection.
- (15) June 7th.—Home versus commerce.

## INVESTMENT OF LIFE INSURANCE COMPANIES' FUNDS

## IX.

## Points to be Considered in Investments—Stocks

By M. P. LANGSTAFF, A.I.A., F.A.S.

In examining the stocks of a corporation the same points should be considered as would be taken into account if you were buying its bonds. But you must also go deeper. By buying stock, you become a part owner in the concern; as a bondholder you were a creditor; as a stockholder you are speculating on its business success, and your income may vary, even though you be a preferred stockholder; as a bondholder all you demand is security, the income being fixed. In short, the essence of your position is, as a stockholder, contingency depending upon success; as a bondholder, security for both interest and principal. For those stocks authorized for life companies' investments, the following points may be added or emphasized:—

1. Capitalization.—Does the whole of the capital stock represent actual money that has been paid in to the concern, or is some of the "watered" variety?

2. Directors.—What is their record as to business ability and honorable dealing? Are they liberal in the payment of dividends to stockholders without being too liberal? Does the sustained success of the company depend largely and specifically upon the continuance in office of the present management?

## Question of Earnings.

3. Earnings.—Ascertain the margin between earnings and dividends over a period of some years. Stability of earnings is important, but the nature of the business has to be taken into account.

4. There should be a constant demand for the product or the services of the corporation whose stock is under consideration. An industrial company depending for its prosperity upon the continued demand for a special description of manufacture might derive much harm from a change in popular fashion.

5. Be cautious when investing in securities where the capital stock is not all paid up, or where additional liability is attached, e.g., bank stocks.

6. Does the market value of the shares fluctuate to any extent? Study market conditions, and if buying a stock listed on the exchange, "get in" at the right time.

7. What is the bonded indebtedness and the fixed charges that have to be met before dividends can be paid on the stock?

8. Common or Preferred.—Unless the earnings are exceptionally stable, avoid common stocks. Preferred stocks take precedence in respect to dividends, and also sometimes have the important advantage of being cumulative or convertible. Conversely, the value of the common stock with a "cumulative" preferred stock preceding it is correspondingly lowered in value.

9. Avoid stock subject to wide fluctuations in value; in other words, speculative stocks.

10. It should be remembered where the business of any corporation proves a pronounced success, it is the common stock that shows the greatest appreciation in value.

## Common Stock of Railways.

In addition to the above, these essentials regarding common stock of railways should be noted:—

1. The earnings of railways are greatly diminished in times of business depressions, and hence the dividends and values of the common stock are subject to wide fluctuations.

2. Fresh capital is sometimes raised by means of an issue which takes precedence, in respect to security and dividends, over the common stock.

3. In many cases a great part of the common stock is only "water."

4. Margin of Safety.—If the relation of fixed charges to net and gross earnings is satisfactory, ascertain next: First, the per cent. of gross remaining for maintenance and dividends after the payment of necessary operating expenses and fixed charges; and secondly, the amount remaining for dividends on the preferred and common stocks after the payment of all operating expenses, including maintenance, together with fixed charges. In ascertaining the amount earned on the stock of any road, a series of years should be studied.

Note that the "margin of safety" of two roads, each earning ten per cent. on capital stock, is by no means the same. One road may be much higher capitalized, and in times of depression have a balance left for dividends due to its larger gross earnings, while the dividends of the other road might be entirely wiped out.

Sherwin-Williams Company have declared the regular quarterly dividend of  $1\frac{3}{4}$  per cent. on the preferred stock, payable July 1st to shareholders of record June 15th.



TUCKETT TOBACCO COMPANY'S REPORT

TO RAISE MONEY FOR UNION LIFE

First Year of Reorganization—Average Earnings Show Increase—Assets and Liabilities

Shareholders Agreed to Consider Scheme to Find £75,000 for Business Under British Management

Net profits of \$303,384 for the twelve months ended March 31st, and carrying forward to credit of profit and loss a sum of \$141,842, or equal to approximately 5 3/4 per cent. on its \$2,500,000 of common stock, is the result of the operations of the Tuckett Tobacco Co., in the first year of its reorganization.

Steps are to be taken to find £75,000 to keep the Union Life Assurance Co. going, and under British management. Such was the decision of the company's shareholders at a recent meeting in London. Mr. de Beck moved: "That a committee be at once elected for the purpose of submitting a scheme whereby £75,000 should be found for the business under British management, subject to the payment of £25,000 by the National Agency, Limited." This was duly seconded.

At the time of the acquisition of the three companies comprising the present organization by Messrs. C. Meredith & Co., Ltd., combined profits were stated to have been \$307,552 in 1911 and \$293,024 in 1912. Profits for the year just closed have therefore shown a slight increase over profits in the year preceding and over the average profits for the two years preceding the reorganization.

A shareholder, however, moved as an amendment that the company be wound up, and this was also seconded. On being put to the meeting the amendment was lost, and it was eventually decided that the previous committee be appointed and two shareholders co-opted.

There is no bond issue and the profits go directly to the stock, which is divided into \$2,000,000 preferred and \$2,500,000 common. The preferred dividends in a full year for the company in its present form would take a sum of \$140,000. Actual dividends paid last year, however, amounted to \$152,615, owing to the fact that the organization of the new company was completed only in July 2nd last, and for the first quarter dividends amounting to \$47,615 were paid to the shareholders of the old companies.

Serious Position of Company.

Mr. William Schooling, chairman of the advisory board, announced that he had to place before the shareholders the very serious position of the company. According to a report of the meeting in the Financial News, Mr. Schooling said that the investments of the company had involved a loss of £120,000, and the excessive expenditure was responsible for a further loss of £120,000. The law of Canada insisted on the provision of reserves to meet liabilities in connection with life assurance business, and, as a consequence, was unnecessarily severe. The Government department charged to investigate the securities in which these investments were placed assigned the values attaching to such securities and had power to reject, on behalf of policy-holders, those it regarded as doubtful.

Quarterly Dividend Distribution.

This quarterly distribution compared with three distributions of \$35,000 each subsequently. In a normal year, therefore, the surplus on the basis of the year's results shown in the present statement would be \$154,457, or equal to slightly more than 6 per cent. on the stock. Other than the \$152,615 for dividends, the only deduction from net profits was \$8,926 written off organization expenses.

Refused to License Company.

If at any time the amount fell short of that fixed by the department, the department could suspend the company's license until the deficiency was made good. Although there had been an increase in the premium income of £55,000, it could not be denied that the expenditure had been injudicious and extravagant. The whole share capital of the company was insufficient to meet the liabilities of £80,000, and, as a result, the Dominion Government had refused the company's license. It had, however, granted it permission to continue business until the end of the present month. Three investments were objected to, one of these being for £40,000 in a building society, which was admitted by the Insurance Department of the Dominion as worth £40,000 at the end of the years 1909-10-11. Now, however, the department absolutely refused to admit this item as part of the reserves. The second and most important item was a loan of £68,000 on the security of £97,000 worth of stock in an investment company, which class of security was authorized by Canadian law. This item was admitted by the department as worth £68,000 at the end of 1911, but was now objected to altogether. Considering the great responsibility placed upon the insurance department by the Dominion law and the extensive powers given to it, it was difficult to justify such action. Ever since the Canadian Insurance Act of 1910 was passed, legislation and consequent investigations had generally been regarded as invaluable safeguards in supplying evidence and accurate returns of the work of approved investments. Unfortunately, its opinion had been proved to be wrong by the action of the department in connection with the union. One investment objected to was made in 1912—viz., a mortgage of £13,000— but he understood that there was every probability of this amount being recovered in full.

"In October, 1912, we began the erection of a large addition to our Hamilton cigar factory," states the directors' report. "This building has been completed, and we have now one of the finest cigar factories in Canada. To meet the demand for increased space for manufacturing it has been decided to erect a new cigar factory in Montreal, and a satisfactory site for the purpose has been acquired."

Position shown by Balance Sheet.

Current assets of \$2,143,057, against current liabilities of \$378,553, are shown in the company's balance sheet. Inventories of raw leaf, stock manufactured and in process of manufacture, etc., show an increase of approximately \$350,000 since the date of the reorganization of the company. The statement of assets and liabilities in brief is as follows:

Assets.	
Plant, etc. ....	\$2,877,338
Raw leaf, etc. ....	1,758,110
Accounts receivable .....	366,724
Investments .....	8,487
Unexpired insurance .....	3,675
Cash .....	6,059
Total .....	\$5,020,395
Liabilities.	
Preferred stock .....	\$2,000,000
Common stock .....	2,500,000
Accounts payable .....	343,553
Dividend due April .....	35,000
Surplus .....	141,842
Total .....	\$5,020,395

LINES CONVERGE AT NELSON

The transportation routes of East and West Kootenay converge at Nelson making Nelson beyond question the commercial capital of this great area. A commercial traveller living at Nelson will reach from the city as the most central point the Crow's Nest Pass country and the open prairie, the Lardeau country, the West Arm and Central Kootenay Lake District, the Slocan route by rail and steamer, the Upper and Lower Arrow Lakes connecting with Columbia Valley; the boundary line, including Kettle Valley, Rossland country and and Nelson and Fort Shepherd branch, giving connection with Spokane and an alternate route to the boundary and Similkameen country through the United States. These routes connect with other branches of the Canadian Pacific Railway, the Great Northern and the Northern Pacific roads, making Nelson the centre of a large area in which her influence must be dominant.

Calgary and Lethbridge, the nearest distributing centres on the plains, are distant 413 and 346 respectively. Vancouver is 541 miles from Nelson.

Mr. W. N. Scott, the publicity commissioner of Nelson, has just issued an unusually interesting booklet regarding the attractions of that city.

Loss from Excessive Expenditure.

During the three years 1910-11-12 the loss from excessive expenditure had amounted to £120,000. He pointed out that the advisory board in this country had no control over the expenditure in Canada, but it had made serious representations concerning it to the board in Canada, which promised that matters in this respect would be modified. The Union Life had been in existence for eleven years, and its annual premium income was now £140,000. The present deplorable state of things was, he argued, entirely due to inadvisable investment and reckless extravagance; otherwise the business was good. If the situation was to be saved the British shareholders would have to provide £75,000 additional capital. If they were not inclined to do this the whole of the share capital would be lost.

Mr. de Beck (chairman of the investigation committee) suggested that Mr. Schooling should be requested to go out to Canada to see what could be done, and two Canadians of repute selected to act under the authority of the British shareholders. He emphasized the importance of shareholders taking immediate action to safeguard their interests.

Mr. Scott, an official of the company, admitted that the president had spent too much money upon agency work. There was, however, in his opinion, every prospect of making the Union a great success.



BRITISH INTERESTS FORM NEW COMPANIES

One Hundred and Seven Incorporations—Alberta Contributes Half that Number

New Canadian companies this week number one hundred and seven and include several large aggregations of capital, that of the United States Steel Corporation's Canadian subsidiary being prominent. British interests are also represented, as it will be seen the capitalization of Mann Mines is £200,000, and also that a company bearing the well-known gold and silversmiths firm's name, Mappin & Webb, has been incorporated. Another noticeable feature in the new incorporations is the number of realty and investment firms that are weekly added to the list. The largest companies are:

Company.	Capital
Ontario Steel Products Company	\$20,000,000
National Tobacco Company, Montreal	4,000,000
McKittrick Properties, Hamilton	1,000,000
Guarantee Securities, Winnipeg	1,000,000
Federal Oil and Gas Corporation, Calgary	1,000,000
Mann Mines, Toronto	£ 200,000

The total number of companies was one hundred and seven, with a capitalization of \$28,710,985.

Grouping the new concerns according to provinces in which the head offices are situated, we have the following results:—

Province.	No. of Companies.	Capitalization.
New Brunswick	4	\$ 478,000
Quebec	14	5,044,750
Ontario	16	24,471,000
Manitoba	1	1,000,000
Saskatchewan	14	751,935
Alberta	53	6,030,300
British Columbia	5	935,000
Totals	107	\$28,710,985

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

- McLean, Sask.**—Kidds, \$10,000.
- Granbrook, B.C.**—Kootenay Farms, \$50,000.
- Canmore, Alta.**—Granger Collieries, \$50,000.
- Oyen, Alta.**—Acadia Grain Company, \$25,000.
- Olds, Alta.**—Alberta Threshing Syndicate, \$3,300.
- Hanna, Alta.**—Hanna Hardware Company, \$25,000.
- Simpson, Sask.**—Simpson Telephone Company, \$1,250.
- Bienfait, Sask.**—Bienfait Commercial Company, \$100,000.
- Bow Island, Alta.**—Empire Elevator Company, \$100,000.
- Govan, Sask.**—Wessels Rural Telephone Company, \$290,000.
- Moosomin, Sask.**—Ivanhoe Rural Telephone Company, \$220,000.
- Saskatoon, Sask.**—Polar Aerated Water Company, \$25,000.
- Victoria, B.C.**—Westbourne Investment Company, \$25,000.
- Craigmyle, Alta.**—Craigmyle Farmers Elevator Company, \$10,000.
- Dunmore, Alta.**—Canadian Manufacturing Company, \$100,000.
- Davidson, Sask.**—Davidson Clay Products Company, \$100,000.
- Weyburn, Sask.**—Western Realty and Investment Company, \$100,000.
- Langman, Sask.**—West Langman Rural Telephone Company, \$175,000.
- Prince Albert, Sask.**—Churchill Basin Fish and Traction Company, \$75,000.
- Strome, Alta.**—Sterling Land and Development Company of Strome, \$200,000.
- Winnipeg, Man.**—Guaranteed Securities, \$1,000,000. R. A. Scott, H. Hill, J. J. Scott.
- Ottawa, Ont.**—Wapoose Mines, \$100,000. A. W. MacMinn, P. J. Wood, S. J. Robson.
- Quebec City, Que.**—Donohue Construction, \$50,000. J. T. Donohue, D. Gendron, G. Simard.
- Bassano, Alta.**—W. J. Robinson Hardware Company, \$100,000. Bassano Securities, \$35,000.
- Regina, Sask.**—Saskatchewan Westrumite Company, \$100,000. Fraser Stock Company, \$50,000.
- St. Thomas, Ont.**—St. Thomas Dehydration Company, \$60,000. J. Lyle, W. H. Moody, C. E. Rock.
- Moose Jaw, Sask.**—Moose Jaw Steam Laundry Company, \$100,000. Monarch Theatre Company, \$100,000.
- Brighton, Ont.**—D. J. Barker Foundry Company, \$100,000. W. W. Porte, S. D. Ross, A. D. Bullock.
- Moncton, N.B.**—Canada Improved Estates, \$5,000. S. L. T. Harrison, W. H. Lugsdin, A. J. MacQuarrie.

- St. Angele, Que.**—Violette Lumber Company, \$15,000. A. H. Campbell, W. J. W. Booth, Hon. F. E. Gilman.
- Marieville, Que.**—Le Renard Noir, \$95,000. J. Schmitt, Montreal; J. L. Pinsonnault, J. E. Robert, Marieville.
- St. John, N.B.**—British American Construction Company, \$99,000. J. L. McAvity, A. E. Massie, W. M. Doherty.
- Aylmer, Que.**—Pilgrim Mineral Water Company, \$50,000. F. M. Pilgrim, N. O. Kilpatrick, E. Edward, Brockville.
- Redcliff, Alta.**—Alberta Shoe Manufacturing Company, \$75,000. Redcliff Glove Manufacturing Company, \$75,000.
- Ojibway, Ont.**—Ontario Steel Products Company, \$20,000,000. P. Davidson, G. A. Childs, M. Alexander, Montreal.
- Vermilion, Alta.**—British Investment Corporation of Canada, \$500,000. Vermilion Securities Company, \$500,000.
- Cap St. Martin, Que.**—St. Laurent Quarry, \$99,800. F. Dufresne, C. LePailleur, St. Laurent; J. A. LePailleur, Lachine.
- Montreal East, Que.**—Club Champetre Canadien, \$50,000. A. Blondin, Montreal East; H. Lafleur, J. I. Chouinard, Montreal.
- Murray Corner, N.B.**—Maritime Black Foxes, \$299,000. J. Agnew, Alberton, P.E.I.; W. Kitchen, Fredericton; N. C. Christie, Amherst.
- Bleazard Valley, Ont.**—Bleazard Valley Co-operative Store, \$10,000. J. A. Lemieux, Bleazard Valley; E. Danis, N. LePage, Hanmen Township.
- Vancouver, B.C.**—Continental Marble Company, \$10,000. Buscombe Securities Company, \$500,000. Strathcona Investment Company, \$250,000.
- Medicine Hat, Alta.**—J. C. Beveridge, \$100,000. Pettet-Bell Hardware Company, \$10,000. Spaulding & Company, \$50,000. Home Builders of Medicine Hat, \$100,000.
- Dalhousie Junction, N.B.**—Restigouche Lumber Company, \$75,000. R. L. Hicks, Dalhousie Junction; W. S. Smith, Dalhousie; A. McC. Hicks, Dalhousie Junction.
- Hamilton, Ont.**—McKittrick Properties, \$1,000,000. G. H. Levy, M. J. O'Reilly, A. H. Gibson. Canadian Rector Gas Heating Company, \$100,000. J. F. Leishman, J. S. Barnum, J. B. McNary.
- Port Arthur, Ont.**—Port Arthur Securities, \$40,000. G. H. Gray, J. J. Gray, W. R. Willard. Port Arthur Wagon and Implements, \$500,000. H. Riley, W. R. Anderson, G. W. Morley, Toronto.
- Toronto, Ont.**—Calgary Brick and Supply Company, \$200,000. W. Laidlaw, C. M. Johnston, G. R. Kappel. Hodder & Stoughton, \$40,000, (printers). W. Bain, J. S. Lovell, R. Gowans. Niagara Gardens, \$21,000. J. A. Halsted, T. A. Halsted, L. A. Archambault. Oxygenated Stove and Heating Company, \$350,000. J. B. Burdick, A. W. Craig, T. E. Dunn. Caleta Silver Mines, \$500,000. A. D. McMillan, Winnipeg; C. Maclean, New York; F. W. Maclean, Toronto. John H. Parker Canadian, \$450,000. J. M. Ferguson, J. M. Adam, S. C. Arrell. Mann Mines, \$200,000. N. S. Caudwell, W. B. McPherson, M. D. Gray.
- Edmonton, Alta.**—Alliance Securities, \$100,000. Canadian Lands Investors Association, \$500,000. Majestic Amusement Company, \$50,000. Peace River Transportation Company, \$50,000. Canada West Home Builders, \$10,000. Strathcona Land and Building Company, \$100,000. Crumb Sign Company, \$10,000. Levien Motor Tire Repairing Company, \$10,000. Big Valley Collieries, \$100,000. Fowler Brothers, \$60,000. Gold Creek Mining Company, \$100,000. Capital Cigar Stores, \$30,000. Benjamin Construction Company, \$10,000. King Edward Park Store, \$20,000. G. D. Carter Company, \$10,000. Interior Securities, \$100,000. Western Empire Land Company, \$10,000.
- Calgary, Alta.**—College View, \$42,000. Co-operative Builders, \$10,000. Alberta Stone Company, \$150,000. Stokes Sand and Gravel Company, \$40,000. North Battleford Securities, \$15,000. D. R. Foulds, \$100,000. Big Bow Valley Farm, \$500,000. Standard Supply Company, \$50,000. Consumers Insurance Company, \$300,000. Columbia Buildings Company, \$100,000. Massie Brothers, \$100,000. Allen Theatre, \$125,000. Carmichael Drug Company, \$20,000. Occidental Importing Company, \$10,000. Shaver, Armstrong, MacPherson, \$40,000. Herron Oil and Natural Gas Company, \$75,000. Federal Oil and Gas Corporation, Limited, \$1,000,000. Cecil Cartage Company, \$25,000.
- Montreal, Que.**—Windsor Strip and Supply Company, \$50,000. H. W. Ellicott, H. Cutmore, A. H. Campbell. Trout Lake Realty Development Company, \$30,000. A. R. Hall, G. C. Papineau-Couture, L. Fitch. Berlin Café, \$20,000. S. W. Jacobs, A. R. Hall, G. C. Papineau-Couture. National Tobacco Company, \$4,000,000. A. E. Woodworth, A. B. Wright, St. Lambert; H. H. Scott, Montreal. Mappin and Webb (Canada), \$500,000, (goldsmiths). A. C. Johnston, J. S. Johnston, Westmount; C. Moore, Montreal. La Compagnie de Pools et de Billiards du Canada, \$49,950. J. Breton, J. L. J. Villeneuve, L. A. Picard. Terrebonne Gardens Land Company, \$20,000. R. F. Stockwell, H. Mackay, E. G. Place. Hudson Yacht Club, \$15,000. J. E. H. Pad-dore, A. Plow, J. H. McNaughton.



## VANCOUVER UNDERWRITERS vs. AGENT

## Judgment is of Interest to Insurance Men—Section of New Insurance Act

Canadian insurance circles have followed with interest the "misrepresentation" case which has occupied the Vancouver courts. The judgment given, which is appended below, is important.

"In his address Mr. Woodworth was driven to this position that he had to specially impute criminality to two individuals and wrong-doing indirectly to Mr. Johnson," said the court.

"I am going to deal first with the case of Mr. Huntington. The allegation is that he procured from McEwen an affidavit that was not true. The only basis for such an allegation is the fact that there is no cheque before the court dated March 26; nor is there any dated April 26, 1912. And as far as the evidence goes there were no such cheques.

## Substantiation Needed.

"I think there should be something to substantiate such a grave charge as that of criminality," continued his lordship, after referring to Mr. Huntington's actions. "Mr. Huntington impressed me as a man of integrity and honor, and I think, moreover, that what he did in this case was his duty both to his associates and to the public."

Mr. Justice Murphy stated that the alleged libel stated that Stirton tried to sell a "fifteen" payment life policy with certain benefits.

"If it only went this far I could come to the conclusion, as I have tried to here, that there was no bad faith on the part of anyone, but only misunderstanding," proceeds the judgment, "but the libel does not stop there, but goes on to say that Johnson would draw in ten years \$3,435, plus 4½ per cent., plus compound interest and profits. This statement could not have been made in good faith."

Then came the question of Johnson's or Stirton's credibility. "Johnson," said the court, "impressed me as a man who was trying to tell the truth. He could not have been doing so if he said Stirton made that statement, and the latter did not make it. I think that Johnson was telling the truth and that the representation he states was made, was made to him.

## The Second Affidavit.

"The only suggestion that Mr. Johnson tried to mislead the court was that he was engaged in a conspiracy to trap Mr. Stirton. Mr. Johnson is evidently a man of high standing in New Westminster and a man who has occupied a coveted public position there. I believe that Mr. Stirton represented to him that the policy would be paid up within fifteen years, and I find this proved.

"When I came to McEwen I was in a more difficult position. McEwen has been represented to me as a man of the deepest guile. The impression he made upon me was that he would be as clay in the hands of the potter, in Mr. Stirton's hands. Nevertheless the fact of the two affidavits made it necessary to scrutinize carefully his evidence. I much regret that there was no other explanation given to me other than by McEwen himself in regard to the second affidavit.

## Explanation is Reasonable.

"McEwen swears it was obtained from him by false pretences, I then ask myself: 'How did this affidavit get into the court?' The second affidavit has been traced to the custody of Mr. Stanley Henderson, the agent of the Great-West Life in Vancouver. He was the man who handed that affidavit to Mr. Stirton, and I would have been only too glad to have granted a delay if it had been asked for in order that the history of that affidavit might have been exposed here in open court. Mr. Henderson could have told me where he got it, and an attempt could have been made to trace up the procuring of it to the persons who actually procured it. Inasmuch as that has not been done, and as McEwen made statements that called for controversy, I am going to accept his story that the second affidavit was procured by false pretences.

"The explanation that McEwen gives of it is a reasonable one," proceeded his lordship, "and no attempt has been made to controvert it. I find McEwen has made his statement on oath, and again at North Vancouver and again here. The alleged libel, as far as McEwen was concerned, divided itself into two parts. First, as to the statement that the policy, if paid for three years, would carry itself for fifteen years, and second, that if paid for fifteen years, it would be paid up."

His lordship found in this connection that McEwen's evidence was again to be accepted and that that portion of the libel was justified.

In stating his reasons for disbelieving Stirton, Mr. Justice Murphy said:

"I find him admittedly making representations as to things he knew nothing about."

Stirton was, his lordship said, evidently attempting to avoid the section of the new Insurance Act prohibiting assumptions based on futurity by making assumptions on the past. This, Mr. Justice Murphy said, was not conduct which he thought would be commendable in an insurance agent. Another reason for disbelieving Stirton advanced by the court was found in the actuarial table prepared by Mr. Huntington.

"I must accept those figures as correct," decided his lordship.

In regard to the cheques Mr. Justice Murphy said: "McEwen said that they were given as promissory notes to be held until they matured. I believe McEwen, and that portion of the libel also fails.

"In regard to the malicious prosecution, it must fall to the ground if the libel action fails. I wish to add this, that on the question of reasonable and probable cause the onus resting on the plaintiff was not satisfied. The first object, to my mind, of the Underwriters' Association was to put a stop to the practices Mr. Stirton indulged in.

"The action is dismissed with costs."

## SOUTHERN ALBERTA'S WOOL PRODUCTION

The wool clip of Southern Alberta this year will probably exceed 825,000 pounds. A canvass of the sheep men shows upwards of 82,000 sheep yet to be sheared, and some 12,000 to 15,000 that have been sheared in small lots, and the estimated clip, based on even as low an average as eight pounds to a fleece, is conservative. The clips at the Dominion Government experimental farm, near Lethbridge, averaged 11½ pounds, with one running as heavy as 15½ pounds. The experimental farm flock was a small one, however, as a carload of the sheep were sold early in the spring for slaughtering, bringing what at that time was the record price for mutton on the hoof, 6½ cents a pound. Since then some lambs have been sold in carload lots at 6¾ cents, and several carloads have brought 6¾ cents after shearing, which is about the equivalent of the 6¾ cent price, shrinkage considered.

Most of the shearing will be done this month, and the wool growers have combined and erected a shearing plant on the new Lethbridge-Weyburn line near Chin Coulee, where 50,000 or more sheep will be sheared. The Canadian Pacific Railway has agreed to aid them in the shipping, and is reported to be arranging for the operation of the Weyburn-Lethbridge line as far as the shearing corrals, having completed that much of the road, or some 25 miles to date.

This will permit of the handling of the clip through Lethbridge, and it will very likely be marketed through Montreal and London, in order to take advantage of the offer of the Dominion Government to stand 25 per cent. of the freight charges to London in order to encourage the industry. The freight on the clip of the wool combine, which will exceed 500,000 pounds, between the corrals and Montreal, via Lethbridge, based on the rate of \$2.23 per hundred pounds, will be in the neighborhood of \$11,500, which is no inconsiderable item to begin the operation of a new railway line with, and should be an evidence of the requirement of such railway facilities. The government has not provided the men promised to supervise the sorting and baling, and the wool will probably go out loose in sacks, the rate for which is much higher than when baled, and this would mean an additional revenue of nearly one third more for the railway. The means of shipping from the shearing place, however, means a big saving in expense to the wool men, and with the establishment of the shearing corrals at Chin Coulee it assures that place of being the future shearing point for this section of the country.

## PROPOSE TEMPORARY FINANCING

The tightness of the money market is being felt by the city of Verdun, Que. It was reported that the council sitting in committee authorized a temporary loan for permanent works in the city to the extent of \$400,000 for which it was proposed that the mayor and the secretary-treasurer of the city should give a promissory note and that the bonds of the town should be held as collateral security for a period of twelve months. It was also stated that arrangements were being made for a conditional loan of \$25,000 from one of the local banks in order that the city might carry on the work already in progress, and a discussion followed as to how this money should be allocated when secured.



## CANADA IN GERMANY

## Native Reply to German Criticisms—Mortgages in Canada and Europe

Several unkind criticisms of Canadian matters have appeared in German newspapers. We notice that Dr. Hammann, the secretary of the German Canadian Economic Society, has issued a statement to the press in Germany, and this is quoted and commented upon in a recent issue of the *Hamburger Nachrichten*:—

"The phenomenal rise of Canada and the solid foundations upon which her progress rests has greatly impressed and interested German economists and business men," says this article, which continues: "That interest found practical expression in the formation two years ago of a German Canadian Economic Society in Berlin, and the educational work which the society has been carrying on in Germany since has been of a character by which Canada cannot fail to profit.

## What the Critics Say.

"During the last two weeks a good deal of adverse criticism of Canada has been appearing in the German press, much of it evidently inspired by stock exchange influences and by the chauvinist tendencies of a certain class of papers. Criticisms have been to the effect that Canada is a much over-rated country, that over-speculation and money stringency has brought the country into a critical position, and there also have been insinuations that the Canadian Government itself, and the prominent railway and other interests of the country, have been lending themselves to a propaganda of exaggeration.

"Accordingly the German-Canadian Economic Society has felt itself called upon to deal with these damaging rumours, and has issued in the press through the secretary, Dr. Hammann, a reasoned statement setting forth the true facts of the situation in Canada, which has been very widely reproduced. Dr. Hammann brushes aside as altogether puerile and self-destructive the insinuations levelled against the Canadian Government and the great interests of the country, of conspiring to mislead the public abroad. The mistake made has been to confuse activity in publicity of the progress made in Canada with exaggeration, and in refusing to recognize that the facts concerning the development of Canada quite legitimately call for publicity on an extended scale.

## Not a Financial Crisis.

"Dr. Hammann adds that to say that Canada is in the throes of a financial crisis is absolutely contrary to the facts. Money stringency may well exist there as in other countries, but the Canadian banks have acted in the most praiseworthy manner by curtailing credit to the most legitimate demands, and have thus been able to finance out of their own resources without any outside assistance the moving and the disposal of the very largest crops that Canada has ever had. That the demand for money in Canada should be great at present was not due to over-speculation, but to the very natural cause that the inflow of capital which a developing country requires had been suddenly brought to a full stop, owing to the unexpected political crisis which had arisen in Europe.

"As to the charge of over-speculation in land, Dr. Hammann gives it as his opinion that this is not at all true, so far as agricultural land is concerned; that the prices of farms and of land suitable for farming in Canada are not only well sustained, but are steadily rising; and in support of this view he refers to the measures that are being taken by the Governments of various States of the American Union to stop the emigration of prosperous farmers to Canada, but adding that these measures have been entirely unsuccessful, so great has been the determination of these experienced men to go over to Canada, where cheap and good land is to be obtained. He believes that it is only in connection with town lots in new centres that are arising in the West that the charge of over-speculation can be to some degree sustained, but that this undesirable practice the Canadian Government and public opinion generally have done their best to expose.

## Mortgages in Canada and Europe.

"At the same time, it is a fact that the most conservative financial institutions in Canada lend money on mortgages on city properties up to one-half their valuation at rates of interest varying from five to six per cent. in the East and seven to eight per cent. in the West. Millions of British capital are being invested in this way through old-established real estate firms. The difference between mortgages in Canada and in Europe is that the value of the property in the former country has a tendency to increase, so that in view of foreclosure a good profit is generally shown, whereas in Europe, under similar conditions, foreclosure of house property is generally attended with difficulties, if not with loss.

"Emigration to Canada over a series of years shows a large and continued increase, and the emigration from England to Australia, which has grown so much of late, is not going on at the expense of emigration to Canada, but is rather a direct result of Australia imitating the wise and effective advertising methods which Canada has adopted. The weakness of the argument which has been put forward that Canada depends largely upon the capital brought in by emigrants, which is alleged to be as high as \$5,000 per family, is easily exposed when one recalls that thousands and tens of thousands of persons belonging to the working classes, entirely without means, have entered, and are annually entering, the country, who, by industry and thrift, have already reached and are in course of reaching a competency, if not independence.

## Canada Has a Wonderful Future.

"Dr. Hammann concludes as follows: 'I have no intention whatever in my reply to advertise or write up Canada. Like every other country, it has its advantages and disadvantages, but, while I gladly endorse every well-founded warning that is being given against misleading and swindling exaggerations whenever they are made, it should not be lost sight of that Canada is a country with a great, and even marvellous, future, and German trade and industry will be committing a great mistake if they do not use every exertion to obtain a footing in this great coming country, which offers the very best possibilities for German capital and the import and export trade. Let us, therefore, keep these essential points well before our eyes, as the *Illustrierte Zeitung*, of Leipzig, urges us to do, and not be led astray by captious criticism, which only serves to obscure the great underlying facts of Canada's progress.'

## CAPE BRETON'S FISHERIES.

The favorable situation of Arichat, Cape Breton, was recognized and taken advantage of by enterprising and energetic fish merchants from Jersey, away across the Atlantic, as long ago as 1765. The trading at the fishing depot or station, was conducted by a manager or agent, selected by the proprietors from their own men who were promoted for ability and service. His staff of clerks were recruited in Jersey, under the apprentice system. The strictest discipline enforced, loyalty to the company's interests encouraged, and, in consequence, a splendid body of capable, trained men were always available, whose home ties were at headquarters and who were kept keyed up thereby to accord with the instructions and orders of the board of directors.

In their dealings with the people, the rule was "goods in exchange for fish and labor." At the beginning of each season, a price for the fish to be caught was agreed upon among the traders, and the fishermen then notified. This price was unalterable, and was paid in goods from the company stores at the company price. If the fishermen made an extra good year's catch, no money was given. He was simply credited on the books with the difference between the supplies he and his family obtained and the worth of his fish.

This is compared with modern conditions in an interesting article by Mr. J. F. Blazdon, manager of the Royal Bank at Arichat, in the Richmond County record.

The twentieth century brought with it, the freedom of our men from the shackles in the old. The invention of "cold storage" gave to the struggling men a boon of incalculable value; for to its introduction into the fish trade of Nova Scotia, by the able and far-seeing merchants of Canso and Halifax is due our brighter future. Last year there were 404 fishing boats with 440 fishermen. Our men are rapidly adopting the "motor dory," at date there are 23, nearly all bought during the past eighteen months. We are great admirers of Lunenburg and buy our vessels there, and our motor boats from Shelburne. A motor dory complete with engine and sails costs \$210.

The indomitable Canso merchants were early in the new field and are to-day among our largest buyers. They shipped via Mulgrave, last year 8,472,000 pounds of fish, valued at \$317,850. They are fighting hard for rail connection in which it is to our interest to join. A railway at Canso brings it about seven miles from Arichat by water.

The fish caught and landed on Isle Madame last year, according to the report of Captain Boudrot, fishery officer, amounted to 4,405,000 pounds. The amount sold afloat and delivered on board buyer's steamers from the boats, which is not recorded here, but wherever landed, by the official of that district, is estimated as 3,500,000 pounds, making the total catch 7,905,000 pounds valued at \$185,000. The year of 1912 was a lean one. Dogfish were more than usually destructive and the fall fishing was shortened by severe storms. In 1909, the catch is given at 9,000,000 pounds, as compiled by Mr. D. H. Campbell, municipal clerk, and Mr. D. R. Boyle, retired fishery officer.



## PERSONAL NOTES

Sir Max Aitken, M.P., arrived in Montreal on Monday from England.

Sir Edmund Walker is in England and will return to Toronto about the end of July.

Mr. John A. Tory addressed the Quebec Life Underwriters' Association last week.

Mr. L. S. Fullerton, of the Dominion Securities Corporation, has returned to Toronto from a trip to Europe.

Mr. Widmer Hawke, vice-president of the O'Keefe Brewery Company, Limited, Toronto, died at his home on Monday last.

Mr. J. W. Langmuir, general manager of the Toronto General Trusts Corporation, has been to Atlantic City, recruiting his health.

Mr. J. V. Barry, a head office official of the Metropolitan Life Insurance Company, will address the insurance convention at Ottawa in August.

Mr. Alex. Maclean, manager of the London and Lancashire Guarantee and Accident Company, with his headquarters in New York, was in Toronto this week.

Mr. Arthur C. Heap, of Messrs. Heap and Digby, of London, England, inspecting and consulting engineers, was a visitor to *The Monetary Times* office this week.

Mr. J. T. Lithgow, formerly acting trade commissioner for the Government of Canada at Amsterdam and Berlin, is now the Dominion's trade representative at Rotterdam.

Mr. C. W. Chesterton, until recently acting manager of the Bank of Montreal, Port Arthur, has been appointed inspector of Ontario branches, with headquarters at Montreal.

Mr. Russell Cowans has returned to Montreal from a trip to the Pacific Coast, taken in connection with the opening of new branches of the firm of McDougall & Cowans, at Winnipeg and Vancouver.

Mr. Robert Welch has been appointed assistant manager of the Canadian Railway Accident Insurance Company. As Mr. John Emo, general manager, states that Mr. Welch is a man of twenty years' practical experience in the casualty business, he should prove a valuable addition to the executive staff of the company.

Alderman James Johnstone has been elected president of the Nelson Street Railway Company, Limited. Mr. William Douche was named vice-president and Mr. A. S. Horswill, secretary-treasurer, to hold office subject to the new arrangement with the city, under which, when it becomes effective, an official of the city clerk's office will be secretary-treasurer.

Mr. Charles B. McNaught has been appointed president of the Sterling Coal Company, Limited, and president of the Conger Lehigh Coal Company, Limited, taking the place of Mr. W. F. Tye in the first instance, and of Mr. R. E. Gibson in the other. Mr. Tye remains a director of the Sterling Company, and Mr. Gibson becomes vice-president of the Conger Lehigh Company. Mr. McNaught is a member of the insurance firm of Reed, Shaw and McNaught.

## AMES-HOLDEN-McCREADY REPORT

Monetary Times Office,  
Montreal, June 11th.

Although the annual meeting of the Ames-Holden-McCreedy Company does not take place until the week after next, the approximate earnings of the concern are available. After all the charges and appropriations of the year, including dividends on preferred stock, had been made, the company carried forward a surplus to profit and loss account of better than \$70,000. This is equal to about 2 per cent. on the common stock of the company. In round figures the results are as follows:—

Profits, approximately	\$370,000
Bond interest, approximately	60,000
	<hr/>
	\$310,000
Preferred stock dividends	175,000
	<hr/>
	\$135,000
Sinking fund, about	\$20,000
Depreciation, about	25,000
Organization, about	15,000
	<hr/>
	\$60,000
	<hr/>
	60,000
	<hr/>
	\$ 75,000

When this is added to the surplus of \$160,568, shown at the beginning of the year, a total surplus of about \$240,000 is shown. When these figures are compared with those of

a year ago, the company is seen to have made considerable progress. The earnings for the year ending April 30th, 1912, were \$281,348, after providing for administration, selling and other expenses. From this is to be deducted bond interest and preferred dividends amounting to \$240,000. The balance of \$41,348 was carried to the credit of profit and loss. This means that the surplus over and above all charges this year is 75 per cent. greater than a year ago. A year ago, however, the sum of \$122,963 was written off to expenses of organization and to depreciation. It is not certain that this figure compares with the \$60,000 written off this year, but that seems to be the situation, and, if so, only half as much was written off this year as a year ago.

It is interesting to hear that the sales for the year were upwards of \$5,000,000, this being an increase of fully \$1,000,000 as compared with those of the previous year. The company had to refuse orders, and it is understood has been exercising considerable discretion for a long time past in the selection of customers. This policy will be pursued during the coming year and should ensure to the company a paying class of customers. It is stated that the outlook for the present year is promising, and that there is no reason why the company should not do a greater trade than a year ago.

## MONEY MARKETS

Messrs. Glazebrook and Cronyn, Toronto, exchange and bond brokers, report exchange rates as follows. June 12:—

		Between Banks.		
	Buyers.	Sellers.		Counter.
N.Y. funds	Par	1-64 pm		¾ to ¼
Montreal funds	Par	Par		¾ to ¼
Sterling—60 days' sight.	8 17-32	8 9-16		8 13-16 to 8 15-16
do. demand	9 7-16	9 15-32		9¾ to 9⅞
Cable transfers	9 17-32	9 19-32		9⅞ to 10
		Actual.		Posted.
Sterling—60 days' sight			4.82.40	4.83½
do. demand			4.86.50	4.87½
			Call money in Toronto, 5½ per cent.	
			Bank of England rate, 4½ per cent.	
			Open market discount rate in London for short bills, 4½ per cent.	

## BANK CLEARING HOUSE RETURNS

The following are the figures for the Canadian Bank Clearing Houses for the weeks of June 13th, 1912; June 5th and June 12th, 1913, with percentage change:—

	June 13, '12.	June 5, '13.	June 12, 13.	Ch'g %
Montreal	\$58,163,330	\$56,992,179	\$63,592,224	+ 9.3
Toronto	48,242,908	40,659,552	46,772,329	- 3.04
Winnipeg	29,347,581	28,765,547	31,994,210	+ 9.01
Vancouver	12,800,239	11,639,481	12,728,600	- 0.5
Calgary	5,834,920	4,500,326	4,977,770	-14.8
Ottawa	4,692,091	4,126,738	4,087,098	-12.8
Edmonton	4,561,787	4,777,993	4,418,251	- 3.1
Victoria	3,689,050	3,225,297	3,718,596	+ 0.8
Hamilton	2,974,278	3,839,772	3,531,587	+18.7
Quebec	3,304,984	3,208,345	3,557,489	+ 7.6
Saskatoon	2,237,621	1,923,656	1,945,279	-13.05
Regina	2,003,544	2,020,534	2,594,161	+29.4
Halifax	1,885,943	2,372,782	2,330,192	+23.5
St. John	1,795,630	1,465,953	1,542,240	-14.08
London	1,725,366	1,796,531	2,087,182	+20.9
Moose Jaw	1,258,078	1,125,201	1,117,990	-11.1
Fort William	1,777,914	859,993	1,210,463	-31.9
Lethbridge	586,117	580,614	515,800	-11.9
Brandon	610,613	622,535	548,011	-10.1
Brantford	544,367	623,969	684,768	+25.7
Totals	\$188,036,361	\$175,135,998	\$193,954,240	+ 3.1
New Westminster		608,473	611,798	
Medicine Hat		857,705	672,695	

## THE REAL ESTATE LOAN COMPANY OF CANADA, LIMITED

## DIVIDEND No. 53

Notice is hereby given that a dividend of three and one-half per cent. upon the Capital Stock of the Company has been declared for the current half-year, and that the same will be payable at the offices of the Company on and after the **2nd day of July, 1913.**

The transfer books will be closed from the 16th to 30th June, both days inclusive.

By order of the Board,  
E. L. MORTON,  
Manager.



BOND TENDERS INVITED

Monetary Times' Weekly Register of Information for Bond Dealers and Municipal Officials

**Wabamun, Alta.**—The village will issue \$5,000 debentures for street, sidewalks and fire apparatus.

**Clive, Alta.**—The village council has been authorized to borrow \$1,000 for streets and sidewalks.

**Lachine, Que.**—Until June 18th for \$256,000 5 per cent. 40-year debentures. A. E. S. Bournet, treasurer.

**Acton, Ont.**—Until June 17th for \$6,500 5 per cent. 30-year school debentures. A. J. Mackinnon, treasurer.

**Wabamun, Alta.**—Until July 1st for \$5,000 6 per cent. 10-year debentures. E. B. Shields, secretary-treasurer.

**Alliston, Ont.**—Until June 17th for \$7,000 20-year debenture guaranteed by Simcoe County. J. H. Mitchell, Mayor.

**Truax, Sask.**—The village has been authorized to borrow \$2,000 for permanent improvements. J. Duck, secretary-treasurer.

**Star City, Sask.**—The village has been authorized to borrow \$1,200 for permanent improvements. R. Jones, secretary-treasurer.

**Wroxton, Sask.**—The village has been authorized to borrow \$2,000 for permanent improvements. C. J. Leakey, secretary-treasurer.

**Maryfield, Sask.**—The village has been authorized to borrow \$1,700 for permanent improvements. E. L. Anderson, secretary-treasurer, Maryfield.

**Clarence Township, Russell County, Ont.**—Until June 20th for \$14,632.80 5 per cent. 20-year drainage debentures. N. Longtin, Reeve, Bourget P.O., Ont.

**Kamsack, Sask.**—At the voting on local improvements by-laws the waterworks (\$63,000), sewerages (\$1,500), and electric light (\$23,000) were carried.

**Moncton, N.B.**—Until June 25th for \$201,000 and \$173,000 5 per cent. debentures, and \$28,000 4½ per cent. debentures. J. S. Magee, city treasurer.

**Fairview Rural Municipality, Sask.**—The municipality will borrow \$7,000 for permanent improvements. F. Tinney, secretary-treasurer, Rosetown, Sask.

**Burke's Falls, Ont.**—Until June 16th for \$8,000 5½ per cent. 20-year filtration plant and waterworks extension debentures. C. McArthur, town clerk.

**Bushville Rural Municipality No. 348, Sask.**—The municipality will borrow \$9,000 for permanent improvements. J. D. Gratton, secretary-treasurer, Landis.

**Rivers, Man.**—On June 23rd the ratepayers will vote on a by-law to issue \$20,000 20-year debentures for street improvements. C. Howard, returning officer.

**Rudy Municipality, No. 284, Sask.**—Until June 19th for \$10,000 6 per cent. 20-year roads and bridges debentures. J. B. Stoehr, secretary-treasurer, Glenside.

**Manitou Lake Rural Municipality No. 442, Sask.**—The municipality will borrow \$10,000 for permanent improvements. A. Campbell, secretary-treasurer, Marsden.

**Longlaketon Rural Municipality No. 219, Sask.**—The municipality will borrow \$10,000 for permanent improvements. S. J. Morrison, secretary-treasurer, Earl Grey.

**Yorkton, Sask.**—Until July 1st for \$15,000 5 per cent. 20-year school debentures. C. J. Macfarlane, secretary-treasurer. (Official advertisement appears on another page).

**Broadview, Sask.**—Until July 12th for \$25,000 6 per cent. 20-year town hall debentures. A. Sinclair, secretary-treasurer. (Official advertisement appears on another page).

**Consolidated S.D. of Manitou, No. 314, Man.**—On June 20th a by-law will be voted on to raise \$30,000 for school purposes. G. T. Armstrong, village clerk, Manitou.

**Hearts Hill Rural Municipality No. 352, Sask.**—The council board has been authorized to borrow \$5,000 for permanent improvements. D. McLeod, secretary-treasurer, Luskland.

**Wellington Rural Municipality No. 97, Sask.**—Authority has been granted the municipality to borrow \$2,000 for permanent improvements. C. Bierma, secretary-treasurer, McTaggart.

**Merritt, B.C.**—Until June 30th for \$45,000 6 per cent. 30-year waterworks; \$25,000 6 per cent. 30-year electric light, and \$10,000 6 per cent. 10-year sidewalks debentures. Harry Priest, treasurer.

**Middlesex County, Ont.**—A recommendation to borrow \$80,000 to meet current expenditures, and that debentures be issued for \$25,000 bearing 5 per cent. interest, 20 years, was adopted by the council.

**Welland County, Ont.**—Until July 15th for \$100,000 4½ per cent. 30-year highway improvement debentures. R. Cooper, county clerk, Welland, Ont. (Official advertisement appears on another page).

**Galt, Ont.**—The town council considered the waterworks extension by-law to raise \$70,000, and the G. C. I. by-law to raise \$15,000 to build a new gymnasium. These will be submitted to the electors on July 5th.

**Lasalle, Que.**—Until June 18th for whole or any portion (not less than \$20,000) of \$80,000 5 per cent. 40-year debentures. J. S. A. Ashby, N.P., secretary-treasurer, town of Lasalle; 15 Nineteenth Avenue, Lachine, Que.

**Snipe Lake Rural Municipality No. 259, Sask.**—Until July 14th for \$5,000 6 per cent. 20-year road construction debentures. Maitland Barkwell, secretary-treasurer, Richlea P.O. (Official advertisement appears on another page).

**Rural Municipality of Wallace, Man.**—On June 16th by-laws will be voted on to issue \$125,000 4½ per cent. 40-year, and \$25,000 4½ per cent. 30-year debentures for road improvements. W. Whiteford, secretary-treasurer, Virden.

**Gull Lake, Sask.**—Until June 28th for the following 6 per cent. debentures: \$500 5-year nuisance ground, \$10,000 20-year municipal hall, \$1,000 10-year cemetery, and \$3,500 10-year exhibition ground. E. E. Spackman, secretary-treasurer. (Official advertisement appears on another page).

**Kingston, Ont.**—Kingston ratepayers voted in favor of four money by-laws. Two were to give sites and railway sidings to the Kingston Floor and Wall Tile Company, and the Reliance Moulding Company. Another was for expanding \$34,000 in constructing conduits. The fourth was for the heating of the city buildings.

**Watrous, Sask.**—Four money by-laws were carried comprising a sum of \$89,800. Concrete sidewalks will be constructed throughout the town at a cost of \$8,800. The Farmers Machine Company will receive \$11,000 and \$70,000 will be spent in the completion of the waterworks and sewage system in the town.

BANK BRANCHES OPENED AND CLOSED DURING MAY

During May twenty branches of Canadian chartered banks were opened and eight closed. The following table gives details of the branches opened and closed this year:—

	Opened.	Closed.
January	34	15
February	29	16
March	25	6
April	28	4
May	20	8

Houston's Bank Directory gives the following particulars for May:—

Branches Opened.

- Abbotsford, Que. .... Banque d'Hochelega.
- Apple Hill, Ont. .... Banque d'Hochelega.
- Camlachie, Ont. .... Canadian Bank of Commerce.
- Estevan, Sask. .... Bank of Ottawa.
- Havana, Cuba, Luyano Street ..... Royal Bank of Canada.
- Montreal, Que., St. Catherine Street West. Quebec Bank.
- Montreal, Que., Notre Dame de Grace .... Royal Bank of Canada.
- Peele Island, Ont. .... Merchants Bank of Canada.
- Quebec, Que., St. John and d'Anteuil Streets. Canadian Bank of Commerce.
- St. Clet, Que. .... Banque Provinciale du Canada.
- St. Laurent, Montreal, Que. .... Royal Bank of Canada.
- St. Pie, Que. .... Banque d'Hochelega.
- Selkirk, Man. .... Bank of British North America.
- Toronto, Ont., Church and Wellesley Streets. Union Bank of Canada.
- Toronto, Ont., Eglinton Avenue ..... Dominion Bank.
- Toronto, Ont., Queen Street East ..... Bank of Montreal.
- Victoriaville, Que. .... Banque Provinciale du Canada.
- Way's Mills, Que. .... Quebec Bank.
- Welland, Ont. .... Bank of Montreal.
- Esquimalt, B.C. .... Bank of British North America.

Branches Closed.

- Bassano, Alta. .... Quebec Bank.
- Edmonton, Alta., Mc-Dougall Avenue .... Royal Bank of Canada.
- Halbrite, Sask. .... Standard Bank of Canada.
- Kerwood, Ont. .... Sterling Bank of Canada.
- McTaggart, Sask. .... Standard Bank of Canada.
- Vancouver, B.C., Broadway West ..... Bank of Vancouver.
- South Porcupine, Ont. Bank of Ottawa.
- Victoriaville, Que. .... Quebec Bank.



## FIRE INSURANCE COMPANIES AND LEGISLATION

### All-Canada Federation's Activities During the Past Year

Legislation, taxation, fire protection were among the various subjects discussed at the All-Canada Fire Insurance Federation's annual meeting at Ottawa. Mr. T. L. Morrisey, is the president of the association and Mr. C. D. Gaudet, K.C., acting secretary. The report of the executive is herewith appended:

"The supreme court has heard and is about to pronounce upon the constitutional principles underlying the right to legislate in insurance matters. The right of parliament to legislate in matters of insurance and particularly as to licensing of companies will be determined. At the hearing all the provinces were represented by counsel and your federation and the Canadian Manufacturers' Association were also permitted to state their cases. A decision is expected at the present sitting of the supreme court of Canada and should nothing unforeseen occur a final hearing before the privy council may be had in July of this year.

"In this connection it will no doubt be of interest for the members to know that a few days ago Mr. Justice White, of the supreme court of New Brunswick, held in a case of the Pacific Coast Fire Insurance Company vs. Hicks, that insurance contracts entered into with unlicensed companies provided they do not fall within the exception stated in section 139 of the act are illegal and absolutely void, that the effect of the Insurance Act is to render policies assessed by foreign unlicensed companies illegal and, therefore, unenforceable and void and the learned judge adds: 'I am quite clear in even an express stipulation of the company to raise the question of illegality as a defense would not avail in law to make the contract enforceable, for no court will lend its aid to enforce an illegal contract.'

#### Public Should Know.

"In view of this, it is felt that if the insuring public knew of the danger which they run in insuring in unlicensed companies as outlined in this decision, not only would no further risks be placed with them, but it is reasonable to expect that much of this insurance would be cancelled. Neither of the counsels representing the opposing parties contended that the Insurance Act was beyond the powers of parliament and Mr. Justice White, in coming to the conclusion which he has, naturally could not do so without assuming that the Act is *intra vires*.

"Your committee has endeavoured for some years to obtain the removal of a sub-section of section 298 of the Dominion Railway Act which has for effect to transfer the liability for loss by fire caused by locomotives of railway companies to insurance companies, whether railway companies are negligent or not. The minister of justice, while not inclined to take so serious a view of this section, has stated it as his opinion that if the section can be given this interpretation, the insurance companies have an undoubted grievance and that any ambiguity should be removed. We have lately been advised that the amendment, proposed by the committee, had been embodied in the draft bill which will be printed shortly and introduced in Parliament. The Lumber Insurance General Agency has taken an interest in this work and hopes favorably to interest the Canadian Lumbermen's Association and possibly the Canadian Manufacturers' Association. We should feel grateful for the assistance of any of the members in obtaining the repeal of this objectionable clause.

#### Heavy Taxes in Quebec.

"As a result of the courtesy extended by the minister of finance, the Federation is now in possession of the returns made by persons, firms or companies insuring in unlicensed companies and who have reported to the government. These returns have been tabulated and it is intended to have them printed shortly and forwarded to the members of the federation so as to facilitate their discovering those who violate the law by not making returns and having them penalized as provided by the statute.

"The somewhat startling returns obtained from the members of the Federation establishing that the companies pay in the province of Quebec taxes averaging double what they pay in all the other provinces united, have urged your committee to make a determined effort to obtain legislation from the Quebec legislature re-adjusting and reducing this excess of imports. With this object in view, the following bills were drafted and submitted through the proper channels, to the different ministers:

"Bill to force unlicensed companies to share in the tax of 1 per cent. in the City of Montreal. Bill to amend the Fire Commissioners Act, with a view of obliging unlicensed companies to share in its maintenance. Bill obliging companies to pay the registration fee of \$150.00 once and for all

instead of an annual tax of this amount as at present. Bill forcing unlicensed companies to pay the minimum tax of \$250.00 to the province. Bill abolishing or reducing municipal taxation.

"The City of Montreal has met our suggestions as to the first two bills in a fair spirit with the result that the legislation committee of its council recommended our amendments.

"Owing to the illness early in the session of the assistant attorney general, Mr. Lanctot, this and other measures had to be put aside but will be re-introduced next session with every chance of their being made law.

#### Fire Protection Bill.

"The several delegations which went to Quebec realized that the whole of the considerable programme undertaken could not be carried out and, therefore, concentrated their efforts on the abolition of municipal taxation, or at least a substantial reduction thereof. A bill with this object in view was accordingly introduced in the Quebec House, but owing to the lateness of the session and the serious opposition of the country members on the ground of their inopportunity of communicating with their constituents as to its bearing, it had to be withdrawn. The leading ministers who had pledged themselves to its support and vouched for its inclusion in the statutes, expressed their disappointment. The provincial treasurer wrote your committee expressing his disappointment and that of his colleagues and promising the re-introduction of this measure at the next session.

"The Honorable Mr. Taschereau, minister of public works, introduced a further measure, which had for object to provide for efficient fire equipment and education in the small towns and villages where serious losses have occurred. This fire protection bill was drawn on lines similar to the acts of Manitoba and other provinces and of many states of the Union. This measure has obtained the sanction of the lieutenant-governor and has become law, but nothing so far has been done to bring about its execution.

"Realizing, as no doubt we all do, that success in legislation is only obtained through infinite patience, the work above outlined will again be taken up early next session with a view of obtaining from the ministers, whose good faith we have no reason to doubt, the very legitimate concessions which we have demanded.

#### Unregistered Companies' Minimum Tax.

"In the province of Quebec, a tax of 1 per cent. and a minimum of \$250 is imposed, under the Commercial Corporations Tax Act, on all registered insurance companies doing business therein, the minimum being payable in advance. The attorney-general of the province has expressed it as his opinion that unregistered competitors are only liable to the tax of 1 per cent., thus being exempt from the minimum. The injustice of this law is apparent more particularly as it was formed with the stated object that it would effect an even distribution of rights and obligations between registered and unregistered companies. A company, a member of this Federation, on which a demand for the minimum tax in advance has been made, under this law, is willing to be a defendant in a test case and stated its intention to your committee which submits the matter for your consideration.

#### Enactments in Three Provinces.

"The province of Alberta at its last session passed a new insurance act embodying a resident agents' law and providing for a payment into the treasury of the province of 50 per cent. of all premiums paid to companies not registering under the act. The province of New Brunswick adopted statutory conditions based largely on the Nova Scotia conditions, but departing therefrom in several important particulars and in the opinion of our committee an effort should be made to have these conditions amended at the next session of the legislature. An Insurance Act was introduced into the Nova Scotia legislature last session. Its provisions were very fair and should have been acceptable to the companies registering under the laws of that province. But when it reached the Upper House an amendment which has been found so objectionable in other provinces, providing for the placing of business with companies not complying with the laws was introduced, whereupon the bill was withdrawn but may come up again next session.

"Legislation was carefully watched, bills scanned and submitted to your committee when found of importance.

"In view of the importance of the work now before us, particularly of the reference to the supreme court of Canada and its ultimate hearing before the privy council, a further small assessment is recommended.

"Feeling, as your committee does, that this Federation could accomplish so much while safe-guarding the public, for the joint interests of the companies by mutual co-operation, a recommendation is hereby made that the incoming committee make a special effort to get in closer touch with all its members, more particularly those who on account of distance are not in immediate touch with the executive, in order to meet their requirements, and to devise by practical measures the most effective way to obtain and maintain just and equitable laws."



# DIVIDENDS AND NOTICES

## DIVIDEND NOTICE

### CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

Notice is hereby given that a Quarterly Dividend of  $1\frac{3}{4}\%$  for the three months ending the Thirtieth day of June, 1913, being at the rate of 7% per annum, has been declared on the Common Stock of the Company.

The above Dividend is payable on the first day of July, 1913, to Shareholders of record at the close of business on June 14th, 1913.

By order of the Board,

J. J. ASHWORTH,  
Secretary.

Toronto, May 30th, 1913.

### CANADIAN WESTINGHOUSE COMPANY, LIMITED

#### DIVIDEND NO. 34

The regular quarterly dividend of one and three-quarters per cent. ( $1\frac{3}{4}\%$ ) has been declared upon the outstanding Capital Stock of the Company, payable July 10th, 1913, to shareholders as of record at the close of business, June 30th, 1913. Payments on account of the new issue of Capital Stock will share in this dividend, pro rata, according to the amounts paid on the prescribed call dates. Transfer books will be reopened July 2nd, 1913, at ten o'clock a.m.

Cheques will be mailed to shareholders.

By Order of the Board,

JOHN. H. KERR,  
Secretary.

Hamilton, Canada, June 10th, 1913.

### THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

Notice is hereby given that the eighth quarterly dividend of one and three-quarters per cent. ( $1\frac{3}{4}\%$ ), being at the rate of seven per cent. (7%) per annum, upon the preferred stock of this Company, has been declared payable to shareholders of record the 15th day of June, 1913, and that cheques for the same will be duly mailed to them on the 1st day of July next.

Books not closed.

By order of the Board.

J. H. GORDON,  
Secretary-treasurer.

Montreal, June 6th, 1913.

### THE CANADA LANDED AND NATIONAL INVESTMENT COMPANY, LIMITED

#### Dividend No 105.

Notice is hereby given that a DIVIDEND OF TWO AND ONE-QUARTER PER CENT. (being at the rate of nine per cent. per annum) on the amount paid up on the capital stock of this Company, has been declared for the quarter-year to the thirtieth day of June, 1913, and that the same will be payable at the office of the Company, 23 Toronto Street, Toronto, on and after the SECOND DAY OF JULY, 1913, to shareholders of record at the close of business on the sixteenth day of June, 1913.

By order of the Board,

EDWARD SAUNDERS,  
Managing Director.

Toronto, 28th May, 1913.

### THE MONTREAL CITY AND DISTRICT SAVINGS BANK.

Notice is hereby given that a Dividend of Two Dollars per Share on the Capital Stock of this Institution has been declared and will be payable at its Head Office, in this city, on and after **Wednesday, the 2nd of July next**, to Shareholders of record at the close of business on the 14th of June next.

By order of the Board.

A. P. LESPERANCE,  
Manager.

Montreal, May 30th, 1913.

## AMES-HOLDEN-McCREADY, LIMITED

### QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of One and Three-Quarters ( $1\frac{3}{4}\%$ ) per cent. upon the Preferred Capital Stock of the Company now issued and outstanding for the current Quarter, to Shareholders of record on the Transfer Books of the Company, on the 20th day of June, 1913, will be payable at the office of the Company in Montreal, on and after the 2nd day of July next.

By Order of the Board,

W. A. MATLEY,  
Secretary-Treasurer.

Montreal, 7th June, 1913.

## AUCTION SALE OF THE CAPITAL STOCK OF THE CONSUMERS' GAS COMPANY OF TORONTO

**THE CONSUMERS' GAS COMPANY OF TORONTO**  
hereby gives notice that it will offer for sale by public auction, at the Company's General Offices, Nos. 17-19 Toronto Street, Toronto (Messrs. C. J. Townsend & Company, Auctioneers), **AT 12 O'CLOCK NOON ON THURSDAY, THE TWENTY-SIXTH DAY OF JUNE, A.D. 1913, TEN THOUSAND THREE HUNDRED AND TEN (10,310) SHARES OF THE**

**CAPITAL STOCK** of the said Company (each share having a par value of \$50.00), subject to certain conditions, which will be made known at the time of sale, and of which any person desiring to purchase may in the meantime obtain a copy on application to the General Manager of the Company at the General Offices of the Company, Nos. 17 and 19 Toronto Street, Toronto.

The conditions of sale provide, amongst other things that the stock will be offered in lots of 10 shares each, subject to a reserved bid; that 20 per cent. of the purchase money shall be paid down at the time of sale, and the balance in four equal consecutive monthly installments, the first of which shall be paid one calendar month from the date of sale; that the purchaser may pay the whole of the purchase money at the time of sale, and may pay all, or any of the deferred installments, before the same fall due; that every share sold shall, in proportion to the amount from time to time paid thereon, and from the date or respective dates such payment or payments shall have been made, participate in all dividends declared after the date of sale; and that the purchaser shall at the time of sale sign an agreement for the completion of the purchase.

**DATED AT TORONTO this 2nd day of June, 1913.**

By order of the Board of Directors,

ARTHUR HEWITT,  
General Manager.

The number of directors of the Stronglite Box Company, Limited, has been increased from six to seven.

A branch of the Dominion Bank has been opened at the corner of Yonge Street and Eglinton Avenue, Toronto.

Illinois Traction has declared the regular quarterly dividend of  $1\frac{1}{2}\%$  per cent., payable on July 1st to shareholders of record June 15th.

The capital stock of the Barcelona Traction, Light and Power Company, Limited, has been increased from \$25,000,000 to \$30,000,000, such increase consisting of 50,000 shares of \$100 each.



# DEBENTURES FOR SALE

## TOWN OF GULL LAKE, SASK.

### DEBENTURES FOR SALE

Sealed tenders will be received by the undersigned up to six o'clock on the 28th day of June, 1913, for the purchase of the following debentures:—

Nuisance Ground, \$500.00, 5 years.

Municipal Hall, \$10,000.00, 20 years.

Cemetery, \$1,000.00, 10 years.

Exhibition Ground, \$3,500.00, 10 years.

The debentures are repayable in equal annual instalments of principal and interest and bearing six per cent. interest.

The highest or any tender not necessarily accepted.

Further particulars may be obtained from

E. E. SPACKMAN,  
Secretary-Treasurer.

## R. M. OF SNIPE LAKE, NO. 259, SASKATCHEWAN

### DEBENTURES FOR SALE

An issue of \$5,000 for road construction purposes, bearing interest at 6 per cent., to be repaid in 20 equal annual payments. Total debenture indebtedness, exclusive of this issue, is \$5,000. Assessed acreage for 1912 was 282,068 acres. Municipal rate for 1912 was three and one-eighth cents per acre.

Tenders will be received by the undersigned for the purchase of this issue, up to July 14th next.

MAITLAND BARKWELL,  
Secretary-Treasurer.

Richlea, P.O., Sask.

## TOWN OF BROADVIEW, SASK.

Sealed tenders addressed to the undersigned will be received up to **July 12th, 1913**, for the purchase of town hall debentures, \$25,000.00.

The debentures bear interest at six per cent., and are repayable in twenty equal annual instalments of principal and interest.

The debentures are dated June 1st, 1913.

The highest or any tender not necessarily accepted.

A. SINCLAIR,  
Secretary-treasurer

## YORKTON, SASK.

### PUBLIC SCHOOL DISTRICT NO. 159.

Tenders will be received by the undersigned up to **July 1st, 1913**, for \$15,000 School Debentures at 5 per cent., principal and interest divided into twenty annual instalments. Payment and delivery at the Bank of British North America, Yorkton, Sask.

COSMO J. MACFARLINE,  
Secretary-treasurer.

### FOR SALE

### THIRTY-YEAR MUNICIPAL COUNTY DEBENTURES.

Tenders will be received by the undersigned up until noon of the **15th of July, 1913**, for the purchase of \$100,000 of debentures issued under the Highway Improvement Act by the County of Welland, with interest at 4½ per cent., payable yearly in equal annual instalments of principal and interest. Copy of the by-law may be had on application to the undersigned, to whom tenders are to be sent.

(Sgd.) ROBERT COOPER,  
County Clerk,  
Welland, Ont.

## CONDENSED ADVERTISEMENTS

Advertisements on this page will be accepted hereafter at the following rates:—"Positions Wanted" advts. one cent per word each insertion; "Positions Vacant," "Agents or Agencies Wanted" advts. two cents per word each insertion; all other advertisements, three cents per word each insertion. A minimum charge of 50 cents per insertion will be made in each case.

## INSURANCE AGENCY WANTED

For Western Canada by large loan company. Aggressive canvass carried on for a reliable concern. Apply in first instance to O. L. Davis, 893 Jessie Ave., Winnipeg.

**EXPERIENCED INSPECTOR** desires position with strong fire insurance company, Ontario or Western provinces. Best references. Box 217, The Monetary Times, Winnipeg.

Kamsack, Sask., voters defeated the \$7,000 park by-law.

In June, 1903, the Manufacturers' Life Assurance Company of Toronto, entered the United States through Michigan, and appointed Mr. Robert Campbell manager, with headquarters at Detroit. The Michigan agency was a success from the start, and in 1910 Ohio was added to it, and western Pennsylvania in 1911. To-day the agency is producing about \$2,000,000 of business per annum.

**WANTED IMMEDIATELY**, three real wide-awake stock salesmen, to sell stock that the public will buy up rapidly; lists of men actually interested will be furnished in any quantity; this is a great proposition, and is worthy the attention of the very best man. Apply immediately, Mr. McIntosh, 818 Somerset Block, Winnipeg, Man.

**ADVERTISER**, who has had long and successful association with the agricultural implement trade (steam and gas engines, boilers, threshing machines, farm and harvester machinery, lawn mowers, etc.), also railway carriages, tramcars, bridges and wagons, with the largest works in England, is open to an engagement in Canada or the United States. Address W. T. Durrant, 89 Woodlawn Avenue, West Toronto.

**YOUNG MARRIED MAN** with over nine years' bank training seeks position of trust in either commercial or financial house. Best of references. Salary to start secondary to prospects. Box 221, Monetary Times, Toronto.

The number of directors of the Porcupine Crown Mines, Limited, has been increased from three to twelve.

Twin City has declared the regular quarterly dividend of 1½ per cent. on the common and 1¾ per cent. on the preferred, payable July 2nd to shareholders of record June 20th.

The Merchants Bank of Canada which has just completed additions to its main office at Victoria, B.C., is opening a second branch office.



# INDEX TO ADVERTISEMENTS

Barristers and Solicitors.....	15	Insurance Companies .....	69 to 76
Chartered Accountants .....	14 and 15	Investment and Loan Companies .....	8 to 10
Chartered Banks .....	2 to 7	Investment Offerings .....	57 to 69
Community Advertising .....	16 and 17	Trust Companies .....	11 to 13

Acadia Fire Insurance Co. ....	70	Debentures for Sale .....	1020	Lawson, Welch & Co.....	15	Providence Washington Ins. Co.	76
Acadia Trust Co. ....	13	Dividends and Notices .....	1019	Legal Notices .....	17 and 19	Prudential Fire Ins. Co. ....	72
Aldous & Laing, Montague .....	8	Dobereiner Bros. ....	65	Lethbridge Board of Trade....	17	Prudential Life Insurance Co. ...	74
Alliance Investment Co. ....	64	Dominion Appraisal Co.....	62	Liverpool & Lon. & Globe Ins. Co.	70	Prudential Life of America.....	75
Alloway & Champion .....	67	Dominion Bank .....	2	Liverpool-Manitoba Assurance Co.	69	Quebec Bank .....	4
Alvensleben, Ltd., Alvo von .....	63	Dominion Bond Co. Ltd. ....	57	London Assurance .....	70	Reade, Hubert T. ....	15
American Bank Note Co. ....	1	Dominion of Can. G. & A. Ins. Co.	73	London & Can. Loan & Agency Co.	8	Regina .....	17
Ames & Co., A. E. ....	60	Dominion Gresham Guarantee & Casualty Co. ....	73	London City & Midland Bank....	73	Reliance Investment & Develop- ing Co. ....	66
Anderson, Lunney & Co. ....	66	Dominion Life Insurance Co. ....	74	London Guarantee & Accident Co.	7	Robinson & Black.....	66
Anglo-American Fire Ins. Co. ....	69	Dominion Permanent Loan Co. ....	8	Lon. & Lancashire Assur. Assoc'n	71	Roome, E. H. ....	66
Anglo-South American Bank, Ltd.	7	Dominion Savings & Inv. Soc'y ..	8	London & Lan. Guar. & Acc. Co.	73	Ross & Shaw .....	63
Associated Mortgage Investors ..	76	Dominion School of Acc. & Fin. ....	8	London Life .....	75	Rounding Land Co. ....	64
Atlas Assurance Co. ....	69	Dominion Securities Corp. Ltd. ....	76	London Mutual Fire Insurance Co.	71	Royal Bank of Canada.....	5
Austin & Co., A. E. ....	64	Dominion Security Co. ....	65	Loney & Co., Richard .....	66	Royal Canadian Agencies.....	62
Avern Pardoe & Co. ....	—	Dominion Stock & Bond Corp. ....	10	Lovell, G. J. ....	15	Royal Exchange Assurance.....	70
Bank of British North America ..	3	Dominion Trust Co. Ltd. ....	11	MacMillan Co., N. T. ....	67	Royal Securities Corporation Ltd.	59
Bank of Hamilton.....	5	Dominion & Western Agencies ..	67	McAra Brothers & Wallace....	10	Royal Trust Co. ....	11
Bank of Montreal .....	2	Don Valley Brick Works .....	—	McCallum & Vannatter .....	62	Russell Motor Car Co. ....	—
Bank of New South Wales.....	4	Dun & Co., R. G. ....	18	McCurdy & Co., F. B. ....	1	Ruttan & Co. ....	65
Bank of Nova Scotia .....	3	Dunmore .....	17	McCutcheon Bros. ....	66	Saskatchewan General Trusts Corp. ....	12
Bank of Ottawa .....	5	Eastern Securities Co. Ltd. ....	60	McGillivray, Vibert & McGillivray	68	Saskatchewan Inv. and Trust Co. ...	13
Bank of Toronto .....	3	Economical Mutual Fire Ins. Co. ...	72	McQuaid, E. S. ....	15	Saskatchewan Mortgage Corp. ....	18
Bank of Vancouver .....	7	Edwards & Ronald .....	14	MacQuay & Nicolls .....	67	Saskatoon Board of Trade.....	65
Banque Nationale, La .....	7	Edwards, Morgan & Co. ....	14	Mackay & Co., J. A. ....	61	Saskatoon Commission Co. ....	16
Barber & Ellis .....	—	Empire Loan Co. ....	9	Macleod, W. A. ....	65	Saskatoon Mercantile Agency .....	—
Bicknell, Bain, Strathy & M'Kelcan	15	Employers' Liability Assur. Corp. ...	—	Manley Agency Ltd. Ralph .....	67	Shaw Correspondence School....	15
Biggs & Co., J. C. ....	18	Equity Fire Insurance Co. ....	72	Mark, S. F. ....	66	Sproatt, Alan .....	62
Blake, Lash, Anglin & Cassels ..	15	Falls, Chambers & Co. ....	14	Martin & Hargreaves, Ltd. ....	60	St. Boniface .....	17
Bond Buyer, The .....	63	Faulkner & Co., W. A. ....	66	Melville, R. M. ....	60	St. Cyr, Gonthier & Frigon....	70
Brandon .....	16	Federal Life Assurance Co. ....	—	Mercantile Fire Insurance Co. ....	18	St. Paul Fire & Marine Ins. Co.	81
British America Assurance Co. ....	72	Fidelity Trust Co. ....	12	Mercantile Trust Co. of Can. Ltd.	11	Standard Bank of Canada.....	3
British American Bank Note Co. ...	1	Frank, Wm. ....	65	Merchants Bank of Canada .....	6	Standard Investment Co. ....	65
British American Trust Co. Ltd. ....	11	Gen. Accident Assur. Co. of Canada ..	1	Meredith & Co. Ltd., C. ....	57	Standard Life Assurance Co. ....	75
British Canadian Securities .....	68	General Financial Corporation .....	64	Merton & Co., G. O. ....	14	Standard Securities Limited .....	59
British & Canadian Underwriters ..	72	Gilbert, Fred. C. ....	14	Metropolitan Bank .....	6	Standard Trusts Co. ....	13
British Colonial Fire Ins. Co. ....	72	Gill, James .....	63	Mighton, Bell & Turner .....	68	Sterling Bank of Canada .....	6
British Columbia Life Ass. Co. ....	73	Gladwell, Wilson & Co. ....	14	Miller & Co., Robert .....	14	Sterling Mortgage Investment Co.	8
British Crown Assurance Corp. ....	70	Goldie, A. W. ....	14	Milnes Coal Co. ....	18	Sterling Trusts Corporation .....	12
British Crown Mortgage Co. ....	9	Goldie & McCulloch Co. Ltd. ....	20	Mohr, Learmonth Co. ....	65	Stutchbury, H. ....	62
British Northwestern Fire .....	—	Goldman & Company .....	20	Molson Bank .....	4	Sun Fire Insurance Co. ....	70
Brook & Allison .....	68	Gordon & Co., Ltd., H. F. ....	67	Monarch Life Assurance Co. ....	73	Sun Life of Canada .....	74
Brown Bros. Ltd. ....	18	Grand Trunk Railway Systems.....	18	Montreal Trust Co. ....	11	Taylor, J. and J. ....	20
Browne & Co., W. Graham .....	60	Great North West Investments.....	64	Morris, John .....	64	Taylor & Colwill.....	15
Burgess & Co., C. H. ....	61	Great West Life Assurance Co. ....	74	Morton, Bartling & Co. ....	10	Thompson & Carper, Ltd. ....	62
Business Systems, Ltd. ....	76	Great West Permanent Loan Co. ....	67	Murray, B. W. ....	18	Title & Trust Co. ....	12
Butler, Byers Bros. & Codere .....	67	Green Shields & Co. ....	61	Mutual Life of Canada .....	74	Tomlinson & Co., A. ....	61
Caldwell, Dunn & Fraser .....	15	Gresham Life Assurance Society ..	74	Nanaimo .....	16	Toole, Peet & Co. ....	67
Caledonian Insurance Co. ....	71	Guardian Assurance Company .....	72	National Appraisal Co. ....	76	Toronto Gen'l Trusts Corp. ....	11
Canada Industrial Bond Corp. ....	60	Guess & Haultain .....	18	National Bank of Scotland .....	5	Toronto Mortgage Co. ....	8
Canada Life Assurance Co. ....	75	Hamilton Provident & Loan Soc'y ..	9	National Finance Co. Ltd. ....	13	Toronto Paper Mfg. Co. Ltd. ....	12
Canada National Fire Ins. Co. ....	69	Hanson & Co., Ltd., A. H. ....	63	National Trust Co. Ltd. ....	11	Tracksell, Douglas & Co. ....	64
Canada Nat'l. Mortgage & Inv. Co. ...	9	Harris & Co., Inc., N. W. ....	59	Natural Resources Security Co. ...	63	Trustee Company, Ltd. ....	12
Canada Permanent Mort. Corp. ....	9	Heath & Co., John .....	19	Nay & James .....	62	Trustee Co. of Winnipeg.....	8
Canada Securities Corp. Ltd. ....	59	Henderson & Co., W. A. ....	14	Neely's Limited .....	59	Trusts and Guarantee Co. ....	12
Canadian Agency, Ltd. ....	61	Hettle & Co., J. O. ....	10	Nesbitt, Thomson & Co. ....	59	Union Assurance Society Ltd. ...	69
Canadian Appraisal Co. Ltd. ....	62	Hextall & Co., J. O. ....	62	New Westminster .....	—	Union Bank of Canada.....	6
Canadian Bank of Commerce .....	2	Hodge, W. E. ....	14	North American Life Assurance Co.	74	Union Fire Insurance Co. ....	71
Canadian Financial Corp. ....	60	Home Bank of Canada .....	4	North British & Mercan. Ins. Co.	71	Union Mutual Life Insurance Co.	75
Canadian Financiers .....	61	Home Life Association of Canada ..	74	North Coast Land Co. ....	67	Union Trust Co. ....	12
Canadian Guaranty Trust Co. ....	13	Hopkinson, Joseph .....	14	Northern Assurance Co. Ltd. ....	71	Vancouver Trust Co. Ltd. ....	20
Can. Office & School Furn. Co. Ltd. ...	18	Hudson Bay Insurance Co. ....	72	Northern Crown Bank .....	4	Waghorn, Gwynn & Co. ....	64
Canadian-Phoenix Insurance Co. ....	69	Huron & Erie Loan & Savings Co. ...	9	Northern Life Assurance Co. ....	75	Ward, Charles Willis.....	—
Cathcart, Price & Boyd Ltd. ....	65	Imperial Bank of Canada.....	2	Northern Trusts Co. ....	—	Waterloo Mutual Fire Ins. Co. ....	70
Clare & Co. Ltd., G. H. ....	68	Imperial Canadian Trust Co. ....	12	Norwich Union Fire Ins. Soc'y Ltd.	71	Waterous Engine Works Co. Ltd.	19
Clarkson, Gordon & Dilworth.....	14	Imperial Guar. & Accident Ins. Co.	73	Nova Scotia Fire Ins. Co. ....	69	Weaver, Ltd., George.....	65
Cliff & Co., L. ....	18	Imperial Life Assurance Co. ....	75	Oakes Land Co. ....	65	Western Assurance Co. ....	71
Columbia (Fire) Assurance Co. ....	72	Insurance Agencies Limited.....	—	Occidental Fire Insurance Co. ....	69	Western Empire Life Ass. Co. ....	74
Columbia Trust Co. Ltd. ....	10	Insurance Co. of North America ..	20	O'Hara & Co., H. ....	69	Western Life Assurance Co. ....	73
Commercial Loan & Trust Co. ....	9	International Engineering Works Ltd. ....	—	Oldfield, Kirby & Gardner .....	63	Westminster Trust Co. ....	13
Commercial Union Assurance Co. ....	72	International Securities Co. Ltd. ....	—	Ontario Fire Ins. Co. ....	69	Weyburn Security Bank .....	5
Commonwealth Trust Co. Ltd. ....	13	Island Investment Co. Ltd. ....	8	Ontario Loan & Debenture Co. ....	9	Whitaker & Co., G. S. ....	68
Condensed Advertisements .....	1020	Jarvis & Co., Æmilus .....	20	Osler & Hammond .....	68	Williamson & Co., Rutherford ..	15
Confederation Life Association .....	75	Jenkins & Hardy .....	14	Osler, Hammond & Nanton .....	68	Willoughby-Sunmer Co., d .....	—
Continental Life Insurance Co. ....	75	King Co., William S. ....	68	Osler, Hammond & Nanton .....	68	Wilson & Perry .....	15
Conybeare, Church & McArthur .....	15	Laing & Turner .....	14	Pace, Harrison & Millar .....	62	Winnipeg .....	—
Corbould, Charles D. ....	14	Law Union & Rock Ins. Co. Ltd. ...	70	Patterson & Co., A. ....	62	Wood, Gundy & Co. ....	87
Coulthard & Harrison .....	63	Lawson, Welch & Co.....	15	Peerless Carbon Co. ....	68	Wood, J. & L. M. ....	59
Credit Foncier, F. C. ....	9	Lethbridge Board of Trade....	17	Pender & Co., D. A. ....	—		
Crehan, Mouat & Co. ....	14	Liverpool & Lon. & Globe Ins. Co.	70	Peverett & Barrett .....	14		
Cross & Menzies .....	14	Liverpool-Manitoba Assurance Co.	69	Phoenix Assurance Co. Ltd. ....	66		
Crown Life Insurance Co. ....	75	London Assurance .....	70	Policyholders' Mutual .....	74		
Crown Trust Co. ....	11	London & Can. Loan & Agency Co.	8	Pope, Rooke & Grant.....	15		
Dale, A. A. M. ....	14	London City & Midland Bank....	73				
Day Investment Co., A.P. ....	60	London Guarantee & Accident Co.	7				

The value of any paper as an advertising medium is the circulation multiplied by the purchasing power per subscriber, then divided by the rate. The reasonable advertising rates and good circulation of The Monetary Times are strong points in its favor, but the unusually high purchasing power per subscriber makes it one of the very best advertising mediums obtainable in Canada.



INTERNATIONAL NICKEL COMPANY

Properties at Sudbury and Copper Cliff—Annual Report Shows Improved Conditions

Owing to its valuable Canadian properties the annual report of the International Nickel Company attracts much attention in the Dominion. The net profits for the past fiscal year after deducting expenses, depreciation, exhaustion of minerals, bond sinking fund and all other charges were \$5,020,304.92. The companies owned by the International Nickel Company are Orford Copper Company, Bayonne, New Jersey; the Société Minière Calédonnie, New Caledonia; the Canadian Copper Company; the Anglo-American Iron Company, the Vermilion Mining Company, as well as a controlling interest in the Nickel Corporation of Great Britain.

During the past year \$1,323,276.31 was expended for new construction, equipment and additional property.

And in the same period there was provided out of earnings the sum of \$1,141,379.21 for the following funds: regular allowance for depreciation of plants, \$553,449.37; exhaustion of minerals, \$498,471.50; and bond sinking fund, \$89,458.34.

In this time the entire outstanding bonded indebtedness of the company has been retired. The company offered to the bondholders to pay these bonds at the redemption price, one hundred and ten and interest, and all bonds that were not tendered in response to this offer were called for payment on April 1st, 1913. All of the bonds have been actually turned in and cancelled except bonds aggregating \$812,858 of principal for which the redemption price and interest is on deposit with the trustee of the mortgage, and the mortgage has been cancelled.

Substantial Growth in Company's Business.

The business of the company during the fiscal year has shown a substantial and satisfactory growth. The improved conditions in the steel industry resulted in a greatly increased demand for nickel from the steel makers, and in all other industries where the company's products are used the demand has been the best in the history of the company, states President A. Monell. All indications point to a very satisfactory business for the coming year.

Throughout the year the business in "Monel Metal" in its various forms continued the development and expansion noted last year, and this metal may now be said to have established itself in certain lines in an assured position.

The policy of keeping the plant up-to-date in every respect, of increasing its efficiency wherever possible, and of enlarging its capacity has been continued; within the last year there was completed one blast furnace and four mechanical roasting furnaces at the plant at Copper Cliff. The construction of a new general office building at Copper Cliff was begun, and the fireproof reconstruction and enlargement of the hospital which was destroyed by fire last year. The housing accommodations of the employees has been increased, and a number of desirable civic improvements have been made.

American Companies' Statement.

The consolidated general profit and loss statement of American companies for year ending March 31st, 1913, compares with the previous statement as follows:—

	1913.	1912.
Earnings of all properties	\$6,802,886	\$5,019,703
Other income	126,220	69,263
<b>Total income</b>	<b>\$6,929,106</b>	<b>\$5,088,966</b>
Expenses, taxes, etc.	542,307	222,553
<b>Net income</b>	<b>\$6,386,799</b>	<b>\$4,866,413</b>
Interest, sinking fund, depreciation.	1,366,494	1,284,453
<b>Profits</b>	<b>\$5,020,305</b>	<b>\$3,581,960</b>
Preferred stock dividends.	\$534,754	534,749
Common stock dividends.	3,491,048	2,143,412
<b>Surplus</b>	<b>\$994,501</b>	<b>\$903,799</b>

Balance Sheet Indicates.

The general balance sheet shows assets and liabilities as below:—

Assets.	
Property account	\$44,213,688.18
Expenditures for new construction and equipment and additional property during year, less recoveries	1,323,276.31
Deduct amount written off for replacements, mineral exhaustion and depreciation	1,051,920.87
Deferred charges to operations	255,033.29
Advanced to Nickel Corporation, Limited, and Société Minière Calédonienne, less reserve to cover operations	3,998.83

Investments	65,430.11
Inventories at cost	3,364,968.73
Accounts receivable	1,485,941.05
Interest receivable	28,272.85
Sundry advances	9,354.74
Cash	4,442,663.51
<b>Total</b>	<b>\$54,140,706.73</b>

Liabilities.

Preferred stock issued	\$8,904,718.75
In treasury, to cover unexchanged International Nickel Company stock	7,881.25
Common stock issued	38,026,437.50
In treasury, to cover unexchanged International Nickel Company stock	5,062.50
\$812,858 bonds outstanding at March 31, and called for redemption April 1, at \$110 and interest	914,465.25
Deduct amount deposited with trustee of mortgage to redeem same	914,465.25
Accounts payable and pay rolls	752,874.31
Taxes accrued	102,652.18
Coupons unpresented (International Nickel Company)	425.00
Dividends unclaimed	5,009.05
Preferred stock dividend payable May	133,689.00
Common stock dividend payable June	1,140,945.00
Accident and insurance	139,602.98
Surplus April 1, 1912, International Nickel Company	3,938,093.47
Profit and loss	994,501.33
Deduct for amount to cover accounts of foreign companies not included	11,185.59
<b>Total</b>	<b>\$54,140,706.73</b>

Messrs, Ronald, Griggs and Company is the name under which Edwards, Ronald and Company, chartered accountants of Winnipeg, will be continued.

At the recent quarterly meeting held May 22nd, the directors of Securities Corporation, Limited, declared a quarterly dividend of 6 1/4 per cent.; this being the same rate as the previous quarter.

An important branch railway from North Battleford to Prince Albert, which has been under construction for some years, Sir William Mackenzie, president of the Canadian Northern Railway, now states will be completed by August. This opens up additional valuable territory for the distributing warehouses, and it will be the means whereby a large amount of grain which has been held up in the district can be moved.



TENDERS FOR PULPWOOD LIMIT

Tenders will be received by the undersigned up to and including Friday, the 15th day of August next, for the right to cut pulpwood on a certain area tributary to the Lake of the Woods, in the District of Kenora.

Tenderers shall state the amount they are prepared to pay as bonus in addition to dues of 40c. per cord for spruce, and 20c. per cord for other pulpwoods, or such other rates as may from time to time be fixed by the Lieutenant-Governor-in-Council, for the right to operate a pulp mill on or near the area referred to.

Such tenderer shall be required to erect a mill or mills on or near the territory, or in such place as shall be approved by the Lieutenant-Governor-in-Council, and to manufacture the wood into paper in the Dominion of Canada.

Parties making tender will be required to deposit with their tender a marked cheque payable to the Honorable the Treasurer of the Province of Ontario for ten per cent. of the amount of their tender; to be forfeited in the event of their not entering into an agreement to carry out conditions, etc.

The highest or any tender not necessarily accepted. For particulars as to description of territory, capital to be invested, etc., apply to the undersigned.

W. H. HEARST,  
Minister of Lands, Forests and Mines.

Toronto, Ontario, May 20th, 1913.







STOCKS AND BONDS—MONTREAL

Main table containing stock and bond listings for Vancouver, Toronto, and Montreal. Includes columns for company names, prices, dividends, and sales. Sub-sections include 'VANCOUVER STOCK EXCHANGE', 'WINNIPEG STOCK EXCHANGE', 'BANKS', 'COMPANIES Trust', 'Loan', 'Transportation', and 'Tel., Light, Telegr., Power'.

Do you need a Bond Salesman, an Insurance Agent, or a Representative? Insert "Condensed Ad." in THE MONETARY TIMES and reach the best men.

Vertical text on the right edge of the page, including 'Capital' and 'subscribed'.



TORONTO AND WESTERN CANADA

Main table listing stocks and bonds for Toronto and Montreal, including columns for Capital in thousands, Par Value, Industrial, Dividend Per Cent, Price, and Sales Week ended.

STOCKS & BONDS—Continued

Continuation of the main table, listing specific stock and bond titles, their par values, and issue information.



CANADIAN SECURITIES IN LONDON

Table listing Canadian securities in London, categorized by Dominion Government Issues, Provincial, Municipal, Railroads, and Miscellaneous. Includes columns for price, yield, and company names.

GOVERNMENT FINANCE

UNREVISED STATEMENT of INLAND REVENUE (April, 1913)

Financial statement table showing Public Debt, Revenue and Expenditure on Account of Consolidated Fund, and Source of Revenue. Includes sub-sections for Liabilities, Assets, and Excise.



TRADE OF CANADA BY COUNTRIES

COUNTRIES	MONTH OF FEBRUARY				ELEVEN MONTHS ENDING FEBRUARY			
	1912		1913		1912		1913	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
<i>British Empire.</i>								
United Kingdom	\$ 10,036,941	\$ 7,351,217	\$ 11,443,453	\$ 9,343,887	\$ 104,609,235	\$ 141,638,700	\$ 124,263,689	\$ 168,342,210
Australia	47,082	217,978	23,537	353,390	339,549	3,578,872	390,832	3,735,750
Bermuda		46,170	11	53,552	7,509	419,659	34,718	387,079
British Africa:—								
East		5,834	106	2,755	240,271	18,573	1,855	45,667
South	9,268	98,885	24,358	286,179	140,564	2,211,245	240,416	3,037,048
West		10,141	4	8,528		47,879		139
British East Indies	542,325	41,400	586,599	59,278	4,460,488	276,318	6,346,188	414,782
Guiana	1,373,335	47,942	614,488	81,948	5,115,014	489,204	3,362,649	545,291
Honduras		571	97,256	150		8,149	265,421	9,934
West Indies	56,784	352,314	87,400	363,656	5,288,719	3,478,723	5,891,169	3,521,953
Fiji (other Oceania)	62,697	16,665	124,069	23,359	169,801	116,312	452,454	132,742
Gibraltar		2,850		1,550	176	16,750	134	25,945
Hong Kong	83,046	2,673	105,431	198,901	676,841	539,704	739,050	465,280
Malta	159	2,411	190	4,412	3,701	24,684	2,225	36,346
Newfoundland	43,230	131,844	47,006	231,137	1,726,809	4,153,317	2,007,842	4,414,820
New Zealand	239,735	109,611	416,872	252,057	1,074,701	1,213,143	2,732,589	1,531,129
Other British Colonies				669	10,573	65	27,818	3,106
Totals, British Empire	12,524,602	8,458,586	13,575,690	11,265,408	123,914,047	158,231,297	146,559,188	186,727,236
<i>Foreign Countries.</i>								
Argentina Republic	746,129	96,731	1,128,745	95,164	2,647,411	2,830,866	3,779,858	2,222,928
Austria-Hungary	97,414	13,323	163,751	18,330	1,432,630	34,878	1,519,616	126,310
Azores and Madeira Is.					488		1,189	32,090
Belgium	308,991	520,831	250,272	435,563	3,419,246	3,381,521	3,660,774	4,420,749
Brazil	74,825	91,707	136,077	133,306	923,723	737,079	1,163,567	916,895
Central American States	2,824	20,033	24,133	11,706	133,173	115,384	145,602	95,169
China	34,578	79,536	70,694	17,542	553,887	347,537	724,577	691,632
Chile	23,604	13,576	23,232	305,637	144,944	1,867,239	625,021	128,345
Cuba	73,805	148,741	156,427	191,842	850,073	1,867,239	2,098,392	1,394,770
Denmark	6,775	57,203	8,986	60,843	44,300	588,345	109,322	724,362
Dan. W. Indies		551		975	76,579	9,990	240,687	8,397
Dutch E. Indies	513,520	1,842	90,308	500	1,568,093	5,689	3,197,981	7,782
Dutch Guiana	43,507	3,763	29,591	4,294	47,980	48,950	62,260	39,108
Ecuador		272		2,440	13,437	7,746	7,039	14,084
Egypt	2,553		5,506	6,536	38,371	4,954	48,645	34,263
France	1,066,544	110,638	1,151,040	289,022	10,697,441	1,956,521	13,944,619	2,245,080
French Africa		52,377		37,717		220,353		63,904
French West Indies		112		1,985		12,170		25,843
Germany	873,858	295,554	1,197,784	246,319	9,873,162	3,501,738	12,998,253	3,131,796
Greece	8,020		16,503	8,119	532,297	1,240	528,032	65,658
Hawaii	191	2,551	675	8,119	29,728	119,088	42,463	51,848
Hayti		462		3,855		28	22,708	23,540
Holland	170,385	136,753	194,544	126,413	2,237,220	1,662,203	2,936,992	2,570,589
Italy	83,553	57,414	160,394	42,599	1,037,379	259,868	1,547,199	592,055
Japan	153,794	76,431	178,957	141,159	2,201,608	370,566	3,290,633	845,085
Korea					70	21,085		13,863
Mexico	45,033	55,499	505,059	4,059	922,872	371,475	2,805,560	209,422
Miquelon and St. Pierre	569	4,632	188	8,531	11,900	132,669	4,070	156,158
Norway	16,619	31,828	33,230	67,112	295,967	576,488	456,098	606,074
Panama		26,932		17,103		199,611		181,942
Peru		500	55,992	1,114	167,136	12,317	180,786	10,074
Philippine Islands	260	2,691	258	8,806	70,385	21,224	23,425	65,112
Porto Rico	472	54,835		55,320	833	591,109	99	516,171
Portugal	19,199	2,250	20,441		238,382	70,390	327,127	48,243
Portugese Africa		837		83		49,827		70,524
Roumania		2,751		49,174		743		1,295
Russia	34,750	164,412	43,495	200,747	318,210	1,217,026	880,794	1,988,277
San Domingo	49,527	1,194	142,067	8,990	940,145	22,675	1,590,924	42,816
Siam					20,901	539		17,036
Spain	49,478	30,967	54,370	5,942	1,206,419	106,905	1,197,990	26,925
Sweden	32,189	8,568	35,810	2,189	294,320	125,711	402,506	121,244
Switzerland	424,083	942	365,976	2,545	3,083,927	17,847	3,890,969	13,311
Turkey	27,414	7,645	36,871	2,355	450,918	28,307	539,822	40,787
United States	25,019,853	11,170,804	33,398,683	11,280,322	316,254,887	107,552,868	395,359,175	142,973,544
Alaska	25	21,171	613	8,022	154,150	336,713	84,506	350,292
U.S. of Colombia	46,254	1,772	16,183	8,586	96,299	17,416	134,003	25,668
Uruguay	14,803	11,291	6,262	4,365	232,289	183,135	180,642	171,434
Venezuela	2,571	2,363	10,114	5,081	95,113	19,975	173,190	55,577
Other foreign countries	1,076	122	2,597	11,448	11,448	12,980	56,357	22,365
Totals, foreign countries	30,069,143	13,402,568	39,696,322	13,644,432	363,539,825	123,669,532	460,964,644	168,260,905
Grand Totals	42,593,745	21,861,154	53,272,012	24,909,840	487,453,872	288,200,829	607,523,832	354,988,141

Quantity of Grain in Store at Terminal Elevators and at Public Elevators in the East, and Afloat.

Week ending May 23, 1913	Wheat		Oats		Barley		Flax		Totals	
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Fort William—C.P.R.	1,021,023	1,045,997	435,524	366,505						2,869,649
Consolidated	425,387	336,320	91,973	406,634						1,263,314
Empire Elevator Co.	1,151,559	754,821	243,525	438,969						2,588,874
Ogilvie Flour Mills Co.	359,227	226,399	52,990							638,616
Western Terminals Elevator Co.	107,420	122,216	558							742,967
G. T. Pacific	1,167,683	1,456,363	206,536							3,652,076
Grain Growers' Grain Co.	697,851	458,110	142,722							1,268,683
Port Arthur—Port Arthur Elevator Co.	1,839,044	1,348,956	342,668							4,176,091
D. Horn & Co.	167,852	51,150	57,807							474,262
Winter storage afloat										
Total terminal elevators	6,907,046	5,800,332	1,577,703	3,688,851						17,973,932
Depot Harbor	231,572	474,360								908,004
Midland—Aberdeen Elevator Co.	213,143	45,320								258,503
Midland Elevator Co.	33,757	23,285								426,871
Tiffin, G.T.P.	1,267,704	258,979	32,831	44,998						1,850,729
Port McNicol	333,777	355,443	57,597	267,099						853,876
Collingwood			164,656							
Meaford	125,353	9,104								173,594
Goderich	359,326	580,715								973,164
Point Edward	75,878	61,447								140,325
Kingston—Montreal Transportation Co.	228,218	30,892	108,775	106,525						474,410
Commercial Elevator Co.	34,573	13,264	3,261	5,582						56,680
Port Colborne	392,769	364,372								857,731
Prescott	39,200									39,200
Montreal—Harbour Commissioners No. 1	362,592	225,704	159,741	75,241						823,278
No. 2	446,546	712,476	143,561	72,597						1,575,180
Montreal Whg. Co.	366,436	82,891	235,928	117,454						802,709
St. John, N.B.	34,457		24,997							59,454
West St. John, N.B.			22,909							22,909
Winter storage afloat										
Total public elevators	4,544,691	3,268,161	1,293,607	990,158						10,096,617
Total quantity in store	11,451,737	9,068,493	2,871,310	4,679,009						28,070,549



## ALBERTA'S FINANCING IS CRITICIZED

## Victoria is Selling Big Block of Bonds—New Westminster and Interest Rate

"Canada has been overborrowing," said Sir Max Aitken, M.P., upon his arrival in Montreal from England. And his subsequent remarks are reported thus:—

"Do you refer to Quebec or Ontario with regard to over-borrowing?" he was asked.

"No, I am not referring to old Canada, neither can anything be said against the financial methods of the lower provinces. The west, however, has been going too fast in a great many ways."

"Have you Alberta in mind?" he was asked.

"Yes," he replied, "that is where the shoe pinches. Alberta's financing has been anything but wise. The western municipalities generally have been going it at a rapid pace, but, of course, the wonderful development and rapidly increasing population will help them out in the end."

The *Monetary Times* agrees with Sir Max Aitken that some western municipalities have been moving quickly, but it seems scarcely fair to make Alberta shoulder most of the blame. There is room for municipal economy, not only in that province but in Manitoba, Saskatchewan and in Eastern Canada, too. As Sir Max Aitken truly indicates, Canada is a little out of breath with the strenuous race of development, but the body national is sound. The money market situation is giving a much-needed breathing spell.

## Victoria's Bond Issue.

The issue in London of Victoria bonds of \$2,350,000 was only part of the city's debentures for sale. The British Columbia capital has still about \$2,000,000 worth of debentures, including those for school and local improvement purposes, to be sold. City Comptroller Raymur says that the \$2,350,000 just sold was all that the London market was asked to absorb. The remaining \$2,000,000 and over are being disposed of in New York and Toronto through the city's fiscal agents, the Dominion Securities Corporation, and from time to time small amounts are sold, and the proceeds remitted to Victoria. The prices so far are about the same as that for the recent issue in London, namely, around 92.

## Saskatoon's School Bonds.

Saskatoon school board are considering the disposal of the remaining \$125,000 worth of bonds of an issue of \$175,000. These will have to be sold within a month, or the work on the new Buena Vista school will have to be postponed. Following the announcement of Messrs. Wood, Gundy and Company, Toronto, that it would be impossible to dispose of the Saskatoon school bond issue at 93½, as at first planned, the board decided to dispose of \$25,000 at 90 if possible. Word was later received that a sale of \$50,000 worth of the bonds could be arranged, and Secretary Bate procured the permission of the board members to forward instructions for their disposal at that price.

The city solicitor has advised the New Westminster city council that the city cannot legally raise the interest on last year's unsold local improvement debenture bonds from 4½ to 5 per cent. This opinion does not apply to the other city bonds, and the by-law to raise the interest rate so far as they are affected will be submitted.

Three bids were received for the \$5,000 6 per cent. 20-year road debentures of Touchwood Rural Municipality No. 248, Sask. As previously noted, the offer of Messrs. Brent, Noxon and Company, Toronto, was accepted.

The Parkes Construction Company, of North Tonawanda, N.Y., will build a branch plant in Hamilton.

## CANADA WILL FIND DIFFICULTY

## In Floating Loans in London in View of Present Market Conditions

The Canadian Associated Press learns that attempts made to float a new Alberta loan in London have, so far, been fruitless. There appears to be a deadlock regarding new flotations which applies all round, particularly to Canadian propositions.

There is no feeling of actual alarm among well-informed city circles, but at the same time there are restless and uneasy symptoms prevailing.

The Dominion Glass Company is about to make an offer in London of \$1,500,000 seven per cent. cumulative preference shares of \$100 each.

## New Listings on Exchange.

Applications have been made to list on the London Stock Exchange the following issues: Terminal Cities, \$3,300,000; Tramways, \$2,890,000, 5s.; City of Moose Jaw, £257,700, 5s., and City of Toronto, £114,300, 4s.

The following issues have been listed on the London Stock Exchange: City of Quebec, £400,600 four and a halves, and the City of Maissonneuve, £187,600 fives.

It is stated in London that an important confidential meeting of international bankers was recently held, at which it was decided that dissensions that had been current during the previous week must cease at once.

It is reported that terms were arranged whereby future maturities will be met by powerful firms, but that no issues that are not absolutely imperative are to be made.

There may be some further liquidation later, but the opinion prevails in authoritative circles that the acute danger point is passed.

## Changes in Prices.

During the past week the following changes occurred in Canadian securities in London:

Province of Alberta sterling, 1938, 4 per cent., 93-95.  
 Alberta, 10-year-old debentures, 1922, 93-95.  
 Dominion of Canada, 1909-34, 3½ per cent., 93-95.  
 Dominion of Canada, registered, 1930-50, 92-94.  
 Dominion of Canada, registered, 1938, 3 per cent., 83-85.  
 Newfoundland inscribed, 98-100.  
 Province of Nova Scotia, 1949, 3 per cent., 74-76.  
 Province of Nova Scotia, 1954, 3½ per cent., 83-85.  
 Province of Ontario, registered, 1946, 3½ per cent., 86-88.  
 Edmonton, 1915-48, 5 per cent., 92-94.  
 Montreal, 1942, 3½ per cent., 83-85.

## DEBENTURES AWARDED

Melfort, Sask.—\$45,000.

London, Ont.—\$764,500 debentures to Wood, Gundy and Company, Toronto.

Touchwood R.M., Sask.—\$5,000 6 per cent., to Brent, Noxon and Company, Toronto.

Saskatoon, Sask.—\$50,000 school debentures, to Messrs. Wood, Gundy and Company, Toronto.

Calgary, Alta.—\$250,000 5 per cent. school debentures, to Messrs. W. A. Mackenzie and Company, Toronto.

Montreal, Que.—\$200,000 5 per cent. 20 years Hochelaga school debentures, to North British Securities Company, Montreal.

Branches of the Canadian Bank of Commerce have been opened at Kincaid, Sask., and Sharp, Sask., in charge of Mr. E. O. Clement and Mr. H. B. Maunsell, respectively.

A special meeting of the shareholders of the Canadian Venezuelan Ore Company has been called to authorize the increasing of the bond issue of the company by the issue of \$500,000 new bonds. The meeting is also asked to rescind a motion passed two years ago creating \$500,000 preference stock.

## STOCKS AND BONDS TABLE—NOTES

(u) Unlisted.

† Canadian Consolidated Rubber Bond Denominations, \$100, \$500 and \$1,000. Steel Company of Canada, \$100, \$500, \$1,000. Sherwin Williams, \$100, \$500 and \$1,000. Penmans, Ltd., \$100, \$500 and \$1,000. Canadian Cottons, \$100, \$500 and \$1,000.

‡ Quarterly.

All companies named in the tables will favor The *Monetary Times* by sending copies of all circulars issued to their shareholders, and by notifying us of any errors in the tables.

\*\* Trethewey pays no regular dividend. They have paid:—1906, 4%; 1907, 4%; 1908, 15%; 1909, 25% 1910, 10%; 1911, 20%; 1912, 10%.

Montreal prices (close Thursday) furnished by Burnett & Co., 12 St. Sacramento Street, Montreal

Figures in brackets indicate in footnotes date on which books close for dividends, etc.

(1) June 16-31 (2) June 6-16 (3) June 16-July 2 (4) June 20-30