

# The Monetary Times

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### SELLING ANNUITIES

The comparatively small success of Canadian government annuities was discussed in the House of Commons recently, and many reasons were advanced for existing conditions. Undoubtedly, the absence of personal soliciting is most largely responsible. Life insurance and annuities, broadly speaking, cannot be sold except by personal solicitation. The Dominion Government have conducted lecture campaigns. They appointed postmasters as their agents. They have adorned walls with posters advertising the benefits of annuities. The lecture campaign did only little good work. Postmasters were too busy with the mail and their private affairs to worry about the sale of government annuities. How much life insurance would a company sell were it to depend upon lectures and posters and uninterested agents for returns?

One step to remedy matters has been taken by the raising of the limit annuity from \$600 to \$1,000. Two members drew attention to the fact that life insurance depended for their success upon agents, and until the government adopted something of the same idea it could not hope for much interest in the public. "The postmaster-general will find it necessary to send out agents to explain the matter to the public," said Mr. Law; and Mr. Graham suggested that "some agent go into the country, staying at the different points a week, if necessary, to meet the people personally and discuss the matter with them."

The government will have to recognize the personal touch between salesman and prospective purchaser in order to make highly successful the disposal of Canadian government annuities.

Experiments in government and state insurance are multiplying. The State of Wisconsin is selling life insurance and the legislatures of several other states are considering the proposal. It will be interesting to observe

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the success which meets these experiments. Mr. Forbes Lindsay, in a discussion on the subject, does not hesitate to state that there is, perhaps, no public service which a state government is less calculated to render effectively, nor one for which there is less need for state activity. "The advocacy of state life insurance," he says, "is based on several fallacies, the chief of which is that an organization controlled by the government can adequately furnish the people with this almost universal necessity at less cost than can a private company. The assumption is that by employing state officials to write the business without remuneration, enough will be saved to make the rates attractive to the general public. The experiences of the governments of Great Britain and New Zealand in this field of endeavor indicate the futility of any such expectation."

State life insurance, such as Wisconsin is trying, starts with the same handicap as does the Canadian government annuity—the business is not personally solicited. Experience has proved that such solicitation is the only way to write life insurance.

### UNION LIFE AFFAIRS

No one in authority denies that the Union Life Assurance Company is, to say the least, in an unenviable position. The Department of Insurance, in its usual paternal way, is apparently giving the company time to try to mend the breaks.

Official silence presumably is accounted for by high hopes respecting the English shareholders. Will they come forward with £75,000 for a general reorganization? The answer seems doubtful. Even if they do, will all the troubles of the Union Life be past?

In the meantime, the complete silence of the Union Life offices should be broken by a complete statement of affairs by the company's management.



### FIRE INSURANCE ADJUSTERS

The presence of the fire insurance adjuster for the insured is not objectionable. His endless multiplication is undesirable. There is a point where the number of fire insurance adjusters for the insured becomes a fire risk.

### THE TRADE BALANCE

We are pleased that Mr. D. R. Wilkie, president of the Imperial Bank, drew attention in his interesting address at the bank's annual meeting this week to Canada's balance of trade. There is a disposition in some quarters to cite the unfavorable trade balance as a sure sign that the country is, as a New York writer has said, "headed toward the trough." The exports for the year 1912 amounted to \$393,000,000 and the imports \$692,000,000, indicating an adverse balance of trade of about \$300,000,000. As Mr. Wilkie pointed out, that is not necessarily an unfavorable feature. It has been more than compensated for by borrowings from abroad on capital account amounting to about \$250,000,000, by government, municipal, railway and loan companies and by the cash value to us of an additional 400,000 people who have come to settle amongst us from Great Britain, the United States and elsewhere. It is estimated by the Departments at Ottawa that these immigrants have brought with them at least \$200,000,000 in money and goods, and that of the 141,000 immigrants included coming from the United States each one brought an average of \$1,000. Included in the excess of imports over exports is the value of these immigrants' effects, and also the very large investment being made by United States manufacturers in the business of the country.

Almost the whole amount of the excess in imports was occasioned by our trade with the United States, the imports from the United Kingdom having fallen short by about \$40,000,000 of the value of our exports thereto. The exports of the mine are assuming very large proportions and are likely to continue to increase. Of the total exports, amounting to \$355,754,000, the mine accounted for \$57,442,000; the forest (which at one time was the principal article of export), for only \$43,255,000, while manufactures amounted to \$43,692,000, and agricultural products, including animals and their produce—all of which we might say was the handiwork of the farm—amounted to \$195,000,000. The fisheries of Canada yielded a value of \$34,667,872, and the mineral products in value amount to \$133,127,489.

It is extraordinary, thinks Mr. Wilkie, that, notwithstanding all that 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. Until Canada's manufacturing industries have grown to a point when the home market can be supplied fairly well within the country, the gap between imports and exports will not become smaller or closed.

### MINING IN ONTARIO

There are signs that interest is to be revived in Ontario mining stocks, particularly Cobalt and more particularly Porcupine. The effort is unlikely to succeed, because Northern Ontario is busy with real mining and will not for many years indulge again in a wild gamble. Mr. Arthur A. Cole, the mining engineer of the Ontario Government railway, has just issued his report for 1912. Two of its invariable attractions are accuracy of statement and the reliability of its writer. Mr. Cole, as do all others interested in the country's development, wishes to see the cult of gold mining in the north, and the inflow of capital for that purpose.

"The occurrence of gold in Northern Ontario," he says, "has been known for many years, but the few mines that did pay for a time only strengthened by their early failure the belief that gradually spread throughout the country that gold mining in Ontario must necessarily prove unprofitable. This idea will account for much of the scepticism that greeted the news of gold finds in the Porcupine in 1909. Fortunately for the district, the largest finds early passed into the hands of strong financial interests that insured their thorough testing and development. Lack of adequate transportation facilities retarded the opening of the new camp in 1910, but good progress was beginning to be shown in 1911.

"The Temiskaming and Northern Ontario Railway built a branch line thirty-three miles from the main line to serve the district. The construction of several mills was well under way when the disastrous fire of July 11th, 1911, swept through the country, not only causing the destruction of these mills along with most of the mining plants on the ground, but also entailing a large loss of human life. Construction, however, was immediately recommenced, with the result that Porcupine became a regular producer early in 1912."

The estimated value of the gold output from the Porcupine camp last year is \$1,800,000. Accepting that estimate, the value of the output since the opening of the camp is \$1,852,726. While three or four mills are busy in Porcupine—and there is little reason that others should not become so—yet caution should be exercised as to what ventures are patronized by the investor.

The silver industry is still the first mining industry in Ontario's Northland. Mr. Cole draws attention to the outstanding feature of the past year, viz., the revival of interest in silver properties in the district, manifested in the re-opening of a number of claims that had been worked for a while in the infancy of Cobalt and later closed down on account of the indifferent success met.

The finding of a high-grade vein on the 200-foot level of the Seneca-Superior under Cart Lake doubtless had some influence on this revival. The sensational change also in the fortunes of the Cobalt Townsite Mining Company, one of the few Cobalt companies financed by English capital from deep indebtedness to a dividend basis, and the bonanza silver find made on the lower levels of the sister English company, the Casey Cobalt Mines, also had a marked effect. Another discovery that is likely to have far-reaching effects in the future is the location of good ore in both the Temiskaming and Beaver properties in the diabase below the Keewatin.

Mr. Cole predicts a likely decline of a million ounces of Cobalt's production for 1912 compared with 1911. The increased value of silver during the year, however, will probably be responsible for an increase of about \$2,000,000 in the total value of the output. Professor H. E. T. Haultain, another well-versed mining authority, has previously stated in these columns that the output from Cobalt has reached its summit. A rapid decline is not to be expected, but rather a gradual one, with final extinction many years away.

### SMALL CHANGE

Nova Scotia has donned her apple belt.

\* \* \* \*

Many mergers in May—and some may not.

\* \* \* \*

Health is better than money, and money can rarely buy health.

\* \* \* \*

The burning of bills of La Bunco Internationale might be suggested for the bankers' convention in Ottawa next month.

\* \* \* \*

The Canadian Pacific Railway is one of the few steamship companies that have had the temerity, even temporarily, of refusing to swim in the steamship pool



## CROPS IN ONTARIO

Fall Wheat Wintered Well—Frost Affects Fruits—  
Spring Sowing

Fall wheat has wintered well notwithstanding the light protection of snow, and the early spring wheat was also favorable, there being comparatively little heaving or other injury from frost. There was an unusually rapid growth in the latter part of April and the first few days of May, which gave a good head to the plant, but subsequent cold weather has acted as a check. Taken all together, however, the present outlook for the crop is most promising, except on late sown fields or on low or poorly drained land. Only a comparatively small acreage has been plowed up or resown with barley or other spring grain, states a bulletin of Ontario's department of agriculture. Much less injury than usual from insects is reported.

In the western half of the province, in the northern districts, and in most of the Lake Ontario counties, clover has done well, especially in the case of the younger fields. In the more eastern part of the province, however, much of the crop has been more or less killed out during the winter and spring, although even there some good fields are also reported. Several correspondents point out that late pasturing was responsible for some of the poor fields of both clover and alfalfa.

## Alfalfa and Vegetation.

Reports regarding alfalfa are not quite so enthusiastic as usual, as both winter and spring conditions were trying to this crop, and many of the fields are somewhat patchy. As in the case of fall wheat and clover, alfalfa has done best on well drained land.

Unusually warm weather in the latter half of April and the early part of May caused growth in the field, orchard, and forest to go ahead with a rush, and vegetation was estimated to be from a week to two weeks ahead of the normal. Cool weather with night frosts coming in about the 8th of May, however, gave an almost complete check to growth from that date to time of reporting; and while orchards seem to be more forward than usual, pastures are now only about ordinary. In most cases cattle are on the grass and are getting a good bite. Very timely rains were falling as our later correspondents wrote.

In the first week of May orchards gave promise of a large yield. The trees were covered with fruit buds—many in full bloom—and small fruits were also blossoming profusely. Between the 7th and 11th of May, however, a series of severe night frosts occurred, the effects of which are variously described. A careful sifting of the reports shows that early strawberries were badly nipped, but that the later varieties happily escaped.

## Fruit and Fodder Supplies.

Some bush fruits, such as currants, were also caught in some of the more advanced sections. In the fruit lands along the lake shores—more especially in the Niagara district—fruit trees sustained comparatively little harm from the frosts, but some of the orchards farther inland were injured to some extent.

Of the orchard trees apples have suffered the least and plums and cherries the most, but in no case as seriously as was at first expected. To sum up, the injury from the severe frosts of May has turned out to be much less general than was feared at the time of the frosts, and a good yield of all classes of fruit may still be had should favorable conditions prevail. The presence of the tent caterpillar in unusually large numbers is complained of by many correspondents in the eastern half of the province.

Farmers are in a better situation as to fodder supplies than for many years. In most localities there is a sufficiency of hay, and in many quarters a plentiful supply. There is also a sufficiency of oats on hand in most cases, although this and other grains are now fed more freely than formerly to live stock. Wheat is somewhat scarcer, but there is enough for all requirements on the average farm. The only deficiency appears to be in the quantity of straw on hand.

Spring sowing was well advanced when correspondents reported, and in many quarters, all spring grains had been got in. While there are complaints of some of the stiffer clay soils being hard to work, and remaining somewhat lumpy, most of the reports speak of the condition of the seed bed as being from fair to excellent. All the spring grains made a good catch as a rule; but several correspondents stated that more rain was necessary in order to ensure the best results.

Thoro'd, Ont., has been chosen as the location of Messrs. Pilkington Brothers, Limited, the well-known British glass manufacturers. Canadian plant. This firm's headquarters are at St. Helens, England.

## LEASES MODIFIED FOR CANADA

United States Shoe Machinery Company Refers to  
Canadian Combine Case

The Canadian leases of the United Shoe Machinery Company have been modified to meet what is believed by that concern to be the intention of the board appointed in October, 1912, to investigate the corporation's activities in the Dominion. President Winslow in his annual report just published says:—"On October 18th, 1912, the board appointed under the provisions of the combines investigation act made to the minister of labor at Ottawa its report of an investigation of the United Shoe Machinery Company of Canada. In general, the report was in the highest degree commendatory of the company's service and methods. As a result of the finding, we have endeavored so to modify our Canadian leases as to meet what we believe to be the intention of the board, while retaining so far as practicable the advantages of continuity in operation."

## Troubles in the United States.

The company is having legal trouble, too, in the United States, and its officers have urged the speedy trial of the criminal suit against them, but the department of justice has preferred to delay the trial of the criminal suit until after the equity suit entered three months later shall have been disposed.

Mr. Winslow gives some interesting details of his company's business. On March 1st, 1913, the company had on lease in the United States 98,516 machines, increase of 1,495 machines over preceding year. Machines turned out have not increased in proportion of former years, because the company has suspended the system by which it formerly gave every shoe manufacturer option of either buying outright machines in its general department or leasing them at a nominal rental. Shoe manufacturers no longer have the option of leasing the general department machines, but have to buy them outright. As one result, operating expenses at the Beverly factory have decreased. Since it has been unnecessary to make and deliver so many general department machines, increase in operatives has not kept pace with normal increase in company's business. Under present conditions they can no longer equip small factories with new and up-to-date machines of the general department from which no adequate direct pecuniary return is to be expected, but thanks to a machinery equipment in most factories which up to the present time has enabled them to keep abreast of the demands of trade, the output of shoes has steadily increased and the revenue of the company has increased accordingly.

During the fiscal year of 1912-13, the company placed on the market 30 new types of machines.

## Have Many Branch Companies.

"When machinery can be brought in duty free from Europe," says Mr. Winslow, "there will no longer be the slightest excuse for any one to say that American shoe manufacturers cannot equip their factories without patronizing the United Shoe Machinery Company, and it will then be obvious that whatever advantage we enjoy is due to the superiority of our machines and service.

"The business of our English, French and German companies is constantly increasing. At Leicester, England, we employ over 2,000 men—and the average rate of wage paid in the English factory is much less than the average rate paid at Beverly, which is the highest paid to any considerable number of workers in any one place in the world. It would be regrettable if economic conditions, arising from placing shoes and shoe machinery on the free list, should compel an increase in the work done in European factories at the expense of work done at home; but it is hard to see how small manufacturers, either of shoes or shoe machinery, who have kept up competition in the United States can cope with manufacturers abroad who hire labor far more cheaply.

## Wide Distribution of Stock.

"The company is distributing among its lessees of Good-year machines common stock purchased in the open market from the fund created by setting aside a percentage of the amounts received from such lessees during the period of three years beginning with January 1st, 1910. Lessees among whom stock is being distributed is about 1,100; shares purchased was 32,975; average price was \$52.53 per share."

Stock of the corporation is more widely distributed than at any previous time. There are 8,366 individual stockholders, of whom 3,777 are holders of common stock only and 3,014 are holders of preferred stock only, while 1,575 are holders of both preferred and common stock.



FIFTEEN MILLIONS FOR CANADIAN NORTHERN

Heavy Subsidies Voted and Government Gets Seven Millions of Stock

The Canadian Northern Railway benefits most as a result of the railway subsidies to be voted this session. The company will get the following assistance:—

Line.	Miles.	Per mile.
Ottawa to Port Arthur .....	910	\$12,000
Edmonton to British Columbia boundary ..	260	12,000
Toronto to Ottawa .....	250	6,400

These total \$15,640,000. The subsidies are to be paid by instalments upon completion of each ten-mile section. A condition is the transfer to the Receiver-General of \$7,000,000 of fully paid-up shares of common stock of the company, to be held for the benefit of his Majesty absolutely.

Ontario Government Railway.

The Ontario Government is subsidized at \$6,400 on the following lines of the Temiskaming and Northern Ontario Railway:—North Bay to Cochrane, 258 miles; Englehart to Charlton, 7.8 miles; Cobalt to Kerr Lake, 3.9 miles; Iroquois to Timmins, 33.2 miles; Earlton to Elk Lake, 28.5 miles; Iroquois Falls Station to Iroquois Falls, 7.25 miles; a total of about \$2,135,000.

Other subsidies at \$3,200 per mile are to the Margaree Coal and Railway Company, Orangedale to St. Rose, 46 miles; McIntyre to Caribou, 4 miles; Northern New Brunswick Railway, Drummond and Austin Brook, 16 miles.

Railways Throughout Country.

Tobique and Campbellton Railway, 25 miles; St. John and Quebec Railway, Andover to St. John, 200 miles; Lotbiniere and Megantic Railway, 60 miles; Megantic to international boundary, 35 miles; Little Nation Railway, Thurso to Montebello, 30 miles; Erie, London and Tillsonburg Railway, 35 miles; St. Mary's to Embro, 10 miles; Alberta Central Railway, 70 miles; Kettle Valley Railway, 335 miles; Calgary and Fernie Railway, 100 miles; for bridge over Burrard Inlet, \$350,000; Canadian Pacific Railway, Gimli to Icelandic River, 30 miles.

The subsidies are governed by the usual conditions.

MURRAY-KAY, LIMITED

Murray-Kay, Limited's, balance sheet for the year ended January 31st, 1913, shows increased gross profits amounting to \$20,129, the total being \$651,889. In addition to this cash discounts were \$31,846. Operating expenses were increased during the year, thus the profits were lower than in the preceding year by \$7,866. They were \$204,375, and were apportioned as follows:—Reserve for bad and doubtful debts, \$5,473; reserve for depreciation fixtures, \$6,282; written off catalogue account, \$20,000; organization expenses written off, \$5,000; dividends Nos. 6, 7 and 8, \$77,096.25; reserve for dividend No. 9, \$25,698.75; balance to surplus account, \$64,825.80.

These figures show a continuance of this company's progress.

The company's earnings for the last three years are given below:—

	Total income.	General charges.	Net income.
1912-13 .....	\$683,736	\$479,360	\$204,375
1911-12 .....	661,706	449,464	212,241
1910-11 .....	583,687	387,645	196,042

Assets which in the previous balance sheet amounted to \$3,719,305 are now shown as totalling \$4,083,675.

At the annual meeting, the following directors were elected:—Messrs. W. Parkyn Murray, president, Toronto; Douglas K. Ridout, vice-president, Toronto; Watson T. Bradshaw, Toronto; A. E. Dyment, Toronto; Geo. H. Gooderham, Toronto; John W. Drynan, Toronto; Major J. A. Murray, Toronto; and C. A. Barnard, K.C., Montreal

A large brick plant is being erected at Varennes by the Mount Royal Brick Company. The company is capitalized at \$1,500,000, of which \$1,200,000 is common and \$300,000 seven per cent. preferred. A bond issue of \$1,000,000 is authorized. The money necessary for the flotation of the company has been found in London, Montreal and Brussels. The board of directors is as follows:—Messrs. Robert Bickerdike, M.P.; Hon. J. A. Ouimet, K.C.; C. A. Barnard, K.C.; D. W. Ogilvie, Clarence S. Smith, F. H. Manley, W. K. McKeown, and R. F. McCaffrey, of Montreal, and Frank Carrel, of Quebec. The Belgian interests are represented by an advisory board, consisting of Baron Louis van der Straten-Waillet and M. Lucien Cognier, while a third may be added.

NEW PLAN TO SELL MUNICIPALS

London's Proposal to Sell Bonds to Purchasers Who Will Issue Certificates

The city of London, Ontario, talks of trying a new plan to sell \$764,500 debentures for which bids are invited. It is rather late in the day to discuss such a plan, as tenders are to be received on June 2.

It is proposed that part, or all of the issue, be purchased by one of the local banks, loan companies, or capitalists. The debentures will be held by the purchasers. Certificates, in small denominations—\$10 or \$25—will be issued against these debentures, and placed on sale for the benefit of the small investors.

Plan Recently Tried.

The plan was tried recently at St. Paul, Minn. Mr. James J. Hill, of the Northern Pacific and Great Northern Railroads, and his associates of the Northwestern Trust, were, it is said, responsible for the idea. From now on the city bonds of St. Paul may be purchased by the Hill coterie of capitalists. They will be placed in the hands of trustees, and certificates issued by the Northwestern Trust Company.

All certificates will be of \$10 denominations, and will be sold by the Northwestern Trust Company. The certificates will pay high rates of interest, the rate paid by the city, and the certificates will be protected by the bonds, guaranteed by the trustees.

Absorbs Local Capital.

City Treasurer Bell, of London, Ontario, is said to favor the idea, but has raised an important question as to whether or not it would not be more beneficial to the municipality to have \$764,500 brought into the city from the outside than use that amount of capital already there.

Mr. Hume Cronyn, of the Huron and Erie Loan Company, has been working on a somewhat similar scheme. The Huron and Erie proposal is to purchase municipal bonds and issue certificates against them for sale in the old country market. "Canadian municipal bonds are not understood in the old country," he says, "and we propose to issue certificates against them, believing that the certificates would find a readier market than the bonds themselves."

LIFE INSURANCE AND CANCER

Mr. Frederick L. Hoffman, statistician of the Prudential Insurance Company of America, in an address on "The Menace of Cancer," before the American Gynecological Society in Washington, recently, said that it was safe to estimate the annual mortality from cancer in the United States at 75,000 persons, and in the civilized world, at half a million. The cancer death rate in the United States was increasing at the rate of 2 1/2 per cent. a year, he asserted, and a corresponding increase was occurring, practically, throughout the world. The average age at death in cancer of all forms was 59 years—60.4 years for men and 58.2 for women. Of the total mortality from cancer, 90 per cent. of the victims were 40 years old or more.

The cancer death rate in this country for men 25 and over, he added, had increased 29 per cent. in the last decade, and the rate for women had increased 23 per cent.

Mr. Hoffman said cancer was a great menace to the American people and that the tendency was toward a further increase in the mortality, regardless of the cancer death rate prevented by early surgical operation. The cancer death rate of large American cities, he added, had increased from 37.2 per 100,000 of population in the five years ended with 1876 to 80.5 in the five years ended with 1911. The rate in New York City had increased from 37.5 per 100,000 in the three years ended with 1872 to 81.4 in the five years ended with 1912.

Since the disease invariably was fatal, unless the cancer were removed in its entirety in the very early stages of the disease by qualified operative treatment, said Mr. Hoffman, it obviously was of the utmost importance that the elementary facts concerning cancer should be better known and understood. He expressed the opinion that there was urgent need of a National society for the prevention of cancer, and told his hearers such a society was in course of formation.

The Montreal city treasurer's report for the year shows a revenue of \$9,190,656, an increase of \$1,533,823 over the previous year. The chief sources of revenue are:—Assessments, \$4,186,000; water tax, \$872,000; business tax, \$740,000; licenses, \$424,000. The tramways company contribute \$411,000 to the city coffers.



## LIFE ASSURANCE LEGISLATION

Whither Are We Drifting?—Italy's State Programme  
—Dominion Government's Annuity Campaign

BY R. W. BARTON, A.I.A.

"A large element of the public seem to be obsessed with the idea that every kind of ill can be cured speedily and every popular want gratified by legislation. Public taste and public morals are put under the special custodianship of the legislators, no less than the furtherance of the ends of justice. The abolition of poverty and improvidence is sought through the beneficent intermediary of State bounties," is how a writer in a United States journal aptly sized up the modern craze for legislation. To support this we have the report of the New York Legislature that 3,895 bills have already been introduced there this year.

The same tendency in our own and other countries is so obvious as to need only its recital to the reader.

The executives of the great life companies are watching this craze for legislation with some concern. It affects them vitally.

Life assurance contracts from their very nature extend over a long term of years. The contingencies of 20 or even 50 and more years hence have to be provided for by a premium unalterably fixed to-day. Yet legislation of all kinds is continually being introduced without regard to this fact. Not only legislation which compels the companies to do this for their policyholders or restrains them from doing that and the other, but also in the form of taxation. Dominion and Provincial taxation we know; but what shall we say when even municipalities controlling villages of a few hundred people exact a \$50 tax before the company can write business therein.

#### Built by Thrifty Folk.

The fact is, the accumulated funds of life companies are attracting the lustful eyes of socialistic and spendthrift governments and councils.

It is the thrifty amongst the people who have built up these funds for the protection of their families and homes. It behoves them to watch, and to help the companies to watch, and to resist any drastic legislation or insidious taxation that may from time to time be brought forward, whether federal, provincial or municipal.

The activity in insurance legislation reached its limit in Europe last year when Italy passed a law granting to the government a monopoly of life assurance. Even their domestic companies are compelled to retire from business within 10 years of the passing of the act. While to gain favor with the masses it is further enacted that this government company shall pay all profit derived from the thrifty middle and business classes to the aged and invalid workmen's pension fund. This is not the time to discuss all the motives for this act or its probable effects, but it seems likely to tend to discourage life assurance in Italy—a surely undesirable consummation.

#### Dominion Government and Life Annuities.

Life annuities are so generally associated with life assurance companies that any active encroachment in this field by a government may be considered a general one. It has certainly been the custom for governments to grant annuities to such as seek that class of protection, but it has not been the custom to actively compete with the life companies by extensive advertising and canvassing. Our own Dominion government has, however, gone actively into the field. Witness the new posters advertising the government annuities. There is an element of Gilbertian humor in being in the position to tax one's competitors. Is it possible the provincial government will join the scramble? Or perhaps the city of Toronto instead of hawking debentures might raise funds by selling life annuities.

The chairman of the Scottish and Canadian General Investment Company, at the recent annual meeting at Edinburgh, said in part: "As a large portion of our capital is invested in Canadian securities, it is gratifying to observe the continued prosperity of the Dominion. Notwithstanding the condition of the money market, trade in Canada has never been more active, and her agricultural interests are in a very sound position. The railways are making preparations for gigantic developments which cannot fail to have an appreciable effect on the prosperity of the country. The enormous flow of immigration of the best class appears to increase rather than to diminish, and this influx of population augments the demand for money.

## BRITISH COLUMBIA

Land is in Demand—Federal Estimates—Work on  
Vancouver Island

(Staff correspondence.)

Vancouver, May 26th.

That there is a big demand for land in British Columbia was shown this week by the large number of people who gathered at New Westminster, when two hundred forty-acre blocks of homesteads were thrown open. The apportionment took place on Monday, but by Saturday last over three hundred applicants had gathered, and later this number was considerably augmented. It is stated that even in this instance speculators were able to get some of the land. In cases of this kind, the authorities should see that bona fide settlers have first chance. The present trouble is that all good land anywhere near any line of railway or town is held by people who have no intention of turning it to account, but who have been able to secure possession at a low price and are waiting for a buyer.

#### Adapted for Use but High Priced.

The man who cultivates the land is not always the man who has the money to spare to buy land.

The same point came up in an indirect way when Mr. John A. Lee, former mayor of New Westminster, spoke before the Progress Club. Mr. Lee mentioned particularly the need of industries, and pointed out what excellent sites were available on the Fraser River, and also the land on the south side of the river that might be closely cultivated. The whole of the lower Fraser valley is particularly well adapted for the growing of the produce that is used in the big cities on the coast, but which now is imported to a very large extent. If people get on the land, the question of a working population for industries will be largely solved. As it now stands, however, land in the Fraser valley is very high in price, tracts being laid out in town lots for the benefit of people in the east and other places distant to a more or less degree, who know little of what they are buying.

#### Development and Finances.

Mr. R. Marpole, western executive of the Canadian Pacific Railway, has returned from a trip to Vancouver Island, on which he was accompanied by Mr. H. J. Cambie, chief engineer; Mr. H. E. Beasley, general superintendent of the Eastern and Northern, and Mr. Campbell Sweeney, general manager of the Bank of Montreal in British Columbia. Much money is being spent on Canadian Pacific Railway construction on the Island, and the officials report that development of the lumber industry is so great on the east coast that transportation facilities will have to be materially increased.

General development on the Pacific Coast of Canada is indicated by the large amount in the federal estimates this year. In the supplementary estimates are appropriations of \$1,370,000, and the aggregate figures include grants for grain elevators, harbor improvements, post office improvements, drill hall, wharves, dredging plant, in short, for every line of which expansion is being made. That these amounts are necessary show that development outlined from time to time is actually taking place.

The Marquis of Exeter is a visitor to the coast, along with him being Mr. N. Goddard Jackson and Mr. Fleetwood Heskell, two capitalists of London, England. The Marquis of Exeter already owns land north of Ashcroft which he bought last year. Discussing the financial situation, the visitors were of the opinion that while it might create a temporary dullness in business in Western Canada, it will not be without its good effect since it will help to eliminate much of the speculative features in real estate operation. They do not look for much improvement in the money market, for after present difficulties are removed England will require money to carry on industrial and commercial enterprises, trade being now of record proportions.

That considerable money is still available for real estate buys was shown this week when government land in the vicinity of Vancouver was auctioned. If there is a chance to make money, the purchaser is to be found, and these lots, some distance from the heart of the city, went as high as \$2,750.

The capital stock of the Cattanach Advertising Agency, Limited, of Winnipeg, has been increased from \$20,000 to \$50,000, by the issue of 300 shares of new stock of \$100 each.

The British America Assurance Company has been licensed to transact hail insurance in Canada, in addition to the business of fire insurance for which it is already licensed. Mr. W. B. Meikle, Toronto, is chief agent for the company.



## PRICES OF CANADIAN WOOL

### How United States Tariff Changes Might Affect Them —Views and Statements of a Toronto Dealer

An interesting discussion as to how free trade with the United States would affect the price of Canadian wool is sent to *The Monetary Times* by Mr. John Hallam, the well-known Toronto wool dealer. The United States does not produce all the wool she requires for domestic consumption, and, while she exports a quantity of wool to other countries, there are some grades that she requires that are produced in Canada and other countries, and which she is forced to import.

"In 1911," says Mr. Hallam, "there was produced in the United States 318,547,900 pounds of wool, and, during the same year, under a protective tariff amounting to about twelve cents per pound, they imported about 190,000,000 pounds of wool. The tariff, acting as a barrier to the importation of this commodity, and had a tendency to raise prices on wool in the United States, the excess being paid by the ultimate consumer, the people. This artificial barrier is about to be removed, and provide for a more free and uninterrupted commercial intercourse between these two great nations. Anything that tends to remove barriers to commerce must be of a certain advantage to the exporting as well as to the importing country. That the removal of the tariff on wool will give Canada a great market that has been practically closed to her is shown by comparing the export of 442,654 pounds of Canadian wool to the United States during the fiscal year of 1912, while the tariff was in force, with that of 3,851,432 pounds in 1896 and 7,499,949 pounds in 1897, when there was no duty upon wool entering the United States, as is shown on page 570 of the report of the Dominion Department of Trade and Commerce for 1912.

#### Tariff and the Wilson Bill.

"In order to obtain an idea of the effect the removal of the tariff at present will produce, let us examine the effect on prices in the United States and Canada before and after the removal of the tariff under the Wilson Bill. On August 1st, 1892, while the tariff was in force, the Boston quotation for Ohio fine unwashed wool was 20¼ cents, while in Toronto on the same date unwashed wool was quoted at 10 cents. On August 1st, 1896, after the tariff was removed, the same wool was quoted at 12 cents in Boston, and on the same date it was quoted at 11½ cents in Toronto, so you can see that the prices were practically the same after the tariff wall had been removed.

"At present, in anticipation of the removal of the tariff, the Boston quotation on Ohio fine, unwashed wool is 21 cents, and dealers in the United States are quoting the prices paid for wool there last year, although the prices on wool in England, Canada, and the world's markets have advanced about 15 per cent. over last year. The trading in the United States is light and prices have declined to a free wool basis in anticipation of the removal of the tariff, while the prices in Canada have advanced, so that the quotations for the same grade of wool in the United States and Canada at the present time are practically the same.

#### Question of Grades.

"As is well known by all persons engaged in the different branches of the woolen industry, there are many grades and classifications of wool, depending on the different varieties of sheep and their environment, each class of wool having its particular use in the trade, adapted to the particular quality and kind of goods to be manufactured. For this reason no country produces all the grades of wool which are best adapted to all the uses to which wool is put; hence each country exports its surplus of a particular grade and imports the grades of wool which it requires to manufacture its products to the best advantage. This explains the reason for the exporting of 1,196,924 pounds of wool from Canada during the fiscal year of March 3rd, 1911 (416,166 pounds being exported to the United States), while during the same period 6,422,396 pounds were imported into Canada (876,406 pounds being imported from the United States), according to the report of the Department of Agriculture of the Dominion of Canada in their publication, entitled "The Sheep Industry of Canada, Great Britain, and United States," page 162. This shows that we imported 5,854,472 more pounds of wool into Canada during that year than we exported, and when we take this amount in connection with approximately 11,000,000 pounds which is produced in Canada, it gives an idea of the great importance the manufacture of woolen goods is to the Dominion.

#### Regarding Market Conditions.

"There is a wrong impression prevailing among some growers and dealers, that in case of free trade with the United States, that Canada would have that market practically to itself. This is wrong, as the United States in 1912 imported 193,400,713 pounds of wool, which is about seventeen and a half times the total production of wool in Canada, and in 1896, when the Wilson Bill went into effect, removing

the tariff from wool, as an example to show that other nations are alive to the situation, and are ready to take advantage of all opportunities to expand their trade at the earliest possible moment, a vessel laden with wool lay outside Boston harbor for three days, waiting for the time to arrive when the duty would be removed and she be enabled to land her cargo on a free trade basis.

"At present, some woolen mills in the United States are buying on a hand-to-mouth basis, others have already closed down, while others are reducing their force and output, waiting to see what Congress will do with the woolen schedule before making up a line of goods. While a tariff bill has passed the House of Representatives, the real fight has just commenced, and it will probably be several months before the bill will finally be acted upon by Congress and the matter definitely decided. In the meantime, great pressure is being brought to bear upon Congress to defer the time that the tariff bill will go into effect until January 1st, 1914, to enable the dealers and manufacturers of that country to dispose of their stock of wool and woolen goods before the new schedule shall take effect. If Congress accedes to their demands, the tariff barrier will still stand until that time, and a large majority of the Canadian clip of this season will be disposed of in the ordinary course of trade before the markets of the United States are opened to Canadian wool.

#### Open to all Buyers.

"With the tariff removed, with the world's production of 2,952,782,985 pounds to draw upon, with the normal production and consumption of wool in other countries, with the markets of the world open to all buyers, there cannot be any great change in prices of wool in countries outside of the United States on account of the removal of the tariff, and Canadians will have to be satisfied with receiving the preference over other nations in the trade with the United States on account of their proximity to the American markets, with prices practically the same as at present, subject only to the usual fluctuation in the world's market occasioned by the universal law of supply and demand."

The *Monetary Times* would be glad to have the comments of its readers, more particularly interested in wool, regarding the views and statements of Mr. Hallam.

## BRITISH LIFE ASSURANCE BUSINESS

During 1912, new life assurance business effected by the ordinary British companies consisted of 245,137 policies, for a total of £49,769,241, within the United Kingdom, and 19,886 policies for £8,231,890 outside. The decrease in new business inside the United Kingdom as compared with the previous returns amounted to 2,478 policies for £487,152. The other business increased by 602 policies for £487,152. The largest business was done by the Prudential, who secured 60,012 new policies for a total of £5,306,721. Industrial companies established within the United Kingdom made returns showing 7,907,177 policies for £76,506,272, while companies established elsewhere did new business in these islands amounting to 6,548 policies and a total of £2,606,960 assured.

The summary of the revenue accounts shows that the ordinary companies in the United Kingdom had a total life assurance fund at the beginning of the year of £348,209,716, and at the end, £359,775,216, an increase of £11,565,500. The income from premiums was £29,703,217, and from annuity business, £2,271,467. The claims were £22,557,408, the surrenders, £2,404,180, and the annuity payments, £2,567,360. Management expenses are put at £2,435,088, and shareholders' dividends at £476,624. The figures generally represent increases with the exception of the income from annuities, commission, and the dividends (which fell £12,067). The life assurance funds of the industrial companies increased from £46,284,974 to £49,240,823, and that of companies outside the United Kingdom from £410,754,416 to £431,986,161. Three of these companies—the New York (£138,363,760), the Mutual of New York (£119,014,706), and the Equitable of the United States (£102,219,122)—have life insurance funds running into nine figures, as compared with that of the biggest English company, the Prudential, with £43,050,370.

The number of life assurances in force is given as: Ordinary companies, 2,968,398 for £827,137,470; industrial companies, 35,475,381 for £353,109,702.

Montreal and Eastern Ontario interests have completed the re-organization of the Napanee Brick and Tile Company, Limited, taking over the old plant of the Whittington Brick Yard which has supplied the building trade in the Bay of Quinte district. The new concern is capitalized at \$100,000. The directors of the company will be Messrs. E. M. Young, Picton, Ont.; John L. Madill, Napanee, Ont.; C. S. Madill, Montreal; G. R. Wright, Kingston, and M. E. Madole, Napanee.



## INDUSTRIAL BONDS AS INVESTMENTS

## Points to be Investigated—Staple Industries versus Luxuries—Net Earnings

As in any other investment, the objects to be attained by an investment in industrial bonds are, in the order of their importance, the safety of the principal, regularity of income and amount of yield, writes Mr. Oscar Newfang in the Bankers' Magazine.

The safety of the principal depends primarily upon the margin in the value of the property pledged over the amount of the bond issue; or, as it is usually called, upon the equity. Among conservative lenders upon bond or mortgage, it is customary to expect a minimum pledge of property worth about twice the amount of the bond issue, although choice properties may safely be bonded up to sixty per cent. or sixty-five per cent. of their value. The prospective purchaser of a bond should, therefore, first ascertain the total amount of the issue which he contemplates buying, and should know upon what property it is a lien, and the value of that property, which (as stated) should be at least twice the amount of the bond issue. If there are prior liens upon the property, they must be deducted before the ratio of property value to the bond issue is determined; but in such a case the investor in a junior issue takes the additional risk of a second mortgage holder; that is, the prior lien must first be satisfied in full before he will obtain anything whatever.

## Regularity of Income.

The second requirement of the bond buyer, regularity of income, depends mainly upon the margin of net earnings above interest requirements. The fluctuations of income in an industrial corporation are apt to be wider than in a railroad or public service company, and the careful investor demands a minimum average income for a period of years of at least twice the interest charges on his bond issue. He also prefers the bonds of companies that provide a safe surplus account to those of companies that pay out in dividends the entire or nearly the entire earnings above interest charges.

In making a bond investment it is well to remember that over a long period of years the regularity of income is greater for a staple industry than for a luxury. It must also be noted that certain industries, such as coal or other mining, lumbering etc., exhaust their resources by the very nature of their operations, and such properties are rarely desirable as bases for bond issues. Other industries depend, more or less, upon artificial conditions, such as tariffs, etc., for their prosperity, and the regularity of their earnings is for that reason less certain than that of industries which rest wholly upon natural conditions of trade. The bonds of the former are, therefore, not so safe an investment as those of the latter class.

In determining the net earnings available for the interest charge of a bond issue, the policy of the corporation in charging off an adequate amount of its gross profits for depreciation of its plant is a very important factor. If this is not done, a company may show a handsome margin of earnings above fixed charges, and may pay most of the amount to stockholders as dividends, but when the bonds mature it will be found that the plant has depreciated so greatly that its value is much less than the amount of the bond issue. The proper percentage to charge to depreciation, of course, varies in different industries; but the best practice seems to be to make an annual charge of ten per cent. against machinery and five per cent. against real estate. A well-managed corporation ought to appropriate to the upkeep of its plant a part of its earnings sufficiently large to maintain the plant in full efficiency; or, better still, to improve its productiveness. In order to judge an industrial bond intelligently, both the amount charged to depreciation and the amount of replacements and improvements should be known. Otherwise it is difficult for an investor to know that the property is properly maintained.

## Twice As Large As Current Indebtedness.

The last of the principal financial factors determining the regularity of income on an industrial bond is the amount of working capital possessed by the corporation. It is a generally accepted principle that the safe operation of an industry demands a quick or circulating capital twice as large as the company's current or floating indebtedness. To operate with a much narrower margin endangers the solvency of the corporation in times of financial stress, and thus adds an element of uncertainty to the corporation's continued operation and the continuous payment of its interest charges. The working capital should be large enough to operate the plant to full capacity, and as a rule the larger the ratio of circulating capital (that is, capital which is being turned over at a profit) to the plant (that is, capital which is diminishing by depreciation) the stronger the corporation may be regarded and the more desirable its bonds will be as an investment.

The provisions for a sinking fund made in a bond issue must also be taken into account in judging the bond.

## NEW YORK IS MAKING OUR DEPRESSION

## But the Signs in Canada Are Good—What the Bankers Say

What is all this talk in New York about a coming trade depression in Canada? There appears to be an organized effort there to send abroad word of a supposed impending crash. But Canadian bankers in New York are wrestling with the doubtful views expressed in certain quarters on the business outlook in Canada. "They are inclined to scout the alarmist talk," says the Wall Street Journal, "that the country is on the verge of a pronounced trade recession as a sequel to the rapid expansion characterizing the last half dozen years or so. Commercial transactions, by and large, they affirm, are conducted on safe and conservative lines, thanks, for one, to the vigilance of the banks, with their network of branches spreading over the land, which keep them in close touch with economic developments."

## Money is Tight.

"Money is tight in Canada, in keeping with conditions prevailing the world over, and borrowers are paying 6 per cent. for loans. No one, however, who can prove a legitimate need of capital, is being turned away. Naturally, in the present state of the market, lenders are discouraging any extension of commitments and are scrutinizing narrowly all applications for accommodations. Requests for loans on the security of inflated real estate are given little consideration."

"It is not deemed likely that this denial of capital to weak speculators will induce any widespread and drastic liquidation in real estate, and cause the collapse of its value. Undeniably the rate of its appreciation has received a check, and in many sections prices have suffered actual declines. But, it is pointed out, the tremendous influx of immigrants, with thrifty and settled ways of living, is helping to sustain values. Besides, those in possession of a good deal of the newly-opened land are people of means, who are threatened with no financial embarrassment, which would force them to dispose of their holdings before a turn for the better sets in in the real estate market."

## Capital From Immigration.

"Stress is laid by those who indulge in gloomy forebodings over the situation on the huge trade balance which Canada is rolling up against herself. In the past four years the imports have annually exceeded the exports in the neighborhood of a quarter of a billion dollars, which adverse balance is undoubtedly absorbed by external borrowings of capital. But the point is made that due weight is not given to the important fact that 400,000 people, who are far from being in needy circumstances, are yearly added to the population. It is conservatively estimated that each of these immigrants brings with him \$500 in cash on the average. On this basis the country receives every year from this source an aggregate of \$200,000,000. It is maintained, therefore, that she cannot be accumulating as vast a foreign indebtedness on balance as would appear simply from the record of her commodity imports and exports."

"Of course, her capital borrowings from Europe and the United States remain. In this, as it was when our own country was in its early development stage, Canada is building up a debt for future generations, perhaps, to pay off. It is figured that we owe Europe in this way something like \$7,500,000,000. In and of itself this is not a sign of bankruptcy or of poverty."

## BRANDON LINKS UP WITH ITS PORT

For many years the Canadian Pacific Railway had only one track between Brandon and Fort William, its port on Lake Superior. Last summer a second track between the two cities was completed, and the company recently announced to the Railway Commission that they intend to lay two more tracks from the progressive Manitoba city to Fort William, making a four-track system between that city and the Lake Superior port. The Canadian Pacific Railway will be one of three Canadian railway systems connecting Brandon with the lake ports of Fort William and Port Arthur, while the Great Northern Railway runs from Brandon to Duluth. The future importance of Brandon as a railway centre is obvious.

Brandon's westward connections are also good. When the Grand Trunk Pacific and Canadian Northern Railways are both completed to the Pacific coast, Brandon will have four railway systems connecting it with Pacific ports, the three Canadian transcontinental railways and the Hill system, which already connects Brandon with Vancouver, British Columbia, and Seattle, Tacoma, Portland and Everett on the Pacific coast of the United States. These four systems have many branches, so that Brandon has connection with every part of Western Canada.



# INVESTMENTS AND THE MARKET

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

**Duluth-Superior Traction Company.**—Gross passenger earnings of the Duluth-Superior Traction Company for the third week in May were \$23,684, an increase over the same week last year of \$2,120.

**Twin City Rapid Transit Company.**—For the second week of May the earnings of the Twin City Rapid Company were \$160,578, an increase over the corresponding period last year of \$9,440, or 6.25 per cent.

**Canadian General Electric Company.**—The Canadian General Electric Company, Limited, who own and control as subsidiary companies the Canada Foundry Company, and the more recently acquired Canadian Allis-Chalmers, Limited, have decided to consolidate the selling organizations of the two latter companies, dropping the name "Canada Foundry Company, Limited," and conducting the selling organizations of both companies under the name of "Canadian Allis-Chalmers, Limited."

**Nova Scotia Car Company.**—The Nova Scotia Car Works directors have decided to issue \$200,000 of additional first preferred stock. Subscriptions are to be sent in by June 20th, and payments are due July 1st. The stock is offered to holders of the ordinary stock at par with six per cent. commission, making \$94 net. The present output of the works is stated by General Manager Brown to be ten steel cars daily, and he says in the circular that he expects a turnover for the year of \$2,200,000.

**Toronto Paper Company.**—Shareholders of the Toronto Paper Company at their annual meeting approved the financial statement for the past seven months, which showed earnings of \$80,973 at the rate of 14 per cent. on the capital. On this basis the earnings for the year would be over \$138,000. The directors re-elected were: Messrs. G. P. Grant, T. H. Watson, Rev. Dr. William Briggs, R. S. Waldie, R. A. Lyon and R. J. Ward. Mr. Albert Brown was elected to succeed his father, Mr. Richard Brown, retired.

**Moose Jaw Electric Railway Company.**—The gross receipts of the company amounted to \$77,996 for the past year; 1,607,770 passengers were carried. The assets of the Moose Jaw Electric Railway are placed at \$573,367, of which \$570,128 is in plant, property and equipment, and the balance of \$2,239 is in accounts receivable. The liabilities are: capital stock (paid up), \$480,271; bills payable, \$15,359; accounts payable, \$22,581; and a profit and loss surplus of \$15,359. The company's officers and directors are: president, Mr. A. A. Dion; vice-president, Mr. Newton J. Kerr; secretary-treasurer, Mr. D. R. Street, and Messrs. E. J. Daly, E. O'Connor, T. Frank Ahearn, P. B. Mellon, A. H. Dion and Charles E. Armstrong.

**Toronto Street Railway.**—Mayor Hocken has intimated that he will attempt to get Sir William Mackenzie to submit any agreement that may be reached to the shareholders of the Toronto Railway Company before a plebiscite is taken from the ratepayers. It is pointed out that Sir William Mackenzie has not offered to sell the stock of the Toronto Railway Company. That must remain in a corporation because the company has other investments than those represented in the tramway. With a capital of \$15,000,000, the Toronto Railway Company owns a controlling interest in the Toronto and York Radial Railway Company, the Toronto Power Company, the Electrical Development Company, and the Toronto Electric Light Company, which, combined, have a capital of over \$15,000,000.

**Consolidated Mining and Smelting Company.**—The Consolidated Mining and Smelting Company of Canada, Limited, ore receipts at Trail smelter for week ending May 16th, and from July 1st to date, in tons:—

	Week end May 16th.	July 1st to date.
Company's mines—		
Centre Star .....	3,199	140,005
Le Roi .....	001	43,212
Sullivan .....	618	29,151
No. 7 .....	263	2,837
No. 1 .....	240	1,418
St. Eugene .....		1,356
Molly Gibson .....		1,279
Richmond-Eureka .....		069
Other mines .....	1,313	73,702
Total .....	6,524	293,929

**Canadian Northern Express Company.**—The Canadian Northern Express Company reports to the United States

interstate commerce commission, for March and nine months, compared as follows:—

	1913.	1912.	Changes.
Total receipts from op..	\$ 65,810	\$ 47,996	Inc. \$ 17,813
Express privileges .....	25,512	18,576	Inc. 6,935
Total operating rev..	40,297	29,419	Inc. 10,877
Total operating expense.	30,467	15,865	Inc. 14,602
Net operating rev...	9,830	13,554	Dec. 3,724
Taxes .....	631	540	Inc. 91
Operating income ..	9,198	13,014	Dec. 3,816
Nine months:			
Total receipts from op..	\$693,169	\$437,390	Inc. \$255,778
Express privileges .....	269,959	169,456	Inc. 100,503
Total operating rev..	423,210	267,934	Inc. 155,275
Total operating expense.	269,329	144,924	Inc. 124,404
Net operating rev...	153,880	123,009	Inc. 30,871
Taxes .....	4,421	2,891	Inc. 1,530
Operating income ..	149,459	120,118	Inc. 29,341
Mileage, steam roads...	5,741	4,022	Inc. 1,719
Mileage, other lines....	22	22	.....

**The Porto Rico Railways Company, Limited.**—The comparative statement of earnings for April, 1913, shows following results:—

	1912.	1913.	Inc. or dec.	Per cent.
For April—				
Gross ..	\$71,418.48	\$70,214.03	— \$1,204.45	— 1.68
Net .....	30,843.47	33,291.55	+ 2,448.08	+ 7.94
For four months—				
Gross ..	293,755.39	290,097.93	— 3,657.46	— 1.25
Net .....	136,452.60	135,452.40	— 1,000.20	— 0.73

**Brazilian Traction Company.**—According to the Street Journal, Canadian interests, who have been following Brazilian Traction ever since the stock was listed, have been trying to find out why the London syndicate should regard Brazilian Traction so favorably as to take over 10,000 shares of the common stock. The conclusion they have come to is that the syndicate which underwrote the new preferred issue of Brazilian Traction has also made arrangements to purchase the large block of common on the practical assurance that the dividend on the common would be increased before the end of 1913 to a 7 per cent. basis, which would result in the stock selling at 115, at least.

At this price they would have a profit of 20 points from 95, which is the price paid on the recent accumulation, and this profit would bring down the price of their preferred to 80, or a little less, allowing for the commission that is to be paid for the placing of it.

Approximate gross earnings of the Brazilian Traction Company for the week ended May 17th were \$451,198, against \$394,682 in the same week last year, an increase of \$56,516.

The April statement of earnings and expenses of the Brazilian Traction Company shows net profits slightly less than in March. Gross earnings for the month are \$1,933,317; operating expenses, \$904,154, and net earnings, \$1,029,163. Net earnings are increased by \$97,994 over those of April, 1912. Aggregate net earnings for the first four months of 1913 are \$4,093,298, an increase of \$627,414 over the same four months of last year.

**Maple Leaf Milling Company.**—The annual statement of the Maple Leaf Milling Company showed net earnings for the year ended March 31st of \$440,393. Interest to banks on direct advances was \$124,604; dividends on preferred stock were \$175,000, and the balance is carried forward for \$241,884. Grain, etc., on hand amounted to \$1,858,285, as compared with \$2,230,407 a year ago. Bankers' advances were \$1,988,547, against \$2,050,236 in the previous year.

Particular attention is being paid to establish the company's grades of flour in foreign markets, and it was the intention to pay more attention to foreign trade than to domestic, remarked Hon. D. C. Cameron, president of the Maple Leaf Milling Company, at the annual meeting.

A short time ago contracts were let with the Allis-Chalmers Company, Milwaukee, for machinery, which will increase the capacity at Port Colborne from 4,000 to 9,000 barrels per day, stated Mr. Hedley Shaw, the general manager. We are also adding to our grain elevator forty new tanks, which will give us grain capacity at Port Colborne of 1,500,000 bushels, and this without adding to our liability. All the work will be completed and ready for the growing crop.

"On account of the great growth in Western Canada, and the probability that when the Panama Canal is open for traffic, some of our Western grain will find an outlet by the Pacific Coast, the directors have secured a valuable property in the city of Medicine Hat, consisting of about sixteen acres of land, and a supply of natural gas free, also exemptions, for the purpose of erecting a milling plant to take care of the Western business, and also to put the company in a position to do a trade in the far east."



CANADA'S TEXTILE MANUFACTURERS

Dominion Textile Company's Annual Report—Two Years' Results Compared—Extent of Operations

The annual reports of the various cotton companies, in which Montreal is more particularly interested, have now been presented, the last of these reports being that of the Dominion Textile Company, Limited, the annual meeting of which took place on the 26th inst. The report bore out the excellent showing made by the other cotton companies, the reports of which have already been presented.

It is generally accepted in commercial circles that the industrial condition of the country is most accurately reflected in the earnings of the iron and steel and textile manufacturing companies. Further reference to the iron and steel companies is unnecessary at the moment. So far as the textile companies are concerned, the results add their testimony to the generally accepted claim that the year 1912 surpassed all previous years in industrial activity within the Dominion of Canada.

It is only a few weeks since the Canadian Cottons, Limited, issued its statement, the earnings of the concern being greater than in any previous year. The Dominion Textile Company now reports a similar condition of affairs.

Changes Shown in Comparative Statement.

Following are some of the figures extracted from the financial statement for the year ending March 31st, last, together with the increases or decreases in the different items as compared with the corresponding items of the previous year:

The appended statement shows in concise form where the increases or decreases occurred in the various items as compared with the corresponding items of the previous year. As a matter of fact, there was only one decrease either in receipts or charges, this being of \$15,000 in the rent and interest account paid the Merchants' Cotton Company.

Changes in Dividend.

The amount of preferred stock issued is \$1,911,000, that of common stock being \$5,000,000. It will be seen, therefore, that the earnings remaining for the payment of dividends after the various appropriations had been made and the fixed charges met was the equivalent of almost 30 per cent. on the amount of preferred stock issued. After the preferred dividend had been paid, the amount remaining for the payment of common dividend was at the rate of 8½ per cent. The surplus carried forward after all the charges and dividends of the year had been met was the equivalent of practically 3 per cent. on the common stock of the company. This would mean that the amount paid out in dividends would be 5½ per cent. for the year. It will be recalled that the dividend on Dominion Textile for many years was at the rate of 5 per cent. per annum, but that not long since it was increased to 6 per cent. As a matter of fact, the dividend during the first half of the past year was paid at the old rate and during the second half of the year at the new rate, making the rate paid out for the total year, 5½ per cent.

Manufacturing profits .....	\$ 68,540
Dividend Dominion Cotton Company .....	51,884
Dividend Merchants Cotton Company .....	120,424
<b>Total income .....</b>	<b>\$1,351,130</b>
Rent and interest Dominion Cotton Co. ....	\$359,110
Rent and interest Merchants Cotton Co. ....	42,325
Rent Mount Royal Co. ....	165,000
<b>Bad debt account .....</b>	<b>\$566,435</b>
	12,290
<b>Net .....</b>	<b>\$ 772,405</b>
Interest on Dominion Textile bonds .....	189,286
Interest on Montmorency bonds .....	27,000
<b>Remaining for dividends .....</b>	<b>\$ 556,110</b>
Preferred dividends .....	131,396
<b>Remaining for common dividends .....</b>	<b>\$ 424,723</b>
Common dividends .....	275,000
<b>Surplus for year, forwarded .....</b>	<b>\$ 149,723</b>
Brought forward 1st April, 1912 .....	630,236
<b>Total profit and loss surplus .....</b>	<b>\$ 779,959</b>

It will be observed that the company now has a surplus at the credit of profit and loss of practically \$800,000, or the equivalent of about \$16 per share of common stock issued. If this were deducted from the recent selling price of the stock, it would leave a price of about \$60 a share, without the surplus.

The manner in which the surplus earnings for the various years has increased during the past few years, together with the total surplus, is shown in the following table:

Year.	Year's surplus.	Total surplus.
1908-09 .....	\$ 8,934	\$457,173
1909-10 .....	35,732	492,905
1910-11 .....	37,105	530,011
1911-12 .....	100,225	630,235
1912-13 .....	149,723	779,959

In the statement of assets and liabilities appear the following items:—

	March 31, 1912.	March 31, 1913.
Raw cotton .....	\$1,053,609	\$ 753,252
Goods in process of manufacture ..	1,548,570	901,490
Cash .....	22,778	24,177
Accounts receivable .....	1,740,942	2,053,853
Supplies .....	292,154	295,082

Land, buildings, machinery, etc., are taken at \$10,564,384, which is an increase of more than \$500,000 for the year. Total quick assets amount to \$4,070,854, as against \$5,035,306 a year ago.

Liabilities and Operations.

On the side of the liabilities, the following are some of the comparisons:—

	March 31, 1912.	March 31, 1913.
Loans, commercial .....	\$2,544,362	\$1,817,046
Loans, special .....	912,188	673,163
Open accounts .....	241,038	294,938
Deposits .....	61,386	114,781

Altogether the quick liabilities amount to \$3,256,479, as against \$3,916,051 a year ago.

Sales for the year amounted to \$9,824,101, this comparing with \$9,038,463 the previous year, being an increase of \$785,638.

At the present time the company is operating 10,237 looms, 459,786 spindles and employs over 7,500 hands. These figures compare with 9,335 looms, 427,533 spindles and 7,500 hands. The wage bill was \$350,000 more than paid three years ago.

During the past year a new mill has been erected at Magog, adjoining the present cotton mill, and 500 additional looms have been installed in it. This addition to the plant is required for manufacturing grey cloths for use in the print works, owing to the increased demand now experienced for printed goods. The power to operate the machinery in this new addition is supplied by the electric power plant erected recently and owned by the town of Magog. Extensions also took place at the Mount Royal mill and the St. Ann's mills. All the Merchants Cotton shares have now been turned in and the "B" bonds become first mortgage bonds.

Year ended March 31, 1913.	Inc.	Comparisons with previous year.
\$1,230,706	Inc.	\$ 80
	Inc.	80
120,424	Inc.	80
\$1,351,130	Inc.	\$ 93,232
\$359,110	Inc.	\$13,935
42,325	Dec.	15,774
165,000	Inc.	11,570
\$566,435	Inc.	\$ 9,731
12,290	Inc.	6,961
578,725	Inc.	\$ 16,692
\$ 772,405	Inc.	\$ 76,540
189,286	Inc.	\$ 1,131
27,000	Inc.	.....
216,286	Inc.	\$ 1,131
\$ 556,110	Inc.	\$ 75,409
131,396	Inc.	911
\$ 424,723	Inc.	\$ 74,498
275,000	Inc.	25,000
\$ 149,723	Inc.	\$ 49,498
630,236	Inc.	100,225
\$ 779,959	Inc.	\$149,723



## INVESTMENT OF LIFE INSURANCE COMPANIES' FUNDS

### VII.

#### Points to be Considered in Investments—Bonds I.

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

The last article dealt with points to be considered when investing in mortgages. The following points should be considered when bonds of any description are being investigated:—

1. Although there are certain fixed rules for proper guidance in selecting a bond, yet, in order to be analyzed correctly, every bond should be considered on its own merits, e.g., because a mortgage is a first mortgage does not guarantee its safety.

2. Do not assume a bond is safe because it is secured on part of a large railroad system, and "underlies" one or more issues of secondary bonds.

3. A bond that is listed on a stock exchange is not necessarily safer or of better quality on that account.

4. Security.—In some cases a bondholder is absolutely protected by the pledge of property—in which case he virtually holds a mortgage—while in other cases he is more or less dependent upon the success of the business. In the latter case consider:—

(a) The company's earning capacity over a period of years. (b) The margin of safety over a period of years as demonstrated by the surplus earnings, and the relation of such surplus earnings to gross, net, and fixed charges. (c) The financial stability of the company—working assets and working liabilities. (d) The character of the lien of the bonds. (e) The relative proportion of capital stock and bonds outstanding. (f) What is the company's attitude in the matter of publicity?

5. What rate of interest does the bond bear? Is it subject to taxation?

6. When does it mature? *Caeteris paribus*, buy short-time securities when prices are high, and the net return consequently small, and buy long-time securities when prices are low and the net return high.

#### Convertibility and Appreciation.

7. Convertibility.—How easily may it be sold if the owner wishes to sell on short notice, or converted temporarily by hypothecation?

8. Appreciation.—What are the chances of the value behind the bond appreciating? Increased security would mean an advance in the value of the bond. It should be remembered that the prospect of appreciating in value of any bond depends a great deal on the activity of the market for that particular bond.

9. Study the earnings, not only at the present times, but in previous years.

10. What is the personnel of the directors? Are those behind the concern experienced, conservative, and honest men? This point is a very important one. A well-managed mediocre company is often to be preferred to an institution which, while theoretically sounder, is controlled by an untrained or vacillating management.

11. Is there any danger of political entanglements?

12. What is the prospect of competition, and what effects might competition have?

13. It is very easy to be misled by the manner in which a corporation's books are kept. For example, investigate carefully whether too high dividends are being paid on the company's securities, or whether sufficient charges are being made for depreciation.

14. The object for which the company is equipped must be considered. Is it alive to the effect of competition and changing conditions? What is the present and probable future demand for its products or services? If the company is a local concern, and affected by the population and industries of the community, ascertain their extent and the prospects of their increase or decrease.

15. Has due care been taken to prevent over-expansion and inflation?

16. What is the general reputation which the company enjoys among persons competent to appraise its management and progress?

17. Has the company been established long enough to enable you to make a reasonably accurate forecast of its future success? How has it passed through those crises common to its scope and area of operation?

#### Government Securities and Municipal Bonds.

When Government securities are thought of, market conditions should be studied, and it should be seen whether the security is selling above or below its normal value.

As to municipal bonds, consider:—

1. Legality.—See that the debentures are valid and proper in every respect. The entire municipality should be liable for the debenture debt.

2. Inquire into the past financial standing of the municipality and its future prospects, the character of its administrators, and how previous obligations have been met. What is the character of the population? For example, bonds of a municipality where there are frequent strikes should be avoided.

3. Other points:—

(a) The "net indebtedness" and its ratio to the assessed valuation. (b) Value and character of municipal assets, and revenue, if any, derived therefrom. (c) Situation. (d) Industries.—If the success of a municipality depends largely upon one industry, e.g., the lumber business, its bonds are not of the best. Conditions would be changed, however, if the industry were based upon some physical characteristic of the place (such, e.g., as the presence of great and inexhaustible coal mines), which renders the industry permanent. (e) Population.—If there is any danger of a decrease in the population, leave the bonds alone. Consider the surrounding country and its resources. Stability of population is increased by diversity of industries, and a municipality which is a natural thoroughfare of commerce has a distinct advantage. (f) Taxation.—What is the assessment and debt per head and rate of taxation? Is this rate becoming burdensome owing to over-rapid increase in the debt? The community may be experiencing a boom, and its debts increasing along the same lines. (g) "Sinking-fund" plan or other method established for the ultimate payment of the bonds, rather than "refunding" the indebtedness? (h) What is the nature and amount of the debenture? Is it straight or instalment?

4. What rate of interest does the debenture bear? This should be compared with the ruling rate of interest in the given locality. A municipality which sells its bonds at so low a price as to yield the investor an income materially in excess of the ruling local rate of interest on time money—taking the average rate of four or five years rather than that of one time—thereby concedes that its own credit is poor, unless there is some special explanation.

5. Municipal securities are bought either through bond houses or by direct tender to the offering municipality. The circulars of bond houses set forth with much exactness most things necessary to know and relieve considerably the task of investigation.

#### Industrials as Investments.

The following are the points relative to industrial bonds:—

1. Where the security behind the bond consists in part of real estate, such real estate being substantially in excess of the bonded indebtedness, the obligation practically becomes a real estate mortgage.

2. Failing this ideal condition, we must look into the net quick assets, composed of current assets less current liabilities. Current assets should be at least double current liabilities, and, except in the case where real estate holdings are considerable, should be at least equal to the amount of the bonded debt. This is an important consideration, when it is remembered that a large part of the assets behind a bonded indebtedness may be almost valueless in case of a foreclosure, e.g., the plant, machinery, good-will, patents, etc. Also, the very reasons which make a company unable to meet its interest on other obligations make it also a difficult property to sell. As a matter of fact, the truth of the statement that the ultimate safety of the bondholder lies in the ability of his corporation to earn interest and other charges finds its greatest substantiation in the case of industrial bonds.

3. Has the company a product in constant demand, and, therefore, a steady business with regular earnings?

4. Marketability.—Some industrial bonds are much easier to market than others, and it should be decided beforehand whether this feature is desired.

5. In buying industrial bonds, the dangers that might be in competition or tariff legislation must not be overlooked. Determine the likelihood of such, and to what extent the business would be affected thereby.

6. How would the earnings of the industrial be affected by business depression? As a rule, the earnings of an industrial company are more acutely affected by business depression than are even those of steam railways, and the margin of safety needs to be considerably greater.

7. An industrial company whose bonded debt exceeds 50 per cent. of its total assets should not be considered strong enough to render its bonds attractive—unless, of course, its earning power possesses exceptional stability. In ascertaining the assets and earning power, a period of years should be considered to allow for years of depression as well as for normal or prosperous years.

8. A company producing necessities of life which enter almost universally into consumption is in a better position than one which produces luxuries or specialties of any kind.

#### Public Utility Companies' Bonds.

To determine the safety of public utility bonds we must consider three influencing factors: physical, financial, and political.

2. As regards the franchise, consider its length and nature and the powers conferred by charter on the company.



It is not generally considered wise to base a bonded debt on such an intangible asset as a franchise, even though they may have a substantial cash value. Moreover, public utility corporations are particularly subject to government and municipal legislations and interferences. Ascertain what effect this may have on the company's earnings and prosperity. For example, where the attitude of the legislatures is strongly socialistic, a franchise depends for its value on the length of time it has to run, because there may be an agitation to reduce fares, or lighting rates, or otherwise to affect a company's income.

2. Consider the physical condition of the property.
3. Examine the company as to its present and past financial condition, and ascertain whether it has been run conservatively and successfully.
4. The character and progressiveness of the management of the company and of the community served, and the matter of fairness of rates, are all points that an investor should consider when buying any public utility.
5. Competition.—This question is always important. Has the public utility a "natural" monopoly of the field, or is competition easily created?
6. The size and character of the population must always be considered.

The following articles in this series have already appeared:—

- (1) April 12th and 19th: The Importance of a High Rate of Interest.
- (2) April 26th: Interest Earnings.
- (3) May 3rd: Real Estate Mortgage Loans.
- (4) May 10th: Bonds.
- (5) May 17th: Stocks, Loans and Real Estate.
- (6) May 24th: Points to be Considered in Mortgages.

## VALUE OF LIFE INSURANCE

### XIV.

#### Partnership Protection

By C. A. HASTINGS

When two or more men enter into partnership deeds are usually drawn up protecting each other against the possibility of anyone withdrawing from the firm, but when it comes down to protecting themselves against the one dis-solver of partnership, death, what very few concerns have taken this protection, and what a very small proportion of these have done so adequately. Life assurance not only helps to alleviate what cannot be prevented, but also steps in when the withdrawal of capital might hamper very seriously the credit of the firm.

The procedure is as follows: A policy is taken out on the joint lives of one or more partners, which matures at first death. In the case of two lives, the premium on a Joint with Profit policy works out at about 3 per cent. at age 25 to 6½ per cent. at age 50. Of course, the premiums vary a good deal, for one partner may be young and the other much older, or both middle-aged or both elderly, and so on.

#### Policies have Usual Advantages.

The policies have the usual advantages with regard to loan values, freedom from limitations, non-forfeiture regulations, and so forth, but some of the leading companies add a clause whereby—in the event of dissolution of partnership—separate policies may be maintained pro rata by each or any partner without further medical examination, and, of course, at the premium at the age of entry. The best policy to take out is a participating policy with limited number of premiums, for, at a given date, payments cease altogether and the premiums accumulate bonuses until the policy becomes a claim, or until it is cashed in.

#### For Business Purposes.

Although this type of policy is essentially for business purposes, it will be readily seen that it does protect the family as well, when the necessity for business reasons has ceased to exist, and I propose to explain it in my next article.

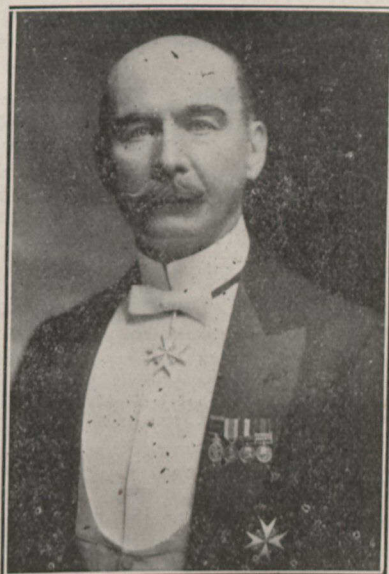
The following articles in this series have already appeared:—

- (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.

## CANADIAN BANKER GOES TO THE SENATE

Of the four new Senators, Colonel James Mason, general manager of the Home Bank of Canada, has most interest for the Canadian financial and business world. Colonel Mason is a prominent citizen and military man of Toronto. He is well known in Western as well as Eastern Canada, his bank having strong connections in the prairie provinces, and a large number of grain growers being shareholders of the institution.

The new Senator, whose appointment is generally popular, was born in Toronto on August 25, 1843. He was educated at Toronto Model School, of which he was head boy.



SENATOR MASON.

After leaving school he entered the banking business, and later became managing director of the Home Savings and Loan Company, which afterwards was merged into the Home Bank.

Lieutenant-Colonel Mason is an outstanding military man, having served for three years in the Queen's Own Rifles during the Fenian Raid troubles. In 1882 he was gazetted Captain in the Royal Grenadiers. During the Northwest Rebellion he commanded the first company to cross the Saskatchewan at the Fish Creek engagement. At Batoche he was severely wounded. He became Lieutenant-Colonel in command of the regiment in 1893, and was second in command of the Canadian officers sent to the Queen's diamond jubilee in 1897. He was appointed to the command of the Fourth Infantry Brigade in 1899. He holds several military decorations, and is one of the founders of the Canadian Military Institute and the Empire Club of Toronto.

Messrs. A. M'Call, Mr. E. D. Smith, and J. J. Donnelly are to fill the remaining Senate vacancies.

## VISIT OF A PRODUCTION ENGINEER

Mr. Willis Bell Richards, of the firm of Gunn, Richards and Company, New York City, was a visitor at The Monetary Times office last week. Mr. Richards is well known in Canada as a production engineer, having been of valuable service upon many occasions to various departments of the Dominion government, as well as to many private corporations throughout the country.

The firm recently opened new offices in the Eastern Townships Building, Montreal, with Mr. H. Victor Brayley as manager for Canada. Mr. Brayley was formerly secretary of the Ottawa Branch of the Canadian Society of Civil Engineers, and held a government engineering position. Mr. James Newton Gunn, the president of the company, is one of the best known production engineers in the United States. He has been connected for many years as lecturer with New York University and the Massachusetts Institute of Technology. The firm employs over fifty trained engineers and also a number of expert accountants, who work in co-operation with the engineers in organizing the shops, offices, buying departments, etc., of industries of all types, in making appraisals and in scientifically analyzing production costs and power costs.

Mr. Richards was called to Canada by one of the leading Canadian capitalists to advise in regard to improving the organization, decreasing the running expenses and increasing the sales of two of the largest manufacturing concerns in the Dominion.



CANADA'S NEW COMPANIES

Paper Companies Merge—New Cement Firm—Many Loan and Investment Companies

Two large companies head the list of incorporations this week, viz., the Provincial Paper Mills Company, of Toronto, which company secures control of the original mill of the St. Lawrence Paper Company at Mille Roches, near Montreal, the Montrose Paper Company, at Thorold, Ont., where extensive improvements have recently been made, and also the Barber Paper and Coating Mills, and the Canada Coating Mills at Georgetown, Ont.

The other company is the Prince Rupert Cement Company, of Vancouver. Their capitalization is as follows:

Company.	Capital.
Provincial Paper Mills Company, Toronto.....	\$5,000,000
Prince Rupert Portland Cement Company, Vancouver .....	1,000,000

Altogether one hundred and eleven corporations received charters, the total capitalization amounting to \$15,708,300.

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

Province	No. of companies.	Capitalization.
Saskatchewan .....	25	\$2,971,000
Alberta .....	23	1,860,000
Quebec .....	19	1,792,000
British Columbia .....	16	1,885,000
Manitoba .....	14	1,534,800
Ontario .....	12	5,490,000
New Brunswick .....	2	175,000
Total .....	111	\$15,708,300

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:—

- Olds, Alta.**—Home Realty Company, \$500.
- Duncan, B.C.**—Hadwen Syndicate, \$100,000.
- Grouard, Alta.**—Peace River Agencies, \$10,000.
- Lethbridge, Alta.**—Atlas Coal Company, \$50,000.
- Yorkton, Sask.**—Dominion Investments, \$500,000.
- McLean, Sask.**—McLean Hotel Company, \$20,000.
- Taber, Alta.**—Taber Industrial Company, \$20,000.
- Conquest, Sask.**—Axness Bros. & Company, \$50,000.
- Halbrite, Sask.**—Nordquist Bros. & Anderson, \$10,000.
- Kamloops, B.C.**—Marcus Electrical Company, \$15,000.
- Medicine Hat, Alta.**—Redcliff Park Company, \$80,000.
- Bassano, Alta.**—Bassano Wine and Spirit Company, \$25,000.
- Bow City, Alta.**—Bow City Car and Foundry Company, \$500,000.
- Moose Jaw, Sask.**—International Linseed Company, \$500,000.
- Kerrobot, Sask.**—Nicholson Herity Hardware Company, \$15,000.
- Weyburn, Sask.**—Weyburn Storage and Cartage Company, \$50,000.
- Fernie, B.C.**—South East Kootenay Development Company, \$60,000.
- Sedgewick, Alta.**—Pythian Castle Association, of Sedgewick, \$10,000.
- Victoria, B.C.**—British Columbia Mausoleum and Crematory Company, \$250,000.
- Vernon, B.C.**—Vernon Brick Company, \$10,000. British Columbia Distributors, \$10,000.
- Dauphin, Man.**—Dauphin Investments, \$40,000. H. F. Caldwell, W. Buchanan, D. Sutherland.
- Humboldt, Sask.**—Lux Amusement Company, \$5,000. Landing Park Townsite Company, \$50,000.
- Streetsville, Ont.**—Photo Specialty Company, \$40,000. A. G. Robertson, J. J. Kew, Miss A. Lawrie.
- Redcliffe, Alta.**—Redcliffe Garage Company, \$25,000. S. M. Knechtel Furniture Company, \$100,000.
- Prince Albert, Sask.**—Weldon Townsite Company, \$10,000. Carrothers Construction Company, \$6,000.
- Moncton, N.B.**—Maritime Cap, \$75,000, (furs, etc.). W. F. Ferguson, W. P. Walmsley, G. A. Robinson.
- London, Ont.**—McGrenerie Brick and Tile Company, \$40,000. W. M. McGrenerie, M. P. McDonagh, F. Snell.

- St. Romuald, Que.**—St. Romuald Hardwood Flooring Company, \$49,000. O. A. Gravel, P. Etchemin, L. Lemieux.
- Cull Lake, Sask.**—Burgess Patent Tire Company of Canada, \$600,000. G. F. Sharp, P. H. Thomson, J. S. Tweed.
- St. John, N.B.**—Mckee Furnace Company, \$100,000. J. T. Mckee, Union Point, Fairville; T. E. Powers, J. S. Tait, St. John.
- Stratford, Ont.**—Kastner, White and Bricker Glove and Coat Company, \$50,000. B. F. Kastner, H. S. White, Mrs. M. Kastner.
- St. Hyacinthe, Que.**—La Compagnie Hydro-Electrique d'Aston, \$60,000. T. D. Bouchard, A. S. Commeau, J. Bissonnet.
- Calgary, Alta.**—Jackson Water Supply Company, \$50,000. Calgary Seventh Avenue Syndicate, \$150,000. A. E. Hofues & Company, \$50,000. Press Publishing Company, \$100,000.
- Sherbrooke, Que.**—Sherbrooke Cigar Company, \$50,000. F. R. Darche, W. J. McManus, E. D. Kelly. C. F. Olivier Company, \$75,000, (dry goods). C. F. Olivier, E. F. Olivier, H. E. Olivier.
- Quebec City.**—Rimouski Brick and Terra-Cotta Company, \$100,000. J. M. McCarthy, W. Price, G. H. Thomson. L'Imprimerie Populaire, \$20,000. A. W. Dion, V. P. Bechar, A. J. Deguisse.
- Saskatoon, Sask.**—Wards, \$25,000. Saska Manufacturing Company, \$200,000. Marshall, Sons & Company (Canada) \$100,000. Northland Milling Company, \$150,000. Nabb-Chubb Flour Mills Company, \$30,000.
- St. Boniface, Man.**—Dowse Sash and Door Company, \$40,000. F. R. Dowse, St. Boniface; J. Desourdis, St. Boniface; J. Wuckert, Sr., Winnipeg. Norwood Construction and Realty Company, \$100,000. A. B. Desrochers, Winnipeg; R. A. Martel, P. Bissonette, St. Boniface.
- Regina, Sask.**—Canadian Financial and Land Company, \$50,000. Victoria Rink Company, \$20,000. Regina Hardware Company, \$30,000. Business Exchange Company, \$5,000. Regina Retail Merchants' Association, \$5,000. Saskatchewan Gravel and Supply Company, \$50,000. Rose-land, \$20,000. C. W. Sherwood Company, \$500,000.
- Edmonton, Alta.**—Dominion Gravel and Dredging Company, \$30,000. Edmonton Sons of England Building Association, \$50,000. Wabamun Beach Company, \$6,000. Edmonton Properties, \$150,000. Ferintosh Gravel Company, \$24,000. Edmonton Stock Farms, \$300,000. Desilets & Company, \$20,000. Great Northern Harness Company, \$100,000. Capital Cigar Company, \$10,000.
- Vancouver, B.C.**—Prince Rupert Portland Cement Company, \$1,000,000. North Coast Electric Company, \$25,000. Maple Club, \$10,000. Harry Hooper's Auto and Taxi Company, \$10,000. Skeena River Fisheries, \$250,000. Steves-ton Canning Company, \$10,000. Copper Hill Mining Company, \$25,000. Arctic Creamery Company, \$30,000. Fleck Timber Company, \$50,000. North Pacific Development Company, \$30,000.
- Toronto.**—Sulphide Chemical Company, \$40,000. G. M. Kelley, J. D. Falconbridge, D. W. Cooper. Ladies Tailors Association of Toronto. W. Gold, M. Chaplan, D. Teich, Rose Coal Company, \$40,000. A. Rosé, H. Rose, N. E. Arnot. Cross Town Realty Company, \$100,000. H. Riley, W. R. Anderson, J. F. MacGregory. H. M. Kipp Company, \$40,000, (motor cycles) H. M. Kipp, H. W. Kipp, F. H. Lemon. Provincial Paper Mills Company, \$5,000,000. G. H. Sedgewick, A. G. Ross, A. E. Langman. Hebrew Publishing Company of Toronto, \$40,000. S. Goldenberg, A. Rabinowitz, H. Lapiner. Canadian Charcoal Company, \$40,000. G. H. Gray, W. F. LeBarr, J. J. Gray. Instantaneous Cleaners, \$60,000. A. P. Pousette, Toronto; C. Gray, New Madden, Surrey; G. Foulsham, Walhem Green, England.
- Winnipeg, Man.**—Canadian Farm Products and Trading Company, \$600,000. C. S. Jennison, N. P. Ladd, F. B. Redmond. Bourdon Investment Company, \$20,000. J. E. Robertson, C. N. Bourdon, F. C. Troupe. Eastern and Prairie Lands Investment Company, \$200,000. C. W. Jackson, D. C. Philip, F. G. Warburton. Eastern Terminals of Canada, \$200,000. C. W. Jackson, D. C. Philip, F. C. Stephenson, W. Fort Garry Loan Company, \$100,000. E. J. Simonite, T. Pirt, V. Johnston. Real Property Investment Company, \$100,000. F. C. Mighton, W. Drysdale, C. E. Simonite, Belcher & Company, \$5,000, (general carriers). F. B. Belcher, E. J. Bingham, D. J. Flood. Central Investments, \$49,800. C. Lang, B. W. Miller, H. Polson. Security Storage and Transfer Company, \$50,000. I. M. Winslow, N. T. Macmillan, T. A. Irvine. Winnipeg Market Farms, \$20,000. J. Calder, T. A. Vanvliet, R. H. Nunn. Winnipeg Swimming Club, \$10,000. T. Cull, T. Boyd, P. T. Cox.



LONDON MARKET IS QUIET

So Far as Canada is Concerned—Few Issues are Being Made

The London market, so far as Canada is concerned, is resting. Very few of our public issues were made during May. The reception accorded many loans was sufficiently poor to cool the enthusiasm of would-be borrowers. The only issues by Canada this month were as follows:—

Phoenix Bridge and Iron Works.....	£ 318,483
Amalgamated Land and Mortgage Company, of	
Winnipeg .....	102,917
City of Montreal .....	1,440,329
Canadian Car and Foundry Company .....	185,185
City of Victoria .....	482,870

The Columbia-Western Lumber Yards are about to issue in London \$2,500,000 six and a half per cent. preference shares, guaranteed by the Canadian-Western Lumber Company.

Some Forthcoming Loans.

South Winnipeg Land Company, owners of Tuxedo Park; Canada Glass Company; a merger of the Alaska and other bedding Companies; Stanley Mineral Water and Maltin Company, are negotiating loans in London, states Windermere, in a cable to the Montreal Star. The aggregate sum involved is \$4,000,000, in seven per cent. preference shares and six per cent. bonds. The tendency is to harden the rates for industrial securities of this class.

A number of cities, not liking the appearance of the money markets, are financing their requirements by short term notes. It is difficult to trace these issues, many of them being kept private, but they are numerous. Calgary is issuing \$2,000,000 short term bills.

Money is decidedly tight and Canadian borrowers in London may have to pay yet higher prices. If conditions should change favorably, there would be a long procession of municipal borrowers, especially.

Sounded a Warning.

At the bankers' annual dinner, last week, a warning note was sounded by Lord Faber and Sir Felix Schuster. Lord Faber said, in reference to the high terms now being paid by industrial borrowers: "You know that there are certain charges which no trade will stand. Let such charges get high enough in raw material and high enough in money, and you are going to have a debacle at some time."

The following issues have been listed: Province of Alberta, £1,000,000, fours; Calgary Power, 18,500 shares, \$100 each; Canadian General Electric Company, \$1,900,000, common; Grand Trunk Pacific, £2,000,000, fours; Port Arthur, £415,700, fives; Prince Albert, £102,700, four and a halves; Riordan Pulp and Paper Company, 10,000 shares, \$100 each, sevens, and \$1,500,000 sixes; Province of Saskatchewan, £1,000,000, fours.

RAILROAD EARNINGS

The following are the railroad earnings for the week ended May 21st:—

	1913.	1912.	Increase or decrease.
Canadian Pacific .....	\$2,663,000	\$2,551,000	+ \$112,000
Grand Trunk .....	1,069,065	928,883	+ 140,282
Canadian Northern ....	507,400	453,200	+ 54,200
Temiskaming & N. Ont..	37,507	31,823	+ 5,684

The net earnings of the Canadian Pacific Railway Company for April for the first time in many months show a falling off from those of the same month last year. Gross earnings were \$11,750,913; working expenses, \$7,805,836; net profits, \$3,945,077. In April, 1912, net profits were \$4,115,752. Accordingly the loss in net profits for April is \$170,675. For ten months ended April 30th figures are as follows:—Gross earnings, \$115,816,291; working expenses, \$76,702,201; net profits, \$39,114,090. For ten months ended April 30th, 1912, net profits were \$35,771,125. The increase for ten months over the previous year in net profits is \$3,342,965.

The following is a statement of earnings and operating expenses for the Canadian Northern Railway during April:—

	1913.	1912.	Increase.	1st, 1912, to May 30th, 1913.
Gross earnings ..	\$1,745,300	\$1,608,100	\$137,200	\$18,583,200
Expenses .....	1,242,200	1,205,000	37,200	13,656,900
Net earnings ..	503,100	403,100	100,000	4,926,300
Mileage in operation .....	4,297	3,981	316	4,297

**Montreal, Que.**—Farmers' Trust Company, \$50,000. A. Lavergne, C. Smith, E. Taschereau, Quebec City. St. Catherine Road Land Company, \$150,000. G. I. McFaul, Brownsburg; B. R. Poulin, L'Orignal; J. M. Dorion, Lachute. Dominion Undertakers, \$25,000. P. St. Germain, L. Guerin, B. P. Raymond, Montreal Daily Mail Publishing Company, \$500,000. C. Gaudet, E. W. Parker, S. C. Marson. Boileau Realty Company, \$45,000. E. Boileau, E. Benard, B. V. Gomery. Lockwood, Greene & Company of Canada, \$20,000. A. E. Woodworth, A. B. Wright, St. Lambert; A. Charters, Montreal. Sherwood Estates, \$50,000. A. H. Duff, W. A. Merrill, H. E. Walker. Financial Underwriters, \$50,000. H. S. Ross, O. F. Shearer, F. Salmon. K. & R. Realities, \$100,000. W. W. Skinner, W. G. Pugsley, G. G. Hyde. Davison-Valois, \$25,000, (boots, etc.). W. J. Davison, J. M. A. Valois, W. M. Leonard. Metcalfe Realty Company, \$100,000. J. Desmarais, R. DeSerres, J. Laurent. Tobin & Simmons, \$50,000, (marble importers). G. L. Alexander, L. J. M. Dugas, C. J. E. Charbonneau. Dominion Mechanical Works, \$20,000. Z. Monte, E. Charette, E. H. Godin. Maritime Land Company, Limited, of Montreal, \$49,000. R. Bedard, A. D. Gall, R. Prefontaine. La Societe du Boulevard Pie IX., \$199,000. J. A. Champoux, W. Dampousse, G. Des Trois Maisons. National Club of Montreal, \$5,000. W. T. Rodden, H. R. Wood, C. W. Reid. Z. Berthiaume & Company, \$20,000, (contractors). Z. Berthiaume, J. Laperriere, C. Berthiaume.

BOOKS RECEIVED

The Great Gold Rush—A Tale of the Klondike. By W. H. P. Jarvis. The Macmillan Company of Canada, Limited, \$1.25. An interesting book for those who like well colored mining stories.

SOUTHERN ALBERTA LAND COMPANY

The annual meeting of the Southern Alberta Land Company, Limited, was held in London the other day. Major-General Sir Ronald B. Lane, presiding, stated that comparing the company's balance sheet with last year's, it was seen that the issued capital stood at £700,000, the balance of options having been exercised. "Our five per cent. debenture stock is also increased to £690,000," he continued. "Share premium account stands at £100,000, after writing off £19,541 9s. 3d. for depreciation on investments and transferring £19,852 10s. 9d. to the credit of profit and loss account. We also have a reserve of £25,000, which was referred to last year. Bills payable and sundry creditors amount to £65,400 odd. We have a liability of about £51,400, representing the balance payable on additional land purchased, and a liability to Canadian Wheat Lands, Limited, under our guarantee for last year's dividend, amounting to £20,000.

"On the credit side our property of, say, 369,240 acres stands at £443,867. Options have been given, as mentioned in our report, to Canadian Wheat Lands, Limited, on 56,000 acres at \$27.50 per acre, and to other parties on 25,000 acres at \$40 per acre for irrigable, and \$27.50 per acre for non-irrigable lands. Expenditure upon irrigation, surveys, and works during the year amounts to £246,115, and the total under this head is now £836,818. Mr. Taylor's report, which was referred to at our last meeting, called for an expenditure of \$1,392,000, say, £278,400, excluding laterals, and of this total we are informed by Mr. Hays that about £65,000 to £70,000 was spent during November and December last year, and therefore figures in the present accounts. I may mention that during the year nothing has been written off on account of the accident at the intake, and it is practically impossible to state exactly what the figure should be, as advantage is being taken of the opportunity to make various improvements at the head works and in the system generally, as recommended by Mr. Taylor.

"Sundry debtors, etc., amount to £127,000, and is made up largely of the balance of purchase price due to us from Canadian Wheat Lands, Limited, Investments, £83,346, and cash at bank and in hand, £261,224, I think complete the balance-sheet. In the profit and loss account we have the usual expenses of administration, directors and trustees' fees, advertising, legal expenses, etc., and the provision of £17,500 for dividend to Canadian Wheat Lands, Limited. You will see in the balance-sheet that our liability to that company is £20,000, but the difference of £2,500 is repayable to us out of their future profits. On the credit side land sales have been small, amounting to 2,880 acres. Early last spring, as you know, we decided not to make sales, and after the accident to the intake our policy was to remedy the defects we then found. To complete the irrigation system as soon as possible, and to delay any sales of land until we have practically completed our irrigation works. We are satisfied that such action will far more than pay any loss of interest, and will be productive of much better results for our shareholders in the future.



**PORT NELSON WILL BE TERMINAL**

**Government Decides on Outlet for Hudson Bay Railway**

Port Nelson is to be the terminal of the Hudson Bay Railway. In July, work will be commenced on the harbor development. These announcements were made in the House of Commons this week. The length of the railway line to be built from Saskatchewan River, at the Pas station on the Canadian Northern Railway, to Port Nelson, is 410 miles.

**Linked With Ontario.**

From the accompanying map, it will be seen that from Cochrane, the present terminus of the Temiskaming and Northern Ontario Railway, to Port Nelson, the railway can be extended in a line continuous with that of the part of the Ontario Government railway already constructed. It is hoped that mineral areas will be found in the more distant parts of older Northern Ontario and in the new district of Patricia that will justify the extension of the Ontario Government railway to Port Nelson. The people of Ontario will, in that event, possess a semi-transcontinental railway ending at a seaport.



On to Hudson Bay.

While the harbors in, at least, the southern part of James Bay are poor, it is likely that within a few years they will be utilized as terminals for one or more railways. Examinations are being made of the mouths of the Nottaway and the Rupert, and of the coast of the bay farther to the south and west.

**Some Comparative Distances.**

The distance from Port Nelson to Liverpool is 2,966 miles; Montreal, via the Strait of Belle Isle, is 2,761 miles, and via Cape Race, 2,927; New York, by the northern route, is 3,079 miles distant from Liverpool. Winnipeg, by the Canadian Pacific Railway, is 1,422 miles from Montreal.

Discussing the project in the House this week Hon. Mr. Oliver said the Government was not well advised in making Port Nelson the terminal until the cost of creating a harbor had been established. Owing to the shallow water in the harbor it would be necessary to dredge a channel for fourteen or fifteen miles. It would not be possible for vessels to navigate the channel in rough weather.

At Port Churchill, on the other hand, there was a good harbor, he contended, although not a large one. There was a twenty-foot channel leading to the harbor. Until the utility of the channel was definitely established he thought it would be unwise to make any great expenditure at Nelson.

Mr. W. M. German (Welland) said he hoped the minister of railways would not go ahead and spend too much without being sure of the project. He said he had always had doubts as to the ultimate success of this railway. He had been against the idea when the late government was in power, and was of the same opinion still.

**CANADIAN COMPANIES IN MEXICO**

In Mr. P. Tamayo's remarks relative to Canada's trade with Mexico in the last issue of The Monetary Times, the word "harm" was inserted instead of "alarm." The sentence should read: "It seems that political disturbances have caused more alarm to them (Canadians) than to the rest of the world's traders."

**REORGANIZATION OF PAPER MILLS**

**New Company Will Control Several Plants—Capital is Five Millions**

To secure better marketing facilities and to increase the general production of all the mills, a reorganization of several paper mills has been effected. The Provincial Paper Mills Company, Limited, has been incorporated with the following capitalization:—

Common stock .....	\$2,600,000
Preferred stock .....	2,400,000
	<hr/> \$5,000,000

This sum is not only sufficient to take over the properties desired, but leaves besides a substantial amount of treasury stock for future developments.

**Will Acquire Companies.**

The new company proposes to acquire the stock of the St. Lawrence Paper Mills Company, Limited, and the Barber Paper and Coating Mills Company, Limited. It is necessary to secure the majority of the stock of each company to make the plan operative, but already 80 per cent. has been secured.

Through the new organization, the company secures control of the original mill of the St. Lawrence Paper Company at Mille Roches, near Montreal; the Montrose Paper Company at Thorold, near Niagara Falls, where extensive improvements have recently been made, and also the Barber Paper and Coated Mills, and the Canada Coating mill at Georgetown, Ontario, near Toronto.

**Will Own Several Machines.**

The head office of the company will be at Toronto. The companies at the present time are under the management of Messrs. S. F. Duncan, I. H. Weldon, Geo. Copping, of Toronto, and T. A. Weldon, of Thorold, who have been prominently identified with the paper industry in Canada for some years.

There are six paper machines in the mills that have been taken over by the Provincial Paper Mills Company, and seven coating machines. The new machine which was recently installed in the mill at Montrose will be started in about two weeks. A large power plant has been erected at this place which is now furnishing power for the Montrose mill, and also the Interlake Tissues Mills Company, Limited, which started about two months ago. This mill is controlled by interests owning the other mills, but it is not included in the organization.

Prominent Canadian interests will become identified with the new company.

**BUSY AT FORT WILLIAM**

Fort William is almost too busy to tell of its activities. Lake commerce is brisk in every line. An average of nearly 1,000,000 bushels of grain is being shipped from the Fort William elevators daily.

The receipts of coal continue heavy with prospects of the movement continuing during the summer months. Package freight is being brought to Fort William in large quantities. The passenger boats, too, are carrying capacity cargoes of merchandise. Large quantities of steel rails will be delivered in the local harbor. There is an average of from four to six boats there with rails every week. These are being shipped from the Soo, Sydney and Chicago.

Some idea of the proportions of the carrying capacity of vessels navigating the great lakes can be gained by the arrival in Fort William of the steamer The Sydney, Jr., of the Shenango Steamship Company's fleet, with a cargo of 26,000,000 barrels of soft coal, practically enough coal to supply the fuel requirements of the city of Fort William for a year. The Sydney is one of the largest vessels on the great lakes, is 590 feet long, has a 64 foot beam and a depth of 35 feet.

The latest grain report issued from the head office of the Grain Commissioners at Fort William, dated May 16th, states there were 18,288,571.97 bushels of grain in store at the terminal elevators in the twin cities, as compared with an amount of 13,628,588.17 bushels for the same period of last year. Grain receipts for the week were 4,442,688 bushels and shipments 5,015,374 bushels. There is a large number of vessels in the grain trade this spring. There are few, if any, idle vessels on the Great Lakes.

The W. H. Dwyer Company, Limited, have signed contracts for the erection of a 100,000 bushels elevator, fully equipped with drying and cleaning machinery, on the property recently purchased from Messrs. Graham and Horne on Island No. 2.

Headway is being made on the excavation at elevator "D" and builders are expecting to make a start shortly.



NEW STEEL PRODUCTS COMPANY

Another Industrial Amalgamation Formed—Will Have Capital of Two Millions

Several Canadian steel industries are to be merged as the Steel Products of Canada, Limited. The participating firms are the Gananoque Spring and Axle Company, Limited; the D. F. Jones Manufacturing Company, Limited, of Gananoque, and the Dowsley Spring and Axle Company, of Chatham, Ont. The capitalization of the new company is as follows:—

Six per cent. bonds .....	\$600,000
Preferred stock, 7 per cent. ....	750,000
Common stock .....	750,000
	\$2,100,000

Companies Will Take Stock.

Seventy-five per cent. of the securities in the new company has been taken in lieu of cash by the holders of stock in the amalgamated companies, and that the rest will shortly be offered to the public for subscription, by Messrs. Richardson and Company, of Montreal.

Mr. W. T. Sampson, for many years manager of the Gananoque Spring and Axle Company, will act as managing director of the new company. His long association with the Jones Company and the Chatham concern, the latter of which was a subsidiary of the Spring and Axle Company, render him particularly well qualified to direct the Steel Products Company, and the future of the consolidation is looked upon as exceedingly bright.

As To Manufactures.

The Gananoque Spring and Axle Company has been engaged in the manufacture of steel springs and axles for upwards of fifty years, while the Jones Company has been in existence for an equally long time, and is among the foremost steel specialties. The Chatham company is a comparatively recent organization.

TELEPHONE COMPANIES IN SASKATCHEWAN

Rural telephone companies are likely to multiply in Saskatchewan as the result of the new rural telephone act passed by the provincial government early this year. Bond houses will also be introduced to a new class of debenture, as the legislation permits the companies to raise funds for the construction of telephone systems by the sale of fifteen-year debentures.

In case five or more persons residing in any portion of the province desire to construct, maintain and operate a rural telephone system for their mutual benefit, they may present a petition to the minister asking for the organization of a company for this purpose.

The company's capital must not exceed ten dollars for each pole mile of line to be constructed, but with the approval of the government the capital may be increased from time to time if satisfactory reasons are given. The company's capital has to be divided into equal shares of \$5 per share. A subscriber may take not more than four and not less than one share.

Every debenture issued by these companies under the provisions of the new act must comply with the following requirements:

- (a) It shall run for such period not exceeding fifteen years.
- (b) It shall not carry interest at a greater rate than eight per centum per annum.
- (c) It shall be sealed with the corporate seal of the company and shall be signed by the president and secretary of the company;
- (d) It shall be payable in equal annual instalments of principal and interest combined and shall have attached thereto coupons for the several instalments so payable which coupons shall be signed by the president and secretary of the company.
- (e) It shall be registered by the department and countersigned by the minister.

More than a hundred rural telephone companies have written the Saskatchewan government for permission to organize.

New Westminster ratepayers have approved by laws aggregating nearly \$600,000, as follows: street, \$200,000; light, \$40,000; waterworks, \$45,000; schools, \$55,000; sewers, \$150,000; firehalls, \$25,000; civic stables, \$15,000; exhibition, \$25,000.

GROWTH OF LAKE COMMERCE

Small Welland Canal is an Obstacle—Ore in Lake Superior Region

That Canada must do much to hold its lake commerce was apparent from the remarks of Mr. H. Coulby, president of the Pittsburgh Steamship Company, in an address to the American Steel and Iron Institute. He predicted that the growth of lake commerce will be just as great during the next twenty-five years as it has been in the past. The country tributary to Lake Superior is rapidly becoming populated and new business for water transportation is springing up every year. Large bodies of limestone have been found in the Alpena district on Lake Huron, and this material is now being shipped as far east as Buffalo and also to Chicago and Duluth.

"The Dominion of Canada," said Mr. Coulby, "is very rapidly contributing to our lake commerce. The Northwestern Provinces of Manitoba, Saskatchewan and Alberta in the year 1900 produced 43,250,000 bushels of grain. In the year 1912 their production was 453,000,000 bushels, and it is to-day taxing the railroads to their utmost limit to get this product to the consumer. In fact, in 1911 and 1912 some of this grain was spoiled on account of lack of railroad facilities to transport it. The nearest and cheapest way to get this grain to the consumer is via the Great Lakes to Buffalo, and thence by rail to the seaboard for export.

Connected by Welland.

"Lake Erie and Lake Ontario are connected by a system of locks in the Welland Canal. These locks will not accommodate a boat longer than about 265 feet, on a 14-foot draught, which restricts commerce to Lake Ontario to boats of this size. Appreciating the necessity of clearing away this obstruction, the Dominion Government has, I understand, appropriated \$200,000 for a preliminary survey for a contemplated improvement to cost \$50,000,000 completed, with which it is proposed to straighten and deepen the Welland Canal, reduce the number of locks from 25 to 7, and give 30 feet of water for navigation through the canal available for ships 300 feet long and 80 feet wide.

"Our own Government, (the United States), with great forethought, has realized that every dollar spent in widening and deepening these canals connecting the Great Lakes brings the producer and consumer just that much closer together. And I firmly believe that in years to come either our own Government or the Dominion Government, or probably both working together, will carry on the work of deepening the channels connecting Lake Erie with Lake Ontario, and Lake Ontario with the Atlantic Ocean, until the day will arrive when ships will load cargoes of grain at the northwest end of Lake Superior and carry their cargoes to the markets of the Eastern Hemisphere.

Estimates of Iron Ore.

"Estimates have been made of the amount of iron ore that is available in the Lake Superior district, but with new developments each year and the necessity of using the leaner ores, I do not believe there is any man living who can make an estimate that is worth anything of the available tonnage of ore that will eventually be brought down from the Lake Superior district before the ore bodies are exhausted. The other day I was speaking with a practical mining man who had spent his whole life in the iron mines of the Lake Superior region, and it was his opinion that on the older ranges there would be large tonnages of ore found at greater depth. No estimate has been made of the tonnage of what is called low-grade ore that would not become marketable until some of the richer ores are exhausted, but the known area of the ore-bearing formation of this so-called low-grade material is very large and will eventually come into its own."

SASKATCHEWAN'S FIRE DEPARTMENT.

With the idea of placing a number of matters which relate to fire protection and questions of health, under the Fire Department, Mr. R. J. McLean, provincial fire commissioner, has drafted a by-law, copies of which have been sent to the four principal cities of Saskatchewan.

The proposed by-law will give the fire chief, or any officer of the fire department, the right to enter and examine any business building and premises; and all business buildings must be thoroughly inspected by the chief or his officers or men at least four times a year. If he finds rubbish there, or obstructions of any kind likely to hinder the firemen in their work in case of a fire, he can order them removed, and if the owner does not comply within a reasonable time, he can be fined from \$10 to \$50.



## RECENT FIRES

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

**Montreal, Que.**—18 Brunswick Street. Loss unknown. Cause, oil stove.

**Brantford, Ont.**—May 20.—Scarfe Varnish Factory. Loss \$7,000. Cause sparks.

**Forest, Ont.**—May 25.—Mr. H. J. Pettypiece's residence. Loss slight. Cause unknown.

**Calgary, Alta.**—May 26.—Mr. T. Burns' arena. Loss \$35,000. Cause, supposed incendiary.

**Cobourg, Ont.**—May 22.—Mr. C. Glenn's barn, Percy Township. Loss and cause unknown.

**Newcastle, N.B.**—May 26.—Mr. M. Murphy's residence. Loss unknown. Cause, exploded lamp.

**Ottawa, Ont.**—May 19.—Mr. A. McA. Nulty's automobile. Loss \$2,000. Cause unknown.

**St. Catharines, Ont.**—May 25.—O. Pee Chee gum factory. Loss \$1,500. Cause unknown.

**Moose Jaw, Sask.**—May 19.—Dr. Harwood's residence, Beech Avenue. Loss \$50. Cause chimney.

**Inverness, N.S.**—May 18.—Queen Hotel block. Loss \$20,000. Insurance \$6,000. Cause unknown.

**Westboro, Ont.**—May 16.—Mr. G. Leslie's cottage, Bluff Lane. Loss \$1,500. Cause, overheated stove.

**Scarboro, Ont.**—May 20.—Mr. Glen Morgan's residence. Loss \$5,000; insurance \$3,000. Cause unknown.

**Chamcook, N.B.**—May 20.—Messrs. C. Reach and Roy Hatt's two buildings. Loss \$9,000. Cause unknown.

**Peterboro, Ont.**—May 19.—Corner of London and Division Streets. Loss \$100. Cause, defective chimney.

**North Sydney, N.S.**—May 20.—Baptist Church. Loss \$9,000; insurance \$4,000. Cause, supposed incendiary.

**Saskatoon, Sask.**—May 22.—Mr. H. H. Tomlinson's automobile. Loss \$1,500. Cause, engine back firing.

**Milton, Ont.**—May 17.—Mr. C. Jarvis' barn at Boyne. Loss \$6,000; insurance small. Cause, probably tramps.

**Belleville, Ont.**—May 25.—Mr. W. Donaghue's bungalow. Loss unknown. Cause, children playing with matches.

**Quebec, Que.**—May 22.—Mr. L. Dechene's boot and shoe factory. Loss \$17,000, fully insured. Cause unknown.

**Winnipeg, Man.**—May 23.—Sunderland Construction Company shed. Clifton Street School. Loss \$950. Cause unknown.

**Ancienne Lorette, Que.**—May 15.—Mr. E. Matte's residence, 2 cows, implements, etc. Loss \$5,000; insurance, \$1,000. Cause unknown.

**North Vancouver, B.C.**—May 13.—Mr. G. A. Hoswell's residence, Ninth Street and Boulevard. Loss unknown. Cause, defective chimney.

**Selkirk, Man.**—May 25.—Mr. Millidge's livery barns. Loss \$4,000; insurance \$2,800. Mr. Loxdal's bakery. Loss \$1,300. Two stables, etc. Cause unknown.

**Victoria, B.C.**—May 17.—Victoria Paint and Paper Company, 852 Yates Street. Loss, contents \$300, building \$250. Insurance \$3,000, Ontario Fire Insurance Company. 935 Moss Street. Loss \$500. Insurance \$3,500, Canada National Fire Insurance Company. Causes unknown.

**New Westminster B.C.**—May 12.—Mr. T. Butterfield's residence, 5th Avenue and 14th Street. Loss \$250; insurance \$1,000. Cause, defective chimney.

May 16.—Messrs. Grant Brothers' bakery, 3rd Avenue and 10th Street. Loss \$500; insurance \$2,000. Cause, spark from chimney.

**Edmonton, Alta.**—May 24.—North Edmonton hotel. Loss \$135,000; a hardware store belonging to A. Priere, loss \$8,000; the real estate office of J. C. O. Brier, loss \$2,000; butcher shop, owned by Arthur Bryant, loss \$1,500; restaurant owned by Thomas Flynn, loss \$3,000; ice house belonging to the hotel, also the stables; a house occupied by J. C. McArthur, at the rear of the hotel; two shacks; dry goods and grocery store combined, owned by Mr. Priere, loss estimated to be about \$7,000; pool room and the dance hall owned by Mr. Martel. Cause unknown.

**Toronto, Ont.**—May 20.—183 Royce Avenue. Loss \$20. Cause, gas stove. 612 Richmond Street. Loss \$25. Cause mice and matches.

May 21.—Messrs. M. Granastein and Sons' premises, 486 Wellington Street W. Loss \$90. Cause, short circuit.

May 23.—Mr. Hancock's lumber mill, 1327 Bloor Street West. Loss slight. Cause, wood alcohol generated.

May 27.—211 Wilton Avenue. Loss unknown. Cause, defective wiring.

May 26.—669 Richmond Street West. Loss \$50. Cause firecracker. Salvation Army premises, Wilton Avenue and Victoria Street. Loss unknown. Cause, supposed incendiary. Mr. C. Legge's residence, 261 Silverthorne Avenue, Earls Court. Loss \$400. Cause, children playing with fireworks.

## ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED.

The following fires were adjusted by J. S. Rankin, Vancouver:—

**Vernon, B.C.**—May 5.—Royal Bank of Canada building. Loss on building, \$580. Cause of fire, supposed tramps sleeping in building. Insurance, London and Lancashire building, \$2,000.

**South Vancouver, B.C.**—May 10.—Mary Ann Scully's dwelling. Loss on building, \$1,350; on contents, \$900. Cause of fire unknown. Insurance, Protector Underwriters, building \$1,200.

**Kamloops, B.C.**—Mr. Alex. Demorchi's dwelling. Loss on building, \$30; on contents, \$220. Cause of fire, sparks, building next door. Insurance, Royal, building \$800; contents \$400.

**Britannia Beach, B.C.**—May 5.—Britannia Mining and Smelting Company's saw mill. Loss on building, \$7,500; on contents, \$9,000. Cause of fire, sparks from boiler fire box. Insurance, Phoenix of London, building \$5,000, contents, \$5,000.

**Vancouver, B.C.**—April 22.—Mr. O. D. Lampman's dwelling. Loss on building, \$205; on contents, \$275. Cause of fire, sparks from building across street. Insurance, Liverpool-Manitoba, building \$2,000, contents \$3,000; Commercial Union, building \$4,500.

**North Vancouver, B.C.**—May 21.—North Shore Drug Company, stores and rooms. Loss on contents, \$200 drugs stock; on fixtures, \$50. Cause of fire, coal oil stove. Insurance on contents, National General, \$1,000; British Empire, \$1,000; Equity, \$1,000; Republic Underwriters, \$1,000.

**Castlegar, B.C.**—April 6.—Edgewood Lumber Company's planing mill. Loss on building, \$2,600; on contents, \$7,000. Cause of fire, gasoline torch. Insurance, National, Hartford, \$6,000; London and Lancashire, \$1,000; North-ern, \$1,500; Royal, \$1,500; Queen, \$3,000; Guardian, \$2,000; Western Union, \$2,000; Scottish Union, \$2,500; British and Canadian Underwriters, \$2,500; Rochester German, \$2,500; Agricultural, \$2,500; Michigan Commercial, \$3,000; Phoenix of London, \$5,000—\$35,000. The above amounts covered under schedule on whole plant, of which \$2,000 applied on building destroyed and \$6,000 on machinery, being a total loss.

**Vancouver, B.C.**—May 6.—R. H. Wall's dwelling. Loss on building, \$1,300; on contents, \$305. Cause of fire, spark from chimney on roof. Insurance, National Insurance Company, building \$1,250; Phoenix of Hartford, building \$1,350; London and Lancashire, contents \$1,000.

May 15.—Isabel McGregor's dwelling, occupied by F. Page. Loss on building, \$75; on contents, \$360. Cause of fire, unknown—probably lighted match in clothes closet. Insurance, Liverpool and London and Globe, building \$2,500, contents \$1,400.

May 21.—Mr. Thomas Harvey's dwelling. Loss on building, \$100; on contents, \$120. Cause of fire, lighted match. Insurance, Montreal, Canada, \$2,500 on contents; London and Lancashire, \$2,250 on building.

## ROYAL COMMISSION ON GEORGIAN BAY CANAL.

A Royal Commission will be appointed to investigate the commercial advantages of the Georgian Bay Canal project. Whether the Government will proceed with a twenty-two foot waterway from Montreal through to the head of the lakes via the Ottawa River and the Georgian Bay, or whether it will proceed to deepen the St. Lawrence Canal to a depth of twenty-two or possibly thirty-five feet will depend upon the report of the Commission.

## FIRE MARSHAL'S POWERS EXTENDED

Among the bills passed by the New York legislature, was one requiring the filing of annual reports with the State Fire Marshal on the condition of local fire departments and water supplies, with recommendations to increase their usefulness; extending the jurisdiction of the fire marshal to incorporated villages; requiring fire insurance companies to report fire losses monthly to the fire marshal, and providing that service of orders issued by the marshal may be made upon the owner and lessee, as well as upon the occupant.

Another bill provides that in the absence of any local ordinance, it shall be the duty of the assistants to the State Fire Marshal to inspect or cause to be inspected by the fire department officers or members, not less than twice a year in outlying districts, and four times a year in closely built portions, all buildings, premises and public thoroughfares, except interiors of private dwellings, for the purpose of ascertaining and causing to be corrected conditions liable to cause fire.



# IMPERIAL BANK OF CANADA

## Proceedings of the Thirty-Eighth Annual General Meeting of the Shareholders Held at the Banking House of the Institution in Toronto, on Wednesday, 28th May, 1913, at 12 noon

The Thirty-eighth Annual General Meeting of the Imperial Bank of Canada was held, in pursuance of the terms of the Charter, at the Banking House of the Institution, 28th May, 1913.

### THE REPORT

The Directors have much pleasure in submitting to the Shareholders the Thirty-eighth Annual Report and Balance Sheet of the affairs of the Bank as on 30th April, 1913, together with Statement of Profit and Loss Account, showing the result of the operations of the Bank for the year which ended on that day.

The net profits of the Bank after making full provision for all bad and doubtful debts, for interest on unmatured bills under discount, and for payment of all Provincial and other taxes, amounted to ..... \$1,125,971.61  
 being at the rate of 7.61% upon Capital, or rather, of 7.61% upon Capital, Reserve Fund and Undivided Profits, all of which sources of profit must, of course, be taken into the calculation in determining the actual percentage of profit earned upon Capital from the operations of the year. 788,169.18  
 There was received from Shareholders by way of premium upon new stock (issue 1912) the sum of..... 1,022,787.88  
 which, with the balance of Profit and Loss carried forward from 1912 ..... \$2,936,928.67

makes a total available surplus as on 30th April of ..... \$ 780,668.91  
 This surplus has been applied as follows:—  
 (a) Dividends have been paid at the rate of 12% per annum amounting to ..... 20,000.00  
 (b) Special contribution to Officers' Pension Fund, as per By-law No. 29 ..... 7,500.00  
 (c) Annual contribution to Officers' Pension and Guarantee Funds ..... 1,000,000.00  
 (d) Transferred to Reserve Fund ..... 124,771.21  
 (e) Written off Bank Premises and Furniture Account ..... 1,003,988.55  
 Balance carried forward to Profit and Loss Account, 1913 ..... \$ \$2,936,928.67

New Branches have been opened during the year:—  
 In Ontario—At Aurora, Fort Frances, Sparta, and a second sub-branch at St. Catharines.  
 In Saskatchewan—At McLean.  
 The Branch at Golden City (Porcupine) has been closed.  
 The desire of your Directors to establish the Pension Fund of the Bank upon a firm and substantial basis, and the advantages to the Bank which your Directors believe will accrue therefrom, induce them to ask your authority to grant a further special contribution of \$20,000 to the Fund. This sum will do little more than keep the Fund abreast of the probable requirements of a steadily-increasing number of employees and maintain a proper proportion of the one to the other.  
 The Bank Act is undergoing its periodical revision by Parliament; several important changes have been made, additional powers of a minor character have been granted, restrictions have been introduced and safeguards have been provided by way of the establishment of a system of audit which will add to the strength and security of the Chartered Banks without interfering with legitimate sources of profit nor with the best interests of the Shareholders. It is intended that the new Act should come into operation on 1st July, 1913.  
 The Head Office and Branches of the Bank, now numbering 125, have been carefully inspected during the year, and your Directors have much pleasure in testifying to the faithful and efficient manner in which the staff have performed their respective duties.  
 The whole respectfully submitted.

D. R. WILKIE,  
 President.

## 38th Annual Statement, 30th April, 1913

### PROFIT AND LOSS ACCOUNT.

Dividend No. 88, for three months at the rate of 12% per annum (paid 1st of August, 1912) .....	\$ 182,678.88	Balance at credit of account 30th April, 1912, brought forward .....	\$1,022,787.88
Dividend No. 89, for three months at the rate of 12% per annum (paid 1st of November, 1912) .....	195,298.22	Profits for the twelve months ended 30th April, 1913, after deducting charges of management and interest due depositors, and after making full provision for all bad and doubtful debts and for rebate on bills under discount .....	1,125,971.61
Dividend No. 90, for three months at the rate of 12% per annum (paid 1st of February, 1913) .....	199,689.85	Premium received on new Capital Stock....	788,169.18
Dividend No. 91, for three months at the rate of 12% per annum (paid 1st of May, 1913)....	203,001.96		
	\$ 780,668.91		
Special Contribution to Officers' Pension and Guarantee Fund .....	20,000.00		
Annual Contribution to Officers' Pension and Guarantee Funds .....	7,500.00		
Transferred to Reserve Fund .....	1,000,000.00		
Written off Bank Premises and Furniture Account .....	124,771.21		
Balance of Account carried forward .....	1,003,988.55		
	\$2,936,928.67		\$2,936,928.67



## RESERVE FUND.

Balance at credit of account, 30th April, 1912 .....	\$6,000,000.00
Premium received on new Capital Stock .....	788,169.18
Transferred from Profit and Loss Account .....	211,830.82
	<u>\$7,000,000.00</u>

D. R. WILKIE,  
General Manager.

## Thirty-Eighth Annual Balance Sheet, April 30th, 1913

## LIABILITIES.

Notes of the Bank in circulation .....		\$ 5,803,794.00
Deposits not bearing interest .....	\$12,201,587.23	
Deposits bearing interest (including interest accrued to date) .....	44,600,524.63	56,802,111.86
		<u>224,075.56</u>
Deposits by other Banks in Canada .....		\$62,829,981.42
		<u>6,788,169.17</u>
Total Liabilities to the public .....		
Capital Stock (paid up) .....		\$ 7,000,000.00
Reserve Fund Account .....		203,001.96
Dividend No. 91 (payable 1st May, 1913) for three months, at the rate of 12% per annum .....		138,967.00
Rebate on Bills discounted .....		1,003,988.55
Balance of Profit and Loss Account carried forward .....		8,345,957.51
		<u>\$77,964,108.10</u>

## ASSETS.

Gold and Silver Coin .....	\$ 1,624,796.87	
Dominion Government Notes .....	10,830,331.75	\$12,455,128.62
		<u>307,424.50</u>
Deposit with Dominion Government for security of note circulation .....		4,171,844.16
Notes of and Cheques on other Banks .....		977,551.62
Balance due from other Banks in Canada .....		2,497,522.89
Balance due from Agents in the United Kingdom .....		2,345,084.93
Balance due from Agents in Foreign Countries .....		<u>\$22,754,556.72</u>
Cash Reserves = 36 1/5% of Liabilities.		
Dominion and Provincial Government Securities .....	566,986.99	
Loans to Provincial Governments .....	1,519,307.72	
Canadian Municipal Securities, and British or Foreign or Colonial Public Securities other than Canadian .....	4,197,948.27	
Railway and other Bonds, Debentures and Stock .....	730,152.68	7,014,395.66
		<u>3,135,507.37</u>
Call and Short Loans on Stocks and Bonds in Canada .....		2,000,000.00
Call and Short Loans on Stocks and Bonds elsewhere than in Canada .....		
		<u>\$34,904,459.75</u>
Total Liquid Assets = 55 1/2% of Liabilities.		40,502,609.92
Other Current Loans, Discounts and Advances .....		71,105.93
Overdue Debts (loss provided for) .....		97,252.72
Real Estate (other than Bank premises) .....		468,597.25
Mortgages on Real Estate sold by the Bank .....		1,900,000.00
Bank Premises, including Safes, Vaults and Office Furniture, at Head Office and Branches .....		20,082.53
Other Assets, not included under foregoing heads .....		
		<u>\$77,964,108.10</u>

D. R. WILKIE,  
General Manager.E. HAY,  
Assistant General Manager.

THE PRESIDENT:—Gentlemen, I have very much pleasure in rising to move the adoption of the Report. It is, I think, one of the most satisfactory Reports that has been presented to you over the 38 years during which the Bank has been in operation.

## PROFIT AND LOSS ACCOUNT.

The profits for the year, based upon the average paid-up capital, represent 17.28 per cent. thereon, but if calculated upon capital and surplus combined represent 7.61 per cent. only. There has been for years a misconception with regard to the actual earnings of banks owing to the misleading custom prevailing of quoting a percentage of profits based upon paid-up capital alone, instead of upon capital, reserve fund and undivided profits. The premiums received from shareholders upon new capital subscribed and the accumulated undivided profits are just as much a portion of the capital employed as the paid-up capital itself. However, we are grateful for a good year—the best we have had for a length of time.

## DEPOSITS AND CIRCULATION.

Our total deposits on 30th April stood at \$57,026,187.43, as compared with \$55,106,589.75 on the same date in 1912. Circulation of our notes has grown from \$5,303,642 to \$5,803,704, and would have gone still higher but for the restrictions placed thereon by the present Bank Act, and which, as I shall explain to you later, have been to some extent ameliorated by new regulations which will come into force on 1st July.

## CASH RESERVES.

Gold, silver, bank balances, etc., which stood at \$21,490,915 last year, are now \$22,754,556, equal to 36 1/5 per cent. of liabilities to the public, whilst our total liquid assets amounted to \$34,904,459, equal to 55 1/2 per cent. of our liabilities to the public, as compared with \$31,537,448 last year.

## LOANS AND DISCOUNTS.

The growth in ordinary loans and discounts has been from \$40,171,085 to \$40,502,609. The increase is more than represented by additional capital stock and premium thereon paid in, amounting to \$1,788,000. The figures for all Canada indicate an increase in this class of assets from \$833,000,000 to \$898,000,000. With due regard to the legitimate requirements of our business, the increase is more than



ments of our customers we have adopted a restrictive policy during the year, having in view the very unsatisfactory condition of the money markets of the world, the wars and rumors of wars, the unsettled condition of affairs in the United States—the result of the uncertainty regarding tariff revision—and the tendency throughout the Dominion towards undue and speculative expansion in real estate values.

#### NEW CAPITAL.

The new stock allotted to Shareholders on the 30th June last has been satisfactorily taken up, the total amount outstanding being only \$90,000, representing fractional shares and allotments to executors and individuals who have found it inconvenient to take up their allotments, preferring to allow the shares to be disposed of as provided for in the Act and on the understanding mentioned in their allotment letters.

#### SHAREHOLDERS.

Our Shareholders now number 1,586, as compared with 1,470 in 1912.

#### STAFF.

The staff of the Bank are 905 in number, an increase during the year of 87.

#### PENSION FUND.

This very important fund is steadily growing from your contributions and from accumulating revenue, and is \$39,199 in excess of the previous year, after providing for all deserving cases. The Board has not so far called for contributions to the fund from the staff of the Bank, and the resources of the fund are entirely under the administration of the Directors.

#### NEW BRANCHES.

There has not been the usual expansion in the number of branches, and I should say from present appearances that a contraction is more likely. The difficulty in obtaining well-trained clerks owing to the cost of living, even quietly at outlying places, in newly settled districts and the absence of home comforts, the opportunities afforded them to enter upon what to them appears to be more lucrative employment outside the Bank; the difficulties in new districts for a bank to make profit after providing for heavy expenses and the restrictions imposed upon banks in their charges for interest and commission, to which is to be added Provincial taxation, which is assuming from year to year a threatening and dangerous attitude (the annual taxes paid by banks to the various Provinces amount to no less than \$315,838)—all make one hesitate to enter upon the establishment of branches in new parts of the country, even where banking facilities may be needed. The animosity to banks in and out of Parliament, which we cannot but recognize, appears to have risen from much misconception and from an alliance of divergent opinions. We are told, on the one hand, that banks are making too much money, and that their powers and profits must be curtailed; we are told, on the other, that banks are not making enough money considering the risks, the responsibilities and the turnover of the business, the indispensable assistance they are called upon to extend to the country—to the west in particular—and the severe competition with which they have to contend from within, and from all kinds of high rates of interest, with no obligation to maintain cash reserves, and who can charge rates proportionate upon loans. The situation seems preposterous; it is certainly unfair. Banks are compelled to furnish all kinds of information to the Governments for publication, lay bare their monthly balance sheets and statements of cash reserves, etc., whilst their competitors are comparatively free from restraints and free from the obligation of furnishing monthly returns, free publicity, free from the necessity of holding cash reserves, circumstances.

#### BANK PREMISES.

We have expended in connection with bank premises during the year the sum of \$364,771; from the sale of premises we have applied the sum of \$140,000 upon Bank Premises Account, and we have credited a further sum of \$124,771 from the profits of the year.

#### RENEWAL OF BANK CHARTERS.

The Decennial Revision has been under way in Parliament since December 17, 1912. The Act has had its third reading in the Commons, and is now before the Senate. It is expected that the final revision will be concluded and the Act receive the Royal assent in a few days. The unfortunate circumstances connected with the recent failures of banks were reflected upon existing institutions, and we have had much prejudice and ill-will to contend with. The revised Act is, however, on the whole, a good, workable piece of legislation, and in many respects an improvement upon the present Act. One cause of censure in the Legislature is the reputed profits which it is said that banks have made in underwriting ventures. Complaints have been made regarding the financial starvation of the East through the transfer of deposits to the West, attracted by the high rates of interest following upon Western development and the opportunities to invest in lands at comparatively low cost. The elaborate proportions and extravagant expenditures upon bank premises have created very unfavorable comment. The vexed question of inspection or audit has been solved, and a system of audit by auditors selected by the shareholders of each Bank from amongst a Board of Auditors approved of by the General Managers of chartered banks and by the Minister of Finance has been agreed to. I take the opportunity to give you in a few words a resume of the important additions to and alterations in the Act so far as they have gone:—

Sections 12 and 16—Additional safeguards have been introduced in connection with the incorporation and organization of banks to ensure the bona fides of original subscriptions for stock, and to facilitate the recovery of unpaid liability thereon, while statements of disbursements for preliminary expenses will require to be submitted to the Treasury Board for approval before a certificate to commence business is issued.

Sections 18 and 20—Changes have been made in the internal regulations in providing for Shareholders being kept advised of the by-laws of the Bank in force from time to time by being furnished with copies of the current by-laws every five years, commencing with December 31, 1913, and by limiting the qualification shares of Directors to those of which they are absolute and sole owners in their individual rights.

Section 34—Facilities for speedier collection of original unsubscribed or new capital stock allotted to Shareholders are given by shortening, in the Directors' discretion, the period within which acceptance of allotments must be made.

Section 43—Proposals have been introduced making the keeping of share and transfer registers in each Province in which Shareholders are resident compulsory, but it is hoped these provisions, which have many objectionable features, may yet be amended.

Section 54—The annual statement to be submitted to Shareholders has been somewhat enlarged, so as to make it more in keeping with the monthly return to the Government. Many new headings have been added, which make for a clearer and more detailed statement of affairs. The Monthly Government Return has also been improved in some respects.

Section 56—As already referred to, an important departure has been made in the introduction of an annual audit by qualified auditors appointed by the Shareholders from a panel selected by the General Managers of the Banks and approved of by the Minister of Finance. It will be the duty of these auditors, who are given the widest powers of access to the books, accounts and securities of the Banks, to check the cash and verify the securities, and make a report annually to the Shareholders. It is placed in the power of the Minister of Finance to call upon the auditor of a Bank, or any other auditor whom he may select, to make a special report at any time upon the affairs or business of a Bank.

Section 61—In addition to retaining the present emergency period, extending from September 1 in any year to the last day of February in the ensuing year, provision for a much required increase of circulation has been made against the deposit of current gold and Dominion notes, or either, in what is termed the "Central Gold Reserves." These Central Gold Reserves will be under the control of trustees appointed by the Canadian Bankers' Association and the Minister of Finance, and will be subject to frequent inspection and audit by the Department of Finance. It will be the duty of the trustees to



receive and, when proper and required, return the gold and notes deposited with them by the Banks, who will be entitled to issue increased circulation to the extent of the amount from time to time on deposit. In this way not only is additional circulation assured, but also the anxiety of over-circulation when nearing the present limits can be avoided.

Section 72—Regulations providing for the disinfection and sterilization of bank notes may be made by the Treasury Board.

Sections 79 and 91—Additional returns will in future be made to the Government annually of the fair market value of real estate held by the Banks for their use and occupation, and quarterly of the rates of interest and discount charged upon loans and discounted paper.

Sections 84A and 88—Additional powers have been given to banks in the interests of those concerned to lend to receivers and liquidators appointed under the winding-up Act upon the property and assets under their charge, and also to farmers upon the security of threshed grain grown upon their farms, while definitions have been provided of "products of agriculture," "products of the forest," and "products of the sea, lake and rivers," which will materially assist in removing doubts which previously existed regarding the power to lend on certain classes of goods now comprehended therein.

Section 93—The limits of collection and agency charges exigible by banks have been somewhat reduced, but not so as to seriously interfere with business.

Section 99—It has been made compulsory to obtain the written consent of the Minister of Finance before an agreement by one bank to sell the whole or a portion of its assets to another can be entered into.

Sections 131A and 156—Additional offences and penalties have been inserted, including for the payment of preliminary expenses otherwise than as authorized by the Act and for officers and others obtaining gifts or showing favor to anyone in relation to the bank's business, while additional protection has been afforded to banks from the use of the word "banker," or words of similar import by unauthorized persons.

The Act is to go into force on July 1, 1913, and will continue the charters of existing banks until July 1, 1923.

We are much indebted to the Minister of Finance for the faithful and diligent manner in which he has supervised the creation of the new Act and its consideration by Parliament. He has been thoroughly impartial as regards all of his conclusions, and has presented to the country an Act which, although containing many new features, is likely to outlast the usual decennial period.

### THE HARVEST.

Reports have been received from our own branches and from our valued correspondents in the Provinces where we are not represented regarding crop prospects for 1913, and these I will now give you in detail. Province of Ontario—The agricultural statistics obtainable at this season of the year are not as exact or as voluminous as those that are registered in the western Provinces; but we have heard enough to lead us to believe that we may look forward to a satisfactory harvest. The present outlook for fall wheat is most promising, and spring grains have made a good catch, as a rule. Clover is doing well, but alfalfa, which has become a very important product, has been somewhat tried by weather conditions. There is promise of a splendid yield for all classes of fruit, and this crop has now become one of the most important in the Province. Notwithstanding very high wages throughout Ontario, complaints are general that labor is scarce, owing to the migration of young men of the Province to our western cities; the immigration does not compensate for the depopulation. Is it the case that the hired man does not receive the comforts to which he has every right to lay claim? Want of help must induce careless farming. If I were a farmer dependent upon the hired man I should be inclined to offer him every reasonable comfort. This suggestion is by no means original; no farmer in England, whether he be a landlord or tenant, would think of asking his farm laborer to lead the happy-go-lucky existence that farm laborers in this country are expected to enjoy. From Quebec we hear that the season is backward, and that crops are retarded. It is satisfactory to learn, however, that the large quantities of butter and cheese produced in Quebec find a satisfactory and lucrative market in the western Provinces of the Dominion, and that there is a wonderful advance in agricultural science through the benefit received from experimental farms and public lectures. It is extraordinary that the great inducements which are offered by the Province of Quebec to immigrants are not availed of to a greater extent. From New Brunswick we learn that there has been no unusual increase in the amount of acreage under crop, but that the outlook is good. From Nova Scotia that there are 66,000 acres under crop more than there were last year; 70 per cent. of the total is in hay. The total value of agricultural products in 1912 is estimated at \$28,880,000; of fisheries, \$9,367,000; of forests, \$6,000,000, and that there was coal mined during the year valued at \$20,700,000. Business is reported to be favorable and trade active. From Prince Edward Island we have most cheerful news. The amount of acreage under cultivation is increasing, and the development of the lobster and oyster industries shows good progress, but most wonderful of all is the development of what is known as the Black Fox industry. Seventy-eight companies are now incorporated with \$5,500,000 capital. As much as \$10,000 per pair has been paid for puppies, and \$25,000 for breeders. The establishment of a better car ferry will bring the Province into closer touch with her sister Provinces. From Manitoba we hear that the acreage under cultivation will exceed but slightly that of 1912. About 3,000,000 acres will be under wheat, and the balance will be given up to other grains; mixed farming appears to be more in favor—crop conditions are very favorable. In the Province of Saskatchewan we learn that the acreage under crop for 1913 will be 9,641,000 acres, or 2½ per cent. in excess of the acreage of 1912. Although somewhat late, the ground is in splendid condition; in fact, so far as prospects are concerned, there is everything that could be wished for. From Alberta we hear that the harvest of the northern part of the Province will be a little late, but that in the southern portion of the Province everything is well advanced. Farmers are going more into mixed farming year by year, and there has been a wonderful increase in sheep-raising. Owing to the high price of hogs and cattle, farmers are induced to feed their grain rather than ship it. The estimated total acreage under crop in Saskatchewan and Alberta is twenty million acres, of which about eleven millions are under wheat.

The lumber industry in the West is by no means in a satisfactory position. The free entry of American lumber into Canada for years past has discouraged our lumbermen and sawmillers, without being of any great value to the consumer. The reduction in the tariff upon imports of lumber into the United States may be of some value, but I fear that Canadian millers and lumber dealers will not receive all the benefits they may now anticipate therefrom.

From British Columbia we hear of satisfactory increases in all departments. The products of agriculture amounted to over twenty-two million dollars, an increase for the year of one million dollars, and home productions to the value of \$22,270,000, an increase over the year 1910 of \$7,870,000. The population of the Province is increasing at the rate of about 100,000 people yearly.

### POPULATION.

The estimated population of the Dominion on March 31, 1913, was 7,758,000, being an increase of about 500,000 people.

### IMPORTS AND EXPORTS.

It is the occasion for some disappointment to find that, although the exports of Canada for the year 1912 amounted to \$393,232,057, the total value of the imports was \$692,032,392, indicating an adverse balance of trade of about \$300,000,000. This is not necessarily an unfavorable feature. It has been more than compensated for by borrowings from abroad on capital account amounting to about \$250,000,000, by government, municipal, railway and loan companies and by the cash value to us of an additional 400,000 people who have come to settle amongst us from Great Britain, the United States and elsewhere. It is estimated by the Departments at Ottawa that these immigrants have brought with them at least \$200,000,000 in money and goods, and that of the 141,000 immigrants included coming from the United States each one brought an average of \$1,000. Included in the excess of imports over exports is the value of these immigrants' effects and also the very large investment being made by American manufacturers in the business of the country. Almost the whole amount of the excess in imports was occasioned by our trade with the United States; the imports from the United Kingdom having fallen short by about \$40,000,000 of the value of our exports thereto. The exports of the mine are assuming very large proportions and are likely to continue to increase. Of the total exports amounting to \$355,754,000, the mine accounted for \$57,442,000; the forest (which at one time was the principal article of export), for only \$43,255,000, while manufactures amounted to \$43,692,000, and agricultural products, including animals and their produce—all of which we might say was the handiwork of the farm—amounted to \$195,000,000. We have reliable information to the effect that the fisheries of Canada yielded a value of \$34,667,872, and that the mineral



products in value amount to \$133,127,489. It is extraordinary that, notwithstanding all that 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.

**PUBLIC DEBT.**

It is satisfactory to note that the net public debt of the Dominion of Canada on March 31, 1913, was \$297,588,095, as compared with \$321,998,940 on March 31, 1912—quite a substantial reduction—notwithstanding the expenditure on capital account of \$30,600,936. The total surplus revenue for the year ended March 31, 1913, was \$33,624,828.

I now have pleasure in moving the adoption of the report.

The following proposed By-law was moved by Mr. D. Kidd and seconded by Mr. A. Semple, and the same was approved and adopted as By-law No. 30:

**BY-LAW NO. 30 OF THE IMPERIAL BANK OF CANADA.**

"The Shareholders of the Imperial Bank of Canada, assembled at the Annual General Meeting of the said Bank, enact as follows:—

"That, in addition to all other sums which the Directors may be authorized to contribute to the Pension Fund for the officers and employees of the Imperial Bank of Canada, the said Directors are hereby authorized to forthwith contribute to the said Fund, out of the accrued profits of the Bank, the sum of \$20,000."

The customary motions were made and carried unanimously.

The Scrutineers appointed at the meeting reported the following Shareholders duly elected Directors for the ensuing year:—Messrs. D. R. Wilkie, Hon. Robt. Jaffray, Wm. Ramsay (of Bowland Stow, Scotland), Elias Rogers, J. Kerr Osborne, Peleg Howland, Sir Wm. Whyte (Winnipeg), Cawthra Mulock, Hon. Richard Turner (Quebec), Wm. Hamilton Merritt, M.D. (St. Catharines), W. J. Gage.

At a subsequent meeting of the Directors Mr. D. R. Wilkie was re-elected President, and the Hon. Robert Jaffray Vice-President for the ensuing year.

**BUILDING AT REGINA**

Building operations in Regina are good. Seldom in the history of the city have so many large buildings been in course of erection at one time as at present. The list includes the Grand Trunk \$2,000,000 hotel; Sherwood \$1,000,000 department store; E. A. McCallum's office block, facing Victoria Square (10 stories); churches, colleges and hundreds of residences.

Owing to slackness in building branches in other parts of the province, there is no dearth of labor. The troublesome feature of the building trade in Regina is the possibility of a disagreement between the builders and bricklayers.

**DRAWING THE NET ON BANK ROBBERS**

Half of the \$271,000 stolen by four bank robbers from the Bank of Montreal's branch in New Westminster, B.C., in September, 1911, was brought to Chicago, according to Mr. J. H. Schumacher, of the Pinkerton detective agency. Nearly \$100,000 of the loot has been changed into United States currency by saloon keepers in Chicago, says Schumacher.

Three of the robbers who tunneled into the vault of the branch of the Montreal bank, bound and gagged the Chinese guard, and took \$271,000, are in prison awaiting trial. The fourth man, whose name has not been made public, is known to the police and the Pinkertons.

**COBALT ORE SHIPMENTS**

The following are the shipments of ore, in pounds, from Cobalt station for the week ended May 23rd:—Hudson Bay, 62,100; Bailey Cobalt, 40,000; McKinley-Darragh, 87,600; Cobalt Lake, 57,693; Temiskaming, 61,135; Dominion Reduction, 81,700; Cobalt Townsite, 78,390; Crown Reserve, 40,000; Coniagas, 157,788; La Rose, 143,062; Nipissing, 126,378; total, 935,846 pounds or 467 tons. The total shipments since January 1st are now 15,988,617 pounds, or 7,994 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.

**MEDICINE HAT'S STREET RAILWAY**

Medicine Hat ratepayers have sanctioned a by-law giving an exclusive franchise to the Montreal Engineering Company to operate an electric street railway in the city. The franchise is for a period of 25 years. Work is to commence immediately on the construction of the plant.

The Montreal Engineering Company, which has secured the franchise represents Sir Max Aitken and his associates and is the company which built the Porto Rico railways, the Demerara Electric, the Camaguey Company and the Trinidad Electric. Its numbers among its directors Messrs. R. O. Swezey, A. R. Doble, F. P. Jones, Fred C. Clarke and Victor Drury.

**LEGISLATURE'S REPORT ON FIRE UNDERWRITING**

The Wisconsin legislative investigating committee, which has made an exhaustive investigation into fire underwriting conditions in that state, has made its report, and it appears to be a fair treatment of the subject, quite in contrast to the drastic Missouri legislation. A summary of the principal recommendations is as follows:

"That fire insurance is the management of a mutual fund for the payment of losses, which fund is created from the premium paid by the policyholders.

That fire insurance is of a public nature, and is inconsistent with the idea of competition in rates or premiums.

That competition in rates practically does not exist; such as there is results in discrimination favoring a few and over-charging the many.

That the rates should be apportioned to the hazard of each risk, and be collected without discrimination.

That co-operation between companies is necessary to secure such apportionment of rates.

That economical and satisfactory rating of risks required co-operation.

That such co-operation is not contrary to public policy, providing all agreements are made public and may be prohibited after review by some public authority.

That agents should probably be paid for the work they do.

That the interest of the agent who gets his pay in a per centum of the premium is against property improvements and other reduction in rates.

That the agent acts in a professional, advisory capacity to the insured, and that the state should see that only fit persons become agents.

That money due the companies for insurance should be paid without discriminations promptly by the agent and by the insured to avoid loss and expense in collection.

That the reduction of losses and the prevention of fires must be brought about through inspections, changes in the methods of insurance, and improvements in construction of buildings and city planning.

That effective inspection must cover all property insured and uninsured and is a public duty.

That fire departments have the force available for such inspection practically without additional expense.

That effective fire department inspection requires a central state supervision, which can be furnished through the state fire marshal.

That the thorough revision of the standard policy should be made through joint action, if possible, of the states, and the National Convention of Insurance Commissioners be asked to do this work.

That the revision of the standard policy should include provisions for or action on questions relating to the valued policy, co-insurance, and the proportion of insurance to value or of recovery to loss."

The annual meeting of the Toronto branch of the Canadian Manufacturers' Association will take place on June 12th. Through the courtesy of the commodores, officers and members of the Royal Canadian Yacht Club it will be held in the club dining room at the Island.



## NEW EDITION

MANUAL OF  
CANADIAN BANKING

¶ The third edition of the "Manual of Canadian Banking" has been exhausted. We had intended to get out a new edition right away, but owing to the fact that the revision of the Bank Act will necessitate certain changes in the text, and so as to bring the book up-to-date, it has been decided to defer publication until the text of the new act is known.

¶ We are quite sure that all those who have recently sent in orders for Mr. Eckardt's work will appreciate the desirability of deferring the getting out of the new edition until it can be brought thoroughly up-to-date.

¶ We appreciate the many orders we are getting for the work, and hope those who have copies under order will bear with us for a few weeks.

MONETARY TIMES  
OF CANADA

MONTREAL TORONTO WINNIPEG

## AMERICAN INSURANCE COMPANY OF NEWARK

The American Insurance Company's of Newark, N.J., 67th annual statement shows the capital stock of the company to be \$1,000,000; its liabilities, \$5,431,072.05; the special reserve fund, \$300,000; and a net surplus of \$3,135,102.52.

The company's assets total \$9,866,174, made up as follows:—Railway and other bonds and stocks, \$6,363,168; bonds and mortgages, \$1,757,740; real estate, \$468,000; cash in banks and office, \$322,581; interest and rents due and accrued, \$84,925; premiums in course of collection, \$869,759; and the liabilities are given as amounting to \$5,431,072, being, unearned premiums, \$4,780,327; losses in process of adjustment, \$394,449; other liabilities, \$256,295.

The officers and directors of the company are: Mr. Philemon L. Hoadley, president; Mr. Charles E. Sheldon, vice-president; Mr. C. Weston Baily, secretary; Mr. Frederick Hoadley, assistant secretary. Directors: Messrs. George W. Ketcham, vice-president, Central Stamping Company; John O. H. Pitney, counsel of the company; J. William Clark, treasurer, Clark Thread Company; Philemon L. Hoadley; Samuel S. Dennis, president, Howard Savings Institution; Edward L. Dobbins, vice-president, Mutual Benefit Life Insurance Company; William T. Carter, of Carter, Howe and Company; Benjamin Atha, vice-president, Essex County National Bank; William E. Stewart, of Warren N. Trussell and Company; Forrest F. Dryden, president, Prudential Insurance Company; John R. Hardin, of Pitney, Hardin and Skinner.

## WINNIPEG'S BOARD OF TRADE.

At the annual meeting of the Winnipeg board of trade the following officers were elected for the ensuing year:—President, Mr. John Stovel; vice-president, Mr. M. F. Christie; secretary, Mr. C. N. Bell, re-elected; treasurer, Mr. A. L. Johnson. Council—Messrs. E. A. Mott, J. E. A. Wildman, F. W. Drewry, R. Driscoll, H. Bruce Gordon, G. V. M. Black, W. J. Boyd, A. K. Godfrey, W. J. Bulman, G. V. Hastings, R. W. Paterson, D. J. Dyson, D. E. Sprague, D. E. Williams, J. H. Ashdown, and Robert Campbell. By the by-laws of the board, all chairmen of the standing committees are ex-officio members of the council. Board of arbitrators—Mr. T. D. Robinson, chairman; Messrs. G. F. Carruthers, K. MacKenzie, G. J. Maulson, J. B. Pesse, R. T. Riley, A. Macdonald, R. Driscoll, William Brydon, F. W. Adams, Alex. Reid, T. A. Anderson and G. R. Crowe.

Grain and milling—Mr. W. L. Parrish, chairman. All members engaged in the grain and milling business.

Agricultural implements—Mr. J. M. Reid, chairman. All members engaged in the implement trade.

Insurance matters—Mr. G. N. Jackson, chairman; Messrs. D. K. Elliott, J. H. Ashdown, J. E. Holland, W. J. Boyd, A. C. Bulling, E. E. Hall, M. F. Christie, M. G. Broder, J. C. Falls and Thomas Bruce.

Legislation and civic affairs—Mr. W. Sanford Evans, chairman; Messrs. W. J. Bulman, J. H. Ashdown, T. R. Deacon, George Munro, E. D. Martin, T. D. Robinson, G. F. Galt, D. J. Dyson, H. M. Belcher, W. A. Matheson, A. L. Crossin and D. E. Sprague.

Shippers' section—Mr. E. D. Martin, chairman; Messrs. R. W. Paterson, J. G. McIntosh, R. R. Scott, R. Laing, T. D. Robinson, H. Bruce Gordon, J. H. Ashdown, H. W. Hutchinson, F. W. Drewry, J. C. Macnab, J. H. Parkhill, C. R. Gordon, M. F. Christie, J. Y. Reid, H. M. Agnew, J. E. A. Wildman and A. L. Johnson.

Manufacturers'—Mr. J. H. Parkhill, chairman; Messrs. F. W. Drewry, D. E. Sprague, O. W. Erb, W. A. MacLeod, G. W. Murray, John Stovel, W. J. Bulman, Peter Lyall, T. R. Deacon, R. W. Paterson, J. E. A. Wildman, A. Noden, H. J. Hardie and H. M. Agnew.

Commercial education—Mr. E. D. Martin, chairman; Messrs. W. Sanford Evans, G. S. Laing, J. A. Machray, W. J. Bulman, A. Matheson, W. H. Gardner, A. Congdon, E. A. Mott and W. J. Bulman.

Postal matters—Mr. H. M. Belcher, chairman; Messrs. John Stovel, J. C. Balls, W. M. Carson and John A. Hart.

Customs matters—Mr. H. W. Hutchinson, chairman; Messrs. W. G. Bell, W. V. Gordon, D. H. Hudson and G. V. Dingle.

Membership committee—Mr. A. L. Crossin, chairman; Messrs. E. A. Mott, J. H. Parkhill, G. N. Jackson, H. Bruce Gordon, Walter H. Little, C. Gordon, George S. Laing, H. W. Allyn, R. H. Hamlin, W. L. Ball, F. H. Stewart, J. H. Willard, H. J. Hardie, E. E. Hall, O. B. Knight, T. Bruce W. Grassie and W. S. Fallis.

The capital stock of the Selkirk Land and Investment Company, Limited, has been increased from \$40,000 to \$100,000, by the issue of 1,200 shares of new stock of \$50 each.



# MURRAY = KAY, LIMITED

## BALANCE SHEET as at 31st January, 1913

ASSETS	
Real Estate, Buildings, Leases and Goodwill.....	\$2,368,168 17
Store Furniture and Fixtures .....	73,750 07
Horses, Wagons and Stable Equipment.....	10,818 46
Merchandise on hand as per Inventory, Accounts and Bills Receivable .....	1,398,528 49
Cash in Banks and on hand.....	139,543 51
Shares of other Companies .....	19,000 00
Prepaid Fire Insurance, Duty and Freight.....	19,483 85
Life Insurance .....	9,078 75
Deferred Charges for Buyers' Travelling Expenses, Part Advertising, Catalogues, etc. ....	45,304 10
	<u>\$4,083,675 40</u>
LIABILITIES	
CAPITAL STOCK—Paid up—	\$1,468,500 00
Preferred .....	1,500,000 00
Common .....	51,000 00
Mortgages Payable .....	546,520 13
Bills Payable .....	82,371 61
Accounts Payable .....	63,711 25
Officers', Directors' and Employees' Deposit Balances .....	25,698 75
Reserve for Dividend No. 9.....	12,395 54
Reserve for Depreciation Fixtures .....	16,177 23
Reserve for Bad and Doubtful Debts.....	317,300 89
Surplus Account .....	345,873 66
	<u>\$4,083,675 40</u>

### PROFIT AND LOSS ACCOUNT

FOR Year Ending 31st January, 1913

CR.	
By Gross Profit on Sales .....	\$ 651,889 24
“ Cash Discounts .....	31,846 89
	<u>\$ 683,736 13</u>
DR.	
To Wages, Salaries, Taxes, Rent, Stable Account and other Charges .....	456,103 90
“ Interest on Borrowed Money .....	23,256 43
“ Net Profit carried down .....	204,375 80
	<u>\$ 683,736 13</u>
CR.	
By Net Profit from above .....	\$ 204,375 80
DR.	
To Reserve for Bad and Doubtful Debts.....	\$ 5,473 00
“ “ Depreciation Fixtures .....	6,282 00
“ Written off Catalogue Account .....	20,000 00
“ Organization Expenses written off .....	5,000 00
“ Dividends Nos. 6, 7 and 8.....	77,096 25
“ Reserve for Dividend No. 9.....	25,698 75
“ Balance to Surplus Account .....	64,825 80
	<u>\$ 204,375 80</u>

Audited and found correct,

J. P. LANGLEY, F.C.A., Auditor.

At the Annual Meeting, held May 10th, 1913, the following Directors were elected:—  
**Directors**—W. Parkyn Murray, President, Toronto; Douglas K. Ridout, Vice-President, Toronto; Watson T. Bradshaw, Toronto; A. E. Dymont, Toronto; Geo. H. Gooderham, Toronto; John W. Drynan, Toronto; Major J. A. Murray, Toronto; C. A. Barnard, K. C., Montreal.



BOND TENDERS INVITED

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

**Millet, Alta.**—The village has been authorized to borrow \$1,500 for fire apparatus.

**London, Ont.**—Until June 2nd for \$764,500 debentures. J. S. Bell, city treasurer.

**Lloydminster, Alta.**—The village has been authorized to borrow \$4,000 for municipal buildings.

**Chauvin, Alta.**—Authority has been granted the village to borrow \$1,800 for fire apparatus and digging a well.

**Blackie, Alta.**—The village has been authorized to borrow \$2,500 for street improvements, a well and cemetery.

**Beaverton, Ont.**—Until June 5th for \$2,000 5 per cent. 20-year sidewalk and roadways debentures. C. A. Paterson, clerk.

**Russell, Man.**—A by-law to raise \$18,000 for electric light purposes has been passed. A. B. Callin, secretary-treasurer.

**Last Mountain Valley R. M., No. 250, Sask.**—Until June 1st for \$10,000 6 per cent. 20-year debentures. A. Graham, secretary-treasurer.

**Dalhousie, N.B.**—Until June 10th for \$30,000 5 per cent. 30-year waterworks and electric light debentures. A. J. LeBlanc, town clerk.

**Leney, Sask.**—The village has been authorized to borrow \$3,000 for permanent improvements. G. S. Bonter, secretary-treasurer.

**Forward, Sask.**—The village has been authorized to borrow \$1,000 for permanent improvements. D. Bradley, secretary-treasurer.

**Louth Township, Ont.**—Until May 30th for \$6,000 5 per cent. 10-year school debentures. M. A. Ball, township clerk, Box 17, Jordan P.O.

**Cowley, Alta.**—The village will shortly offer for sale \$8,000 6 per cent. 10-year waterworks debentures. M. A. Murphy, secretary-treasurer.

**Louise Rural Municipality, Man.**—To-day the ratepayers will vote on a by-law to issue \$3,000 for school purposes. W. Cranston, clerk, Pilot Mound.

**Lost River Rural Municipality No. 313, Sask.**—The municipality will borrow \$5,000 for permanent improvements. J. M. Pratt, secretary-treasurer, Allan.

**Touchwood Rural Municipality No. 248, Sask.**—The municipality will borrow \$5,000 for permanent improvements. J. Swan, secretary-treasurer, Punnichy.

**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.

**Battleford, Sask.**—Until June 2nd for \$25,000 30-year 6 per cent. debentures of St. Vital, of Battleford Catholic S.D. No. 11. J. D. Noel, secretary-treasurer.

**Dundurn Rural Municipality No. 314, Sask.**—The municipality will borrow \$4,000 for permanent improvements. F. E. Livingstone, secretary-treasurer, Dundurn.

**St. Paul S.D. No. 541, Man.**—On June 7th the ratepayers will vote on a by-law to issue \$5,000 6 per cent. 20-year debentures. N. Gorham, secretary-treasurer, Bird's Hill.

**Whitemouth Consolidated S. D. No. 139, Man.**—A by-law to issue \$5,000 debentures for school purposes has been passed. Charles Pound, secretary-treasurer, Whitemouth.

**Sherwood Rural Municipality No. 159, Sask.**—The municipality has been authorized to borrow \$15,000 for permanent improvements. Alex. Skene, secretary-treasurer, Regina.

**Roseisle S.D. No. 3, Man.**—On June 3rd the ratepayers will vote on a by-law to issue \$6,000 6 per cent. 20-year debentures. A. C. Kerr, secretary-treasurer, Thompson Municipality, Miami, Manitoba.

**Ste. Rose Municipality, Man.**—To-day the ratepayers will vote on a by-law to issue \$20,000 4½ per cent. debentures for bridge, drain and road purposes. Charles Jacob, secretary-treasurer, Ste. Rose du Lac.

**Montreal, Que.**—Until June 12th for \$500,000 4½ per cent. 30-year bonds of the Protestant Board of School Commissioners. C. J. Binmore, treasurer, 197 Peel Street, Montreal. (Official advertisement appears on another page.)

**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. (Official advertisement appears on another page.)

**Brandon, Man.**—Until June 2nd for the following 5 per cent. debentures:—\$12,000 10-year city hall improvement; \$17,000 20-year land purchases; \$3,927.33 20-year roadway; \$61,313.98 20-year street paving; \$30,656.99 20-year street paving; \$21,500.11 20-year sidewalk; \$41,901.52 30-year sewerage; and \$26,618 street lighting 20-year. H. Brown, city clerk.

PERSONAL NOTES

Mr. H. A. Herbert, late chief accountant of Steel and Radiation, Limited, and formerly with Messrs. George A. Touche and Company, has opened an accountancy office in the Cosgrave Building, Toronto.

Mr. E. S. Crocker, manager of the Bloor and Dovercourt Branch of The Royal Bank of Canada, Toronto, sailed on the Empress of Ireland from Quebec on the 29th inst. for a three months' motor trip of the British Isles.

Mr. G. T. Bell, assistant passenger traffic manager, has been appointed passenger traffic manager of the Grand Trunk Railway system and Grand Trunk Pacific and steamship companies, to succeed the late Mr. W. E. Davis.

Mr. John Taylor, founder of the J. and J. Taylor Safe Works, Toronto, died at the residence of his son, W. A. Taylor, 4 Laurier Avenue. Mr. Taylor was born in Perthshire, Scotland, in 1828, and came to Toronto when he was ten years of age. He is survived by four sons.

Mr. Kingo Hara, manager of the Meiji Fire Insurance Company of Tokyo, Japan, was in Montreal recently inspecting the fire department, with the view of improving his knowledge of fire prevention systems, and applying the information gained during his world trip to the improvement of the home systems in Japan.

Mr. John A. Kelly has retired from the joint management of the United States branch of the General Accident Assurance Corporation, of Perth, Scotland, and his associate, Mr. Claude Norie-Miller, assumes the position of sole manager in the United States. The general manager of the company at the home office, Mr. F. Norie-Miller, states that when Mr. Kelly accepted the position of joint manager, it was with the stipulation that it could only be for a short period so as to assist in the reorganization of the business necessary upon the change of management in 1911.

MONEY MARKETS.

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

	Buyers.	Sellers.	Counter.
N. Y. funds	3-65 dis	1-64 dis	¾ to ¾
Mont. funds	15c dis	15c dis	¾ to ¾
Sterling—			
60 days' sight	8 21-32	8 15-16	8 15-16 to 9 11-16
do. demand	9 13-32	9 7-16	9 11-16 to 9 13-16
Cable transfers	9 ½	9 17-32	9 13-16 to 9 15-16
New York:		Actual.	
Sterling, 60 days' sight	.....	4.83	4.84
do demand	.....	4.86.45	4.87 ½
Call money in Toronto		6½ to 7 per cent.	
Bank of England rate		4½ per cent.	
Open market discount rate in London for short bills,		3½ per cent.	

BANK CLEARING HOUSE RETURNS

The following are the figures for the Canadian Bank Clearing Houses for the weeks of May 30th, 1912; May 22nd and May 29th, 1913, with percentage change:—

	*May 30, '12.	May 22, '13.	*May 29, '13.	Ch'g %
Montreal	\$48,978,156	\$62,064,216	\$45,151,658	-7.9
Toronto	37,533,662	44,811,748	35,287,090	-5.0
Winnipeg	28,171,659	33,112,238	26,232,170	-6.8
Vancouver	11,706,979	13,527,869	11,167,402	+24.6
Calgary	4,657,307	4,837,239	5,807,259	-33.0
Ottawa	4,683,555	3,792,928	3,134,898	+7.2
Edmonton	3,332,912	4,682,171	3,576,389	+64.0
Victoria	2,774,293	3,751,598	4,552,458	+12.4
Hamilton	2,682,643	3,545,763	3,016,884	+5.6
Quebec	2,581,736	3,055,401	2,728,654	-11.3
Saskatoon	1,908,028	2,101,487	1,691,826	+21.0
Regina	1,569,627	2,148,254	1,901,603	-5.8
Halifax	1,617,059	2,122,137	1,522,586	-18.0
St. John	1,505,226	1,752,203	1,232,381	+12.4
London	1,384,679	1,702,731	1,557,622	+0.7
Moose Jaw	991,484	1,358,791	999,140	-32.6
Fort William	1,262,422	1,055,225	850,230	-25.3
Lethbridge	600,514	577,328	447,776	-21.6
Brandon	581,880	641,795	455,668	+27.5
Brantford	461,138	640,602	588,602	-4.4
Total	\$158,984,959	\$191,281,724	\$151,902,386	
New Westminster	.....	672,751	661,795	
Medicine Hat	.....	680,989	602,990	

\*Five days only.



# CORPORATION OF THE CITY OF NEW WESTMINSTER, B.C.

General Balance Sheet for the Year Ended December 31st, 1912

ASSETS	LIABILITIES
<p style="text-align: center;"><b>CAPITAL</b></p> <p>Inventory, Schedule "A" ..... \$3,943,789.50</p> <p>General Sinking F'ds \$ 62,132.33</p> <p>Interest Debenture Sinking Funds..... 14,041.68</p> <hr style="width: 100%;"/> <p style="text-align: right;">\$ 76,174.01</p> <p style="text-align: right;"><b>\$4,019,963.51</b></p> <p style="text-align: center;"><b>IMPROVEMENTS</b></p> <p>Inventory, Schedule "A" ..... 96,167.64</p> <p style="text-align: center;"><b>LOCAL IMPROVEMENT ASSETS</b></p> <p>Collectable Values... \$ 512,954.05</p> <p>Sinking Funds..... 33,845.95</p> <hr style="width: 100%;"/> <p style="text-align: right;">546,800.00</p> <p style="text-align: center;"><b>CAPITAL ADJUSTING ASSETS</b></p> <p>Bank of Montreal, Savings..... \$ 136,196.23</p> <p>Sale of Bonds... \$1,170,811.54</p> <p>Less advanced thereon by B'k of Montreal... 750,000.00</p> <hr style="width: 100%;"/> <p style="text-align: right;">420,811.54</p> <p>Richmond's Balance, Water Main..... 35,992.17</p> <p>Expenditure By-Law Account, Schedule "E" ..... 718,097.79</p> <p>Expenditure Local Improvement, Schedule "F" ..... 146,391.89</p> <p>Advances Capital Expenditure, Schedule "G"..... 33,636.76</p> <hr style="width: 100%;"/> <p style="text-align: right;">1,491,126.38</p> <p style="text-align: center;"><b>SUSPENSE</b></p> <p>Sundry Accounts.... 15,183.73</p> <p style="text-align: center;"><b>CURRENT ADJUSTING ASSETS</b></p> <p>Advances from Revenue Funds, Schedule "G"..... 61,556.66</p> <p style="text-align: center;"><b>CURRENT ASSETS</b></p> <p>Cash with Treasurer \$ 2,584.74</p> <p>Cash in Bank of Montreal..... 16,751.02</p> <hr style="width: 100%;"/> <p style="text-align: right;">19,335.76</p> <p style="text-align: center;"><b>TAXES UNCOLLECTED:</b></p> <p>December 31st, 1911, and Previous. .... 9,822.86</p> <p>For 1912..... 29,134.48</p> <hr style="width: 100%;"/> <p style="text-align: right;">38,957.34</p> <p>Local Improvement, December 31, 1911, and Previous..... 1,329.15</p> <p>For 1912 ..... 4,599.85</p> <hr style="width: 100%;"/> <p style="text-align: right;">5,929.00</p> <p>Electric Light Arr's. 698.28</p> <p>Water Arrears..... 893.64</p> <p>Rental Arrears..... 14,787.66</p> <hr style="width: 100%;"/> <p style="text-align: right;">16,379.58</p> <p style="text-align: center;"><b>STORES:</b></p> <p>Board of Works.... 844.96</p> <p>Electric Light..... 1,714.60</p> <p>Water Works..... 16,447.59</p> <hr style="width: 100%;"/> <p style="text-align: right;">19,007.15</p> <p>Fire Ins. Unexpired 2,572.78</p> <p>Acc't Ins. Unexpired 481.05</p> <hr style="width: 100%;"/> <p style="text-align: right;">3,055.83</p> <p>Sundry A/cs Rec'ble Market, December Receipts..... 278.41</p> <hr style="width: 100%;"/> <p style="text-align: right;">10,547.49</p> <hr style="width: 100%;"/> <p style="text-align: right;">113,210.15</p> <hr style="width: 100%;"/> <p style="text-align: right;"><b>\$6,344,008.07</b></p>	<p style="text-align: center;"><b>CAPITAL</b></p> <p>Bonded Debt, Schedule "B." Page 15</p> <p>Sundry ..... \$2,669,000.00</p> <p>Water Works ... 871,500.00</p> <p>Electric Light .. 166,000.00</p> <hr style="width: 100%;"/> <p style="text-align: right;">\$ 3,706,500.00</p> <p>School Bonds .. 332,000.00</p> <hr style="width: 100%;"/> <p style="text-align: right;">4,038,500.00</p> <p>Total General .. 329,706.67</p> <hr style="width: 100%;"/> <p style="text-align: right;"><b>\$ 3,708,793.33</b></p> <p style="text-align: center;"><b>LOCAL IMPROVEMENT LIABILITIES</b></p> <p>Bonded Debt, Schedule "D" ... 546,800.00</p> <p style="text-align: center;"><b>CAPITAL—ADJUSTING LIABILITIES</b></p> <p>Expenditure on By-law Account as per Contra..... \$ 718,097.79</p> <p>Advances on Local Improvements as per Contra..... 146,391.89</p> <p>Advances on Capital Account as per Contra ..... 33,636.76</p> <p>Advances on Capital Account as per Contra ..... 61,556.66</p> <hr style="width: 100%;"/> <p style="text-align: right;">959,683.10</p> <p style="text-align: center;"><b>CURRENT—ADJUSTING LIABILITIES</b></p> <p>Balances as per Schedule "H" ..... 12,833.05</p> <p>City of New Westminster Surplus ..... 949,302.75</p> <p style="text-align: center;"><b>CURRENT LIABILITIES</b></p> <p>Electric Light Deposits ..... \$ 3,399.30</p> <p>Library Deposits.. 25.00</p> <p>Revenue (Taxes, etc.) ..... 4,423.52</p> <p>Withheld Contract 5 years ..... 5,300.00</p> <p>Property Redemption ..... 240.35</p> <p>Tax Sale Surplus.. 51.50</p> <p>Sundries..... 1,116.50</p> <hr style="width: 100%;"/> <p style="text-align: right;">\$ 14,556.17</p> <p>Rents Unexpired.. 953.45</p> <p>Interest Accrued.. 2,308.47</p> <p>Library Construction ..... 51.35</p> <p>Licenses Paid, 1913 3,050.00</p> <p>Pay Rolls and Warrants, December 63,893.77</p> <p>Sundry Accounts Payable ..... 1,163.23</p> <hr style="width: 100%;"/> <p style="text-align: right;">71,420.27</p> <p>Debenture Commissioners' Coupon Account..... 71,725.59</p> <hr style="width: 100%;"/> <p style="text-align: right;">157,702.03</p> <p style="text-align: center;"><b>REVENUE SURPLUS</b></p> <p>Surplus 1911 and Adjustments ... 5,946.11</p> <p>Surplus for 1912, Page 9. Revenue Account ..... 2,947.70</p> <hr style="width: 100%;"/> <p style="text-align: right;">8,893.81</p>

I have made a continuous audit of the City Accounts for the year ended December 31st, 1912, and in my opinion the Financial Statement is so drawn up as to exhibit a correct view of the standing of the City as at December 31st, 1912.

SIDNEY MALCOMSON, Auditor.



**MONTREAL LIGHT, HEAT AND POWER COMPANY**

**City's Development Necessitates Large Expenditures for Works and Additions—Company's Progress**

Progress and expansion are shown in the annual report of the Montreal Light, Heat and Power Company. The surplus earnings from the year's operations, less appropriations, amount to \$627,137.02 which, added to surplus earnings from the previous year's operations, brings the accrued surplus as at the close of the year to \$3,521,242.85.

The company's financial statement shows:—

Gross Revenue .....	\$5,509,556.62
Operating and Maintenance Expenses .....	2,328,440.14
Net Revenue .....	\$3,181,116.48
Fixed Charges .....	463,979.46
Net Income .....	\$2,717,137.02
Dividends Paid .....	\$1,147,500.00
Dividends payable May 15th, 1913. ....	382,500.00
	1,530,000.00
Surplus from year's operations .....	\$1,187,137.02
Less appropriated to:	
Depreciation Renewal Reserve Account .....	\$550,000.00
Officers and Employees Pension Fund .....	10,000.00
	560,000.00
Transferred to General Surplus .....	\$627,137.02

**Financial Arrangements.**

Montreal's development is reflected in the financial arrangements which the company finds it necessary to make in view of the extensive works and additions under way and in contemplation. The directors have passed a by-law authorizing the increase in the capital stock of \$5,000,000 which the shareholders will be asked to ratify at the annual meeting.

The concessions granted the consumers in the gas rate is equal to over 5 per cent., and in the rate for incandescent electric over 9 per cent. It is expected, as heretofore, that additional business will compensate the resultant loss in revenue.

The needed extensions in the immediate future in both gas and electric departments in order to meet the demand for service consequent upon the rapid development of the city and suburbs will be large, and in this connection in the gas department the company has planned a new manufacturing station of a capacity of 4,000,000 cubic feet per diem, designed so that it can be increased to 8,000,000 cubic feet; also an extension of coal gas plant to its present Elm Station of additional capacity of 1,250,000 cubic feet per diem. These works are now under way, and will be completed in part during the current year, and partly during next year. The new district gas holder now under construction in the north-west section of the city will be ready for operation in the autumn, and when started will facilitate the distribution of gas in that section.

**Cedar Rapids Contract.**

In the electric department the directors during the year entered into a long term and favorable contract with the Cedars Rapids Manufacturing and Power Company for the supply of 60,000 horse-power from their Cedars development to be taken as and when required, and in virtue of the agreement it is incumbent upon our company to transmit the power to Montreal. For this purpose a steel tower transmission line will be constructed, and the work which is already in hand will be completed simultaneously with the Cedars development. Consequent upon the acquisition of additional hydraulic power from the Cedars Rapids Company as intimated, and with a view to maintaining a definite ratio between steam reserve and hydraulic power, your company has planned a new central auxiliary steam station of a capacity of 25,000 horse-power (with provision for an ultimate capacity of 50,000 horse-power) to safeguard the company and its customers against possible interruptions and variations affecting its hydraulic supply.

A ten story annex for office purposes is also being constructed.

**WANT HIGHER BOND PRICES**

The \$5,000 6 per cent. 15-year debentures of Stoughton, Sask., have not been placed on the market as yet, as the bids received have not been sufficient to justify selling.

The National General Insurance Company, Limited, has ceased to carry on the business of fire insurance in British Columbia.

**SCHOOL DISTRICTS EMPOWERED TO BORROW MONEY**

The following school districts have been authorized to borrow money. The particulars are given in order, name and number of school district, amount required and name of secretary-treasurer:—

**Alberta.**

- Daisy, No. 2797, \$1,200. L. F. Coone, Czar.
- Majestic, No. 2575, \$1,700. W. Duncan, Victor.
- Grouard, No. 2507, \$7,000. F. Pottage, Grouard.
- Cobourg, No. 2023, \$600. R. H. Roddick, Viking.
- Sherentz, No. 2614, \$900. W. Romaniuk, Myrnam.
- Long Valley, No. 2079, \$300. P. Anderson, Irvine.
- Lydia, No. 2372, \$1,000. C. W. Betts, Winnington.
- Sutherland., No. 2832, \$1,250. H. K. Keys, Brooks.
- Beverly, No. 2292, \$20,000. F. M. Hayes, Edmonton.
- Wainwright, No. 1658, \$3,300. S. D. Mills, Wainwright.
- Namepi River, No. 2869, \$1,200. F. Moffatt, Radway Centre.

**Saskatchewan.**

- Stahl, No. 2871, \$1,200. H. Stahl, Forres.
- Knox, No. 826, \$500. C. E. Wight, Lang.
- Kemp, No. 2920, \$1,500. N. Wells, Webb.
- Yunghill, No. 2858, \$1,200. E. O. Meek, Bulyea.
- Orinoco, No. 837, \$2,400. G. Grant, Deckerville.
- Esterhazy, No. 804, \$6,000. V. Flook, Esterhazy.
- Veregin, No. 361, \$7,000. M. Messenger, Veregin.
- Dante, No. 1223, \$1,000. J. W. Goodwin, Speyer.
- Schubert, No. 2867, \$1,800. W. J. Hall, Expanse.
- Funks, No. 2898, \$600. P. J. Braun, Rush Lake.
- Augusta, No. 2607, \$1,200. H. J. Schmidt, Midale.
- Wyandotte, No. 1355, \$2,000. J. W. Miller, Hanley.
- Pretoria, No. 2462, \$500. J. W. Niessen, Aberdeen.
- Bona Place, No. 1332, \$2,250. C. P. Lee, Sunnyview.
- Quill Plains, No. 2848, \$1,600. S. H. Lamb, Watson.
- Sovereign, No. 2862, \$6,000. A. J. Lewis, Sovereign.
- Rocky Lake, No. 1027, \$2,200. J. Irving, Invernairn.
- Unionville, No. 1360, \$1,800. S. H. Swindells, Hazelt.
- St. Vital, No. 11 C.P., \$25,000. J. D. Noel, Battleford.
- Big Valley, No. 2872, \$1,700. F. R. Fredeen, Macrorie.
- Stone Farm, No. 2899, \$1,800. F. M. Stone, Stone Farm.
- Saltfleet, No. 2851, \$1,400. E. J. Hunter, Box 192, Gull Lake.
- Bolingbroke, No. 2883, \$1,300. S. A. Tomkins, Drox-ford.
- Whittier, No. 1145, \$1,800. R. A. Goshorn, Hoosier Valley.
- Mylrea, No. 2859, \$1,800. F. R. L. Pocock, Box 6, Beadle.
- Peace Valley, No. 1381, \$2,000. A. K. Johnson, Fox Valley.
- St. Agnes, No. 22, R.C.S., \$15,000. E. J. Baker, Box 41, Moose Jaw.
- Montague Lake, No. 1409, \$1,500. E. P. de Laforest, Willow Bunch.

**IMPERIAL BANK'S REPORT**

One of the strongest and most conservative banks in the Dominion, the Imperial Bank of Canada, has still further strengthened its position during the past twelve months. The balance sheet for the year ended April 30th, 1913, shows a reserve fund of \$7,000,000 as compared with paid-up capital of \$6,788,169 and authorized capital of \$10,000,000. The bank's profits for the period under review, after making the usual deductions, amounted to \$1,125,971. On the new stock, premium of \$788,169 was received and was transferred to reserve fund.

The officers' pension and guarantee funds received \$7,000 of the profits and the usual annual contribution of \$7,500 was made to those funds. The sum of \$124,771 was written off bank premises and furniture account. The balance carried forward totalled \$1,003,988.

Some idea may be obtained of the large business conducted by the Imperial Bank by a glance at the assets and liabilities. The deposits exceed \$56,000,000. There are liabilities to the public of \$62,000,000. Notes of the bank in circulation total \$5,803,794. Current loans amount to \$40,000,000 and call loans at home and abroad to \$5,000,000. The securities held by the bank as assets include: Dominion and Provincial Government securities, \$566,986; Canadian municipal securities, etc., \$4,197,948; and railway and other bonds, debentures and stock, \$730,152.

The Imperial Bank paid four quarterly dividends at the rate of 12 per cent. per annum. The cash reserves are 36 1-5 per cent., and the total assets 55 1/2 per cent. of liabilities. The thirty-eighth annual report of the bank is a highly satisfactory document.



# DIVIDENDS AND NOTICES

## UNION BANK OF CANADA

### DIVIDEND No. 105.

Notice is hereby given that a dividend at the rate of eight per cent. per annum upon the Paid-up Capital Stock of this institution has been declared for the current quarter, and that the same will be payable at its Banking House in this city, and also at its branches, on and after Monday, the second day of June next.

The Transfer Books will be closed from the 17th to the 30th of May, both days inclusive.

By order of the Board.

G. H. BALFOUR,  
General Manager

Winnipeg. April 19th, 1913.

## THE ROYAL BANK OF CANADA

### DIVIDEND No. 103.

Notice is hereby given that a dividend of three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches, on and after Monday, the 2nd day of June next, to shareholders of record of 15th May.

By order of the Board,  
E. L. PEASE,  
General Manager.

Montreal, P.Q., April 15th, 1913.

## BANK OF MONTREAL

Notice is hereby given that a dividend of two and one-half per cent. upon the paid-up Capital Stock of this Institution has been declared for the three months ending 30th April, 1913, also a bonus of one per cent., and that the same will be payable at its Banking House in this City, and at its Branches, on and after Monday, the Second Day of June next, to Shareholders of record of 30th April, 1913.

By order of the Board,  
H. V. MEREDITH,  
General Manager.

Montreal, 18th April, 1913.

## BRITISH SHAREHOLDERS AND UNION LIFE'S MANAGEMENT

Mr. William Schooling, chairman of the London advisory board of the Union Life Assurance Company of Canada, made a statement to the British shareholders this week.

Mr. Schooling, according to a Canadian Press Association cable, said that the Canadian law was unnecessarily severe on industrial life assurance, and the insurance department had refused to renew the company's license, although it had allowed the company to continue business till the end of the month.

Mr. Schooling declared roundly that the company's present position was due to rotten investments and reckless extravagance. The London board had been kept in ignorance of the true facts, but Messrs. Scott and Muckle had come over from Canada and given awful facts very frankly.

Mr. Schooling finally advised the British shareholders to find £75,000 which, with a general reorganization, would enable the company to maintain its corporate existence, but subsequent discussion was very long and occasionally excited.

Manager Scott declared that the company's reputation in Canada was good with policyholders, and that under new management it would be made to pay. The shareholders eventually appointed a committee to report.

Mr. H. Pollman Evans, president of the Union Life, denies the reports of extravagance and reckless investments. "We shall have all the money needed for a reorganization if that is needed," he says, "before the end of May. We are in close touch with the authorities at Ottawa, but these reports leave a bad taste. We have many policyholders who will not understand them and therefore it is damaging to our and their interests. We are in a position to continue business in the usual way."

## CROWN-RESERVE MINING COMPANY, LIMITED

### Dividend No. 40

Notice is hereby given that a dividend of 2 per cent. for the month of May, 1913, and bonus of 3 per cent. for the same period, making a total payment of 5 per cent., has been declared payable on the 16th June, 1913, to shareholders of record the 31st May.

Transfer books will not be closed.

Dividend cheques will be mailed on the 14th June by our Transfer Agents, "The Crown Trust Company," and shareholders are requested to advise them of any change of address.

By order of the Board.

JAMES COOPER,  
Secretary-Treasurer

Montreal, May 14, 1913.

## NORTHERN CROWN BANK

Head Office—Winnipeg

### DIVIDEND No. 13

Notice is hereby given that a dividend at the rate of six per cent. per annum upon the paid-up Capital Stock of this Bank has been declared for the six months ending May 31st, 1913, and that same will be payable at its Banking House in this city and at all its branches on or after the second day of June next to shareholders of record of the fifteenth day of May, 1913.

By order of the Board,

Winnipeg, April 14th, 1913.

ROBERT CAMPBELL,  
General Manager.

## LAST YEAR'S FIRE RESULTS SHOWED IMPROVEMENT

The National Board of Fire Underwriters' figures for 1912 representing the consolidated returns of 183 stock fire insurance companies reporting to the New York insurance department shows an underwriting profit of 2.52 per cent. of the net premiums written, which is less than the ratio of taxes paid during the year. . . . The results for 1912 were better than the average, and yet the average profit ratio was a meagre 2.52 per cent. of the net premiums written and 2.70 per cent. of the capital employed.

The ten-year table shows an underwriting loss for the years 1903-1912, inclusive, of 13/100 per cent. During all those years the same taxes were assessed and collected as would have been had the business been profitable.

The underwriting results for 1912 were:

Premiums, fire, marine and inland . . . . .	\$307,287,313	
Losses paid, fire, marine and inland . . . . .		\$161,917,069
Increase in liabilities during year . . . . .		16,842,087
Expenses . . . . .		120,783,626
Profit (2.52 per cent.) . . . . .		7,744,531
	\$307,287,313	\$307,287,313

And the ten-year table, 1903-1912, inclusive, shows the following results:

Premiums, fire, marine and inland . . . . .	\$2,550,290,543	
Losses paid, fire, marine and inland . . . . .		\$1,427,214,115
Increase in liabilities during period . . . . .		153,413,427
Expenses . . . . .		973,030,796
Loss (.13 per cent.) . . . . .	3,367,795	
	\$2,553,658,338	\$2,553,658,338



# DEBENTURES FOR SALE

## CITY OF MERRITT, B.C.

Sealed tenders will be received by the undersigned up to 8 p.m., June 30th, 1913, for the purchase of the following debentures:—\$45,000 Water Works, six per cent., repayable 30 years; \$25,000 Electric Light, six per cent., repayable 30 years; \$10,000 Sidewalks, six per cent., repayable 10 years. Full particulars and information furnished on application.

HARRY PRIEST,  
Treasurer.

## SCHOOL BONDS FOR SALE

Tenders addressed to the undersigned will be received up to nine o'clock a.m. of Thursday, June 12th, for the purchase of \$500,000 of 4½ per cent. thirty-year bonds of the Protestant Board of School Commissioners of the City of Montreal.

Full particulars will be given upon application.  
C. J. BINMORE,  
Treasurer.

197 Peel Street, Montreal.

# 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.

## WANTED

Money to loan on choice City Property. Good rates. Reference can be furnished.

J. J. Landis & Co., Redcliff, Alta., Can.

**STOCK SALESMAN WANTED.**—Exceptional opportunity for experienced stock salesman to sell stock in new line Canadian Life Insurance Company, Dominion Charter. Liberal commission contract with expenses. Only experienced men, with a good record as to character and ability to sell need apply. Applications (treated confidentially) should give age, experience and references. Apply Box 211, Monetary Times, Toronto.

**CHARTERED ACCOUNTANT** (Scotland and Canada), nine years' experience, desires position. Box 215 Monetary Times, Toronto.

## COMMENTS ON MONTREAL LIGHT, HEAT AND POWER REPORT

Monetary Times Office,  
Montreal, May 29th.

The Montreal Light, Heat and Power Company is paying a dividend at the rate of 9 per cent. per annum. For some time it has been predicted that the company would be placed on a 10 per cent. basis, and it is generally believed that this increase will shortly be made. The earnings of the past year amount to almost 16 per cent. on the outstanding capital of the company. The company cannot continue to place large sums each year to the credit of surplus account and to other accounts which are perhaps larger even than they should be, so that it is freely predicted that not only will the dividend be increased to 10 per cent., but there will be a new stock issue, or in some other way, advantages will be given shareholders in order to distribute to them some of the surplus earnings which the directors have so far been putting back into the property.

It has been suggested recently that something in the nature of an amalgamation may take place between the Power Company and the Shawinigan Water and Power and the Cedar Rapids Manufacturing and Power Companies. From time to time the argument has been offered that there would be no advantage in bringing about a merger between the three companies, inasmuch as they are now virtually under one control and each is largely interested in the other. While this is perfectly true, an amalgamation would give the desired opportunity of increasing the capitalization and distributing more shares amongst the present shareholders. In future, a comparatively small dividend would mean as much to the present shareholders as a large dividend on the present capitalization. After the dividend reaches 10 per cent., it is not likely that the directors will care to increase it to a larger figure owing to the sentimental effect upon the citizens of Montreal.

**YOUNG MAN** with some years' banking experience, desires to enter the Brokerage business. Would prefer an Eastern connection either Toronto, Montreal or Hamilton. Willing to commence at any reasonable salary, provided a good knowledge of the Brokerage business could be acquired. Box 207, The Monetary Times, Toronto.

**A SPLENDID OPPORTUNITY** is open to a man of ability, who can handle the financial end of a newly incorporated company. Must be a live wire, and able to hold down Secretary-Treasurer's position. Must take a small amount of stock in the company as guarantee of good faith. Answer at once. Box 213, Monetary Times, Toronto.

**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.

Another indication that the company intends to make an extra distribution to shareholders is seen in the recent announcement on the part of the Power Company to the effect that the rates for lighting would be lowered. The rates on both gas and electric lighting were reduced a peg, making the net cost of gas 90c. per 1,000 cubic feet, and the cost of electric lighting 6 2-5c. per kilowatt hour. It has been the practice of the company to declare a reduction in lighting rates shortly before declaring an increase in dividend, and there seems little doubt that the recent announcement is a forerunner of a declaration of a dividend at the rate of 10 per cent. if, in fact, other advantages are not at the same time granted.

## VICTORIA'S LOAN IN LONDON

The underwriters of the stock issue in London of the city of Victoria, B.C., for £482,870, 4½ per cent., issued at 95, will take up 82 per cent. The result, in comparison with other recent issues, is not unsatisfactory. The underwriters have been left with about eighty per cent. of the Chilian Northern Railway five per cent. debentures; and 72 per cent. of the Royal Mail Company issue. Nothing has yet been decided regarding the New Alberta provincial loan.

## ONTARIO BANK DIVIDEND

Those shareholders of the Ontario Bank who paid the double liability in full will receive twenty cents on the dollar of their holdings. The dividend will probably be paid in July. The amount will be in the neighborhood of \$200,000. The assets of the defunct bank have been disposed of at much greater advantage than was at first expected.



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British Crown Assurance Corp.....	68	Gill, James.....	14	Merson & Co., G. O.....	14	Standard Trust Co.....	13
British Crown Mortgage Co.....	66	Gladwell, Wilson & Co.....	14	Metropolitan Bank.....	6	Sterling Bank of Canada.....	6
British Northwestern Fire.....	—	Goldie, A. W.....	14	Mighton, Bell & Turner.....	64	Sterling Mortgage Investment Co.	8
Brook & Allison.....	64	Goldie & McCulloch Co. Ltd.....	20	Miller & Co., Robert.....	14	Sterling Trusts Corporation.....	12
Brown Bros. Ltd.....	18	Goldman & Company.....	20	Milnes Coal Co.....	18	Stutchbury, H.....	58
Browne & Co., W. Graham.....	56	Gordon & Co., Ltd., H. F.....	63	Mohr, Learmonth Co.....	61	Sun Fire Insurance Co.....	66
Burgess & Co., C. H.....	57	Grand Trunk Railway Systems..	59	Molson Bank.....	4	Sun Life of Canada.....	70
Business Systems, Ltd.....	72	Great North West Investments..	59	Monarch Life Assurance Co.....	69	Taylor, J. and J.....	20
Butler, Byers Bros. & Codere.....	63	Great-West Life Assurance Co..	63	Montreal Trust Co.....	11	Taylor & Colwill.....	15
Caldwell, Dunn & Fraser.....	15	Great West Permanent Loan Co.	57	Morris, John.....	60	Thompson & Carper, Ltd.....	58
Calonian Insurance Co.....	67	Greenshields & Co.....	70	Morton, Bartling & Co.....	10	Title & Trust Co.....	12
Cameron & Co., A. P.....	64	Gresham Life Assurance Society	68	Murray, B. W.....	18	Tomlinson & Co., A.....	57
Canada Industrial Bond Corp.....	56	Guardian Assurance Company.....	18	Mutual Life of Canada.....	70	Toole, Peet & Co.....	63
Canada Life Assurance Co.....	71	Guess & Haultain.....	18	National Appraisal Co.....	72	Toronto Gen'l Trusts Corp.....	11
Canada National Fire Ins. Co.....	65	Hamilton Provident & Loan Soc'y	9	National Bank of Scotland.....	5	Toronto Mortgage Co.....	8
Canada Nat'l. Mortgage & Inv. Co.	9	Hanson & Co., Ltd., A. H.....	59	National Finance Co. Ltd.....	13	Toronto Paper Mfg. Co., Ltd....	12
Canada Permanent Mort. Corp....	9	Harris & Co., Inc., N. W.....	55	National Trust Co. Ltd.....	11	Trucksell, Douglas & Co.....	60
Canada Securities Corp. Ltd.....	55	Heath & Co., John.....	19	Natural Resources Security Co.	59	Trustee Company, Ltd.....	12
Canadian Agency, Ltd.....	57	Henderson & Co., W. A.....	14	Nay & James.....	58	Trusts Co. of Winnipeg.....	8
Canadian Appraisal Co. Ltd.....	58	Heath & Co., J. O.....	14	Nesbitt, Thomson & Co.....	55	Trusts and Guarantee Co.....	12
Canadian Bank of Commerce.....	2	Hextall & Co., J.....	14	New Westminster.....	—	Union Assurance Society Ltd....	65
Canadian Guaranty Trust Co.....	13	Hodge, W. E.....	4	North American Life Assurance Co.	70	Union Bank of Canada.....	6
Can. Office & School Furn. Co. Ltd.	18	Home Bank of Canada.....	70	North British & Mercan. Ins. Co.	67	Union Fire Insurance Co.....	67
Cathcart, Phoenix Insurance Co..	65	Home Life Association of Canada	14	North Coast Land Co.....	63	Union Mutual Life Insurance Co.	71
Clare & Co., Ltd., G. H.....	61	Hopkinson, Joseph.....	68	Northern Assurance Co. Ltd.....	67	Union Trust Co.....	12
Clare & Co. Ltd., G. H.....	61	Hudson Bay Insurance Co.....	9	Northern Crown Bank.....	4	Vancouver Trust Co. Ltd.....	20
Clifford, Gordon & Dilworth.....	14	Huron & Erie Loan & Savings Co.	9	Northern Life Assurance Co.....	71	Waghorn, Gwynn & Co.....	60
Coffee & Co., L.....	18	Imperial Bank of Canada.....	2	Norwich Trusts Co.....	67	Ward, Charles Willis.....	—
Colonia (Fire) Assurance Co.....	68	Imperial Canadian Trust Co.....	12	Nova Scotia Fire Ins. Co.....	65	Waterloo Mutual Fire Ins. Co.....	66
Commercial Trust Co. Ltd.....	13	Imperial Guar. & Accident Ins. Co.	69	Oakes Land Co.....	61	Waterous Engine Works Co. Ltd.	19
Commercial Loan & Trust Co.....	10	Imperial Life Assurance Co.....	71	Occidental Fire Insurance Co.....	65	Waver, Ltd., George.....	61
Condensed Union Assurance Co..	68	Insurance Agencies Limited.....	20	O'Hara & Co., H.....	56	Welch, Harry J.....	15
Confederation Advertisements...	944	Insurance Co. of North America	20	Oldfield, Kirby & Gardner.....	59	Western Assurance Co.....	67
Continental Life Association.....	71	International Engineering Works	—	Ontario Fire Ins. Co.....	65	Western Empire Life Ass. Co....	70
Corbair, Charles D.....	15	International Securities Co. Ltd...	8	Ontario Loan & Debenture Co....	9	Western Life Assurance Co.....	69
Coulthard & Harrison.....	14	Island Investment Co. Ltd.....	8	Osler & Hammond.....	64	Westminster Trust Co.....	13
Creshan, Moutat & Co.....	9	Jarvis & Co., Æmilus.....	20	Osler, Hammond & Nanton.....	64	Whyburn Security Bank.....	5
Cross & Menzies.....	14	Jenkins & Hardy.....	14	Pace, Harrison & Millar.....	58	Whitaker & Co., G. S.....	64
Crown Life Insurance Co.....	71	King Co., William S.....	64	Patterson & Co., A.....	64	Williamson & Co., Rutherford...	15
Crown Trust Co.....	11	Laing & Turner.....	14	Peelerless Carbon Co.....	14	Willoughby-Sumner Co., J. H. C.	64
Dale, A. A. M.....	14			Pender & Co., D. A.....	62	Wilson & Perry.....	15
Day Investment Co., A. P.....	56			Peverett & Barrett.....	68	Winnipeg.....	—
				Phoenix Assurance Co. Ltd.....	70	Wood, Gundy & Co.....	53
				Policyholders' Mutual.....	15	Wood, J. & L. M.....	55
				Pope, Rooke & Grant.....	15		

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.



## MORTGAGE LOAN CONDITIONS IN CANADA

### Further Replies to Inquiries of The Monetary Times Reveal Satisfactory Conditions

Replies to The Monetary Times' inquiries respecting the loaning situation in Canada continue to be received. A well-known company with headquarters in Winnipeg state that on the whole their cash collections of principal and interest, since October 1st last have been satisfactory. They have found collections rather more difficult than for some years past, but though the percentage of interest collected to the principal invested, is somewhat smaller than usual. They have actually received a considerably larger sum on interest than for the same period of the previous year.

#### As to Crop Damage.

The damage to the crops by the wet and unfavorable weather during the harvest, and the early snow storm which visited a large part of eastern and southern Manitoba about October 27th, is mainly responsible for collections being somewhat slower than usual.

"Another factor was," says a correspondent, "that the banks pressed the farmers to repay them their loans as soon as they were able to market their grain, promising them, or allowing them to understand, that they could obtain a new credit soon after the new year. This accommodation they failed to give them when the time came. We found that many farmers had relied upon the loans they expected to obtain from the banks to pay us our interest."

The company's arrears of interest, though somewhat larger than usual, are not at all heavy considering the large sum they have invested. They have not the slightest uneasiness as to collections, and expect a material reduction to be made during this spring and summer. Many farmers still have grain to thresh and others have not yet marketed all their crop.

#### Western Canada and Ontario.

These remarks refer to the company's business in Manitoba alone, though the situation in Saskatchewan is about the same and the arrears there are small, considering the conditions. Collections on loans in the city of Winnipeg have been entirely satisfactory.

An Ontario company which does a large business in that province says that all their borrowers with few exceptions are meeting their payments promptly with cash, in fact, their collections have never been better.

## FRUIT, FROSTS AND THE OUTLOOK

The winter of 1912-13, was particularly favorable for both small fruits and tree fruits in Canada. The conditions for growth during the late summer and fall months of 1912 were excellent, except that growth continued too late for safety. Fortunately the weather of December, January and February was very mild. A severe sleet storm in March did some damage in the fruit districts of Ontario. Another most noticeable feature has been the early opening of spring. Most correspondents in Eastern Canada report the spring at least two weeks earlier than usual.

In Eastern Canada the weather during March, April and the first part of May has been all that could be desired, except that the majority of correspondents qualify their optimistic reports with the condition that frost may intervene.

The weather reports for the last two months from British Columbia are by no means so favorable. The winter frosts were much heavier than usual, sufficiently so to slightly injure the tenderest trees and varieties. Light frosts have injured apricots, peaches and cherries. In one or two districts plums are reported affected by the frosts of April 29.

In the Maritime Provinces trees have wintered well. More rain has fallen this spring than usual. The season is fully two weeks in advance of the average.

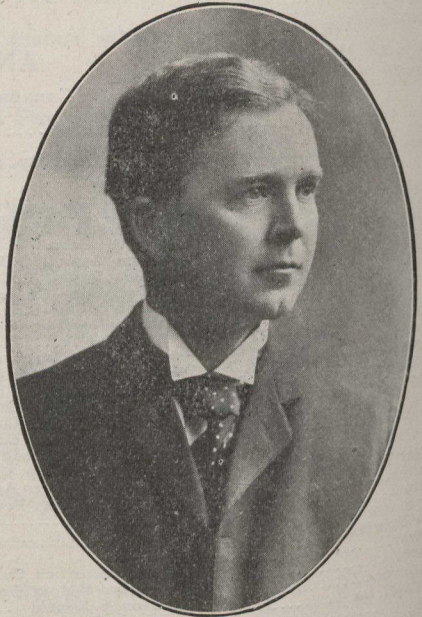
Many correspondents of the Dominion's department of agriculture reported before the severe frosts of May 8, 9 and 10. Telegraphic reports from the chief tender fruit districts of Ontario would indicate that little injury was done except, perhaps, on the north shore of Lake Ontario, particularly between Toronto and Hamilton, and then only to small fruits, but it is safe to say that the full effects of such a frost cannot be fully estimated until some time has elapsed.

Upon the whole the weather conditions for fruit generally have been good, but it must not be forgotten that complications may arise any time between now and harvesting. This is particularly true, for instance, with reference to the cherry crop, which promised last year to be very large, but was seriously injured by excessive precipitation, especially in Eastern Ontario, between the growing and harvesting months.

## ONTARIO'S NEW TREASURER

Ontario is fortunate in having such an excellent man as Honorable I. B. Lucas as its provincial treasurer. His ability is well known and we think that both sides of the House recognize the fact that they have a very suitable citizen to handle the funds of the province.

Mr. Lucas is by no means strange to his new duties as, during the illness of Colonel Matheson last year, he became acting provincial treasurer and has performed the work of the office since last February.



HON. I. B. LUCAS,  
Provincial Treasurer of Ontario.

He was born at Warwick, in Lambton County, Ontario, on September 19, 1867. Educated at the University of Toronto, he chose law for his profession, and is head of the firm of Messrs. Lucas, Wright and McArdle, of Owen Sound, also of Messrs. Mills, Raney, Lucas and Hales, Toronto. Mr. Lucas has sat in the Legislature for the riding of South Grey since 1898, and during the term of the Whitney Government has been chairman of the private bills committee.

## DOES SHEEP RAISING PAY?

Does sheep raising in Ontario pay? was the question which the Ontario Sheep Breeders' Association wished to have answered in a manner which would be satisfactory to all concerned. While every other class of live stock was increasing and receiving increased attention from the farmers of the province, sheep were receiving less attention each succeeding year, and were decreasing in numbers, having decreased from 1,797,213 in 1900 to 1,040,245 in 1911.

To be able to give a satisfactory answer to this question and to promote a greater interest in sheep raising throughout the province, it was felt that it would be an advantage to have a number of illustration stations located at different points throughout the province; with the object of demonstrating the profits which could reasonably be expected under ordinary conditions from a small flock of grade ewes. The co-operation of the Live Stock Branch of the Ontario Department of Agriculture was obtained in this work and a grant received to defray the cost of supervising the work.

The results of the experiments showed that sheep raising in Ontario does pay.

The flocks in this set of experiments were handled under ordinary farm conditions and under every condition likely to be met with throughout the province, and every one of them showed a reasonable and some of them a remarkably gratifying surplus in each of the two years during which the experiment was carried on. It would appear from one of the reports that where a farmer is so situated that he can cater to the early spring or Easter trade, that it is an unusually profitable line to follow, this flock in the second year giving almost as much profit as the value of the flock. The flock where the lambs were sold for the summer hotel trade, was also very profitable, giving an average profit of \$50.11 per year. While these two flocks may have had especially favorable conditions, the other seven flocks which were kept under conditions no more favorable than any farmer in the province enjoys, gave a total profit for two years of \$543.43, an average of \$38.81 per year-per flock.



**DOMINION GOVERNMENT SAVINGS BANKS**  
Statement of the Balance at Credit of  
Depositors on April 30th, 1913.

BANK	Deposits for April, 1913	Total Deposits	Withdrawals for April, 1913	Balance on 30th April, 1913.
<i>Manitoba:—</i>				
Winnipeg.....	\$ cts. 13,539.00	\$ cts. 677,535.71	\$ cts. 21,453.27	\$ cts. 656,082.44
<i>British Columbia:—</i>				
Victoria.....	40,486.00	1,113,534.53	49,813.30	1,063,721.23
<i>Prince Edward Island:—</i>				
Charlottetown.....	23,486.25	2,082,890.07	46,192.05	2,036,698.02
<i>New Brunswick:—</i>				
Newcastle.....	2,875.00	295,245.49	3,171.69	292,073.80
St. John.....	80,742.70	5,576,408.45	109,581.94	5,766,823.51
<i>Nova Scotia:—</i>				
Acadia Mines.....		33,423.80	*33,423.00	
Amherst.....	165.00	33,423.80	9,700.70	386,778.93
Arichat.....	6,416.06	396,479.63	5,299.99	123,119.63
Barrington.....	1,152.12	128,419.62	1,673.14	148,799.13
Guysboro'.....	430.90	150,472.57	91.97	123,522.41
Halifax.....	501.00	124,114.38	42,421.50	2,451,137.31
Rentville.....	35,656.61	2,493,558.81	8,094.47	256,703.21
Lunenburg.....	3,224.06	261,797.64	8,029.61	427,223.49
Pictou.....	3,296.00	135,253.10		
Port Hood.....			1,163.00	110,711.55
Shelburne.....	405.00	111,874.85	2,889.93	218,271.61
Sherbrooke.....	1,973.00	221,161.57	2,595.58	89,360.00
Wallace.....	383.00	91,955.58	1,364.45	128,041.35
Totals:	215,135.68	14,626,831.84	347,763.69	14,279,067.95

**POST OFFICE SAVINGS BANK ACCOUNT**  
(MARCH, 1913).

DR.	Cr.
	\$ cts.
BALANCE in hands of the Minister of Finance on 28th Feb., 1913..	41,751,241.78
DEPOSITS in the Post Office Savings Bank during month.....	1,051,734.85
TRANSFERS from Dominion Government Savings Bank during month:—	
PRINCIPAL.....	
INTEREST accrued from 1st April to date of transfer.....	
TRANSFERS from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada.....	36,722.07
INTEREST accrued on Depositors accounts and made principal on 31st March, 1912.....	1,150,564.00
INTEREST allowed to Depositors on accounts during month.....	18,272.47
	44,008,535.17
	WITHDRAWALS during the month.....
	1,279,593.34
	BALANCE at the credit of Depositors' accounts on 31st Mar., 1913.....
	42,728,941.83
	44,008,535.17

\*\$25,629.46 of this amount transferred to Post Office Savings Bank, 26th April, 1913.

**Wheat, Oats, Barley and Flax in Store at Terminal Elevators and at Public Elevators in the East for the Week ended May 9, 1913.**

Wheat—Grades				Barley—Grades			
	Terminals	Public Elevators, East. Div.	Totals		Terminals	Public Elevators, East. Div.	Totals
	Bushels	Bushels	Bushels		Bushels	Bushels	Bushels
No. 1 Hard		47,984	47,984	No. 3 Extra	877,973	324,629	324,629
No. 1 Northern	111,659	624,427	1,036,086	No. 3, C.W.	512,090	217,144	1,231,793
No. 2	1,765,595	1,321,179	3,086,774	No. 4	186,596	20,800	729,234
No. 3	1,187,013	1,388,488	2,575,561	Feed	145,565		207,396
No. 4	1,712,823	248,597	1,961,420	Rejected	162,337	395,223	145,565
No. 5		15,150	15,150	Other			537,560
No. 6		10,898	10,898				
Other		1,008,733	3,703,511	Totals, Barley	1,884,561	1,311,616	3,196,177
Totals, Wheat	7,709,788	4,727,536	12,437,324				

Oats—Grades				Flax—Grades			
	Terminals	Public Elevators, East. Div.	Totals		Terminals	Public Elevators, East. Div.	Totals
	Bushels	Bushels	Bushels		Bushels	Bushels	Bushels
No. 1, C.W.	42,180	42,180	42,180	No. 1, North-Western Canada	2,190,685	959,316	959,316
No. 2	2,833,448	1,623,488	3,856,936	No. 1, C.W.	960,073		2,190,685
No. 3	520,648	243,450	764,098	No. 2, C.W.	166,325		960,073
Extra No. 1 Feed	727,618	298,005	1,025,623	No. 3, C.W.	14,055	37,278	166,325
No. 1 Feed		159,833	159,833	Other			51,353
No. 2 Feed		114,170	114,170	Totals, Flax	3,331,136	996,594	4,327,730
Other		872,498	3,277,152	Total quantity in Store	19,454,033	9,747,210	29,201,243
Totals, Oats	6,528,548	2,711,461	9,240,012				

**MONTREAL STOCK EXCHANGE—UNLISTED SECURITIES**

MINES			Sales week end'd My 28			Capital in thousands			Miscellaneous—contin'd				
Dividend	Price May 20 1913	Price May 28 1913	Sales week end'd My 20	Price May 28 1913	Sales week end'd My 28	Auth- oriz'd	Iss'd	Par Value	Dividend	Price May 20 1913	Sales Week ended My 20	Price May 28 1913	Sales Week ended My 28
15	174					4,000	3,000	100	MacDonald Co'y, Ltd.				
						3,000	2,000	100	pref.	7			
						15,000	12,600	100	Mexico Northern Power	5	144	14	592
						10,000	10,000	100	bonds	5	50	494	2000
						40,000	25,000	100	Mexico North Western Rly.	5			
						5,000	4,121	100	bonds	5			
						1,000	1,000	100	Mex. Mahogany & Rub. Corp.	6	47		47
						600	470	100	bonds	6			
						20,002	20,002	100	Mont. Tramway Power Co.	6	344	393	1465
						2,000	2,000	100	com.	6	624	624	222
						3,000	1,500	100	National Brick	8	81	80	3500
						6,000	6,000	100	bonds	8			80
						3,000	1,500	100	Nova Scotia Steel Bonds	5			
						2,500	1,500	100	Ontario Pulp Co'y.	6			
						1,750	1,750	100	bonds	6			
						1,500	1,300	500	Peter Lyall Construction Co.				6500
						1,250	1,250	1000	pref.				
						5,000	5,000	100	bonds	5			
						6,000	4,866		Price Bros.				
						5,000	3,000	100	Prince Rup't Hydro Elec. Co	5			
						3,000	2,500	500	bonds	5			
						1,500	1,048	500	Shepbrooke Rly. & Power Co.	5			2000
						1,500	1,048	500	bonds	5			
						1,000	750	100	Toronto Paper Co.	5		39	
						500	500		bonds	5			
						5,000	3,000	100	Western Can. Power	6	612	604	80
						5,000	5,000	100	Wayag'm'k Pulp & Paper Co.	6	304	351	294
						5,000	3,000	100	bonds	6			76







TORONTO AND WESTERN CANADA

Main table containing stock and bond prices for Toronto and Montreal, including columns for Industrial, Mining, Bonds, and various price points (Ask, Bd., Price, Sales Week ended).

STOCKS & BONDS—Continued

Continuation of the main table, listing specific stock and bond titles like Ogdenville Milling, Ontario Loan, and various municipal bonds.

Notes in connection with these Tables appear on Page 952.



CANADIAN SECURITIES IN LONDON

Table of Canadian Securities in London, listing various government and municipal issues, railroads, banks, and miscellaneous securities with their respective prices and yields.

GOVERNMENT FINANCE

Table of Government Finance, detailing Public Debt, Revenue and Expenditure on Consolidated Fund, and Assets.

UNREVISED STATEMENT OF LAND REVENUE (April, 1913)

Table of Unrevised Statement of Land Revenue, showing the source of revenue and total revenue for April 1913.



TRADE OF CANADA BY COUNTRIES

COUNTRIES	MONTH OF JANUARY				TEN MONTHS ENDING JANUARY			
	1912		1913		1912		1913	
	Imports	Exports	Imports.	Exports	Imports	Exports	Imports	Exports
<i>British Empire.</i>								
United Kingdom.....	\$ 9,525,513	\$ 7,534,292	\$ 11,246,232	\$ 7,394,997	\$ 94,572,291	\$ 134,287,483	\$ 112,820,524	\$ 158,998,323
Australia.....	11,407	425,815	61,083	214,037	342,467	3,360,894	362,595	3,383,390
Bermuda.....		51,305	24,786	27,286	7,509	373,489	34,707	333,527
<i>British Africa:—</i>								
<i>East.....</i>				9,183	240,271	12,739	1,749	42,912
<i>South.....</i>	2,350	264,382	33,519	359,562	131,278	2,112,360	216,058	2,750,899
<i>West.....</i>		8,294		5,308		37,738		68,506
British East Indies.....	449,082	25,905	576,076	60,387	3,918,163	231,918	5,759,589	355,504
Guiana.....	443,105	42,981	516,067	25,127	3,741,679	441,262	2,748,161	463,343
Honduras.....	114	1,288	1,142	1,142	114	7,573	168,165	9,784
West Indies.....	102,072	353,734	58,880	243,236	5,231,935	3,126,409	5,803,769	3,158,297
Fiji (other Oceania).....	66,551	17,872	128,253	1,719	107,104	99,647	1,28,385	109,383
Gibraltar.....		50			176	13,900	134	24,395
Hong Kong.....	72,449	142,855	79,172	73,590	593,795	517,031	633,619	296,379
Malta.....	82	301,549	404	10,257	3,542	22,193	2,125	32,024
Newfoundland.....	131,790	266,192	89,336	277,265	1,683,579	4,021,473	1,964,836	4,183,683
New Zealand.....	200,203		374,021	131,753	804,965	1,103,532	2,315,717	1,279,077
Other British Colonies.....	2,336		1,624	78	10,573	65	27,815	2,432
Totals, British Empire.....	11,007,054	9,437,417	13,230,687	8,834,872	111,389,445	149,772,711	132,984,086	175,461,828
<i>Foreign Countries.</i>								
Argentina Republic.....	442,608	362,864	384,171	107,913	1,901,291	2,731,135	2,651,113	2,127,764
Austria-Hungary.....	117,386	492	173,917	47,524	1,335,216	21,555	1,355,865	107,980
Azores and Madeira Is.....		10,770	46		488	17,191	1,189	32,690
Belgium.....	156,823	162,323	219,397	347,485	3,110,255	2,890,690	3,411,204	3,985,186
Brazil.....	85,890	120,179	111,666	147,214	848,898	645,372	1,027,490	783,589
<i>Central American States.....</i>								
Chile.....		15,989	17,489	135,349	95,351	121,469	121,469	83,463
Cuba.....	60,603	23,422	89,575	43,093	519,309	268,001	653,883	674,090
Denmark.....		17,634		4,490	282,033	126,968	625,021	105,113
Dutch W. Indies.....	52,855	206,570	95,405	96,235	776,268	1,718,498	1,941,965	1,202,928
Dutch E. Indies.....	10,139	34,302	8,562	87,819	37,525	481,137	100,336	663,519
Guiana.....	45,154	907	8,814	675	76,579	9,439	240,687	7,422
Ecuador.....		2,887		3,261	1,054,573	3,847	3,107,673	7,282
Egypt.....		1,348	3,682	826	4,473	45,187	32,666	34,814
France.....	3,265	2,613	2,032	22,825	35,818	4,954	43,139	27,727
French Africa.....	983,183	232,376	1,012,679	93,527	9,630,897	1,845,883	2,793,579	1,956,058
French West Indies.....		18,002	516	6,220		167,976	5,429	26,187
Germany.....		2,470		7,241	504	6,425		23,858
Greece.....		173,401	1,266,059	206,484	8,999,304	3,206,184	11,799,767	2,985,477
Hawaii.....	1,073,287		10,849	524,277	524,277	1,240	511,529	65,658
Hayti.....	37,695	4,767	6,045	1,438	29,537	116,537	41,788	43,729
Holland.....	2,181	2,257		3,146	28	22,246		19,685
Italy.....		120,321	250,480	161,914	2,066,835	1,525,450	2,742,448	2,444,176
Japan.....	175,548	170,321	135,577	29,739	953,826	202,454	1,386,805	549,466
Korea.....	109,220	11,743	135,577	99,017	2,047,814	294,135	3,111,676	703,926
Mexico.....	258,232	53,545	221,725	70	21,085			13,893
Miquelon and St. Pierre.....	78,689	3,562	337,790	8,262	877,839	315,976	2,300,501	205,363
Norway.....	88	74,314	9,636	11,331	11,331	128,037	3,882	147,627
Panama.....	31,921	14,005	177	73,017	279,348	544,690	422,868	538,992
Peru.....		32,620	34,518	13,308	172,679	172,679		164,839
Philippine Islands.....		11,095		1,762	167,136	11,817	124,794	8,990
Porto Rico.....	286	861	441	70,135	18,530	23,167	66,306	66,306
Portugal.....		8,481	63	44,413	361	536,274	99	460,851
Roumania.....	24,537	28,839	20,567	63	2,258	68,140	306,686	48,243
Russia.....		484		3,130		41,470		66,258
San Domingo.....	11,425	8,894	115,161	2,659	743	59,721	1,212	30,179
Siam.....		13,182	416,070	416,070	283,460	1,052,614	837,299	1,785,540
Spain.....		220,107	3,794	21,481	890,622	21,481	1,448,857	33,726
Sweden.....		3,198	4,256	197	20,901	539	17,036	
Switzerland.....	76,769	637	87,622	197	1,156,941	75,938	1,143,420	20,983
Turkey.....	20,539	34	44,692	6,143	262,131	117,143	366,696	119,055
United States.....	373,674	3,145	464,678	638	2,659,844	16,905	3,525,023	10,796
U.S. of Columbia.....	19,823	2,274	45,813	533	423,504	20,662	502,951	38,432
Venezuela.....	26,821,313	10,517	34,863,897	11,565,757	291,235,029	96,382,064	361,960,204	131,693,222
Other foreign countries.....	88	12,529	3,948	11,819	154,123	315,542	83,983	342,907
Alaska.....	2,390	993	15,636	4,308	50,045	15,644	117,820	17,082
Uruguay.....		72,404	16,678	23,239	217,486	171,844	154,380	167,069
Winter storage afloat.....	1,159	2,050	677	1,726	95,542	17,612	163,076	60,456
Totals, foreign countries.....	31,082,742	12,153,230	40,087,532	13,717,661	333,470,682	116,566,964	421,269,034	154,616,473
Grand Totals.....	42,089,796	21,590,647	53,318,219	22,552,533	444,860,127	266,339,675	554,253,120	330,078,301
		\$63,680,443		\$75,870,752		\$711,199,802		\$884,331,421

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

Week ending May 9, 1913	Wheat		Oats	Barley	Flax	Totals
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Port William—C.P.R.....	1,714,639	1,214,310	478,515	223,832		3,631,296
Consolidated.....	373,103	469,763	82,419	322,584		1,189,069
Empire Elevator Co.....	1,026,910	895,909	251,183	394,928		2,571,930
Ogilvie Flour Mills Co.....	324,358	289,034	105,048			718,442
Western Terminals Elevator Co.....	66,633	112,835	568			684,361
Black & Muirhead.....		1,699,116	288,857	981,306		4,528,011
G. T. Pacific.....	1,538,732	415,626	158,245			1,127,161
Grain Growers' Grain Co.....	533,290	1,428,999	461,534	708,949		4,514,318
Port Arthur—Port Arthur Elevator Co.....	1,914,866	62,554	55,202	191,802		489,415
D. Horn & Co.....	176,457					
Winter storage afloat.....						
Total terminal elevators.....	7,709,788	6,528,548	1,834,561	3,331,136		19,454,033
Depot Harbor.....		392,336	49,423			991,589
Midland—Aberdeen Elevator Co.....	319,208	261,003	308,145	174,398		483,043
Midland Elevator Co.....	175,897		57,597	196,133		1,962,757
Timin, G.T.P.....	1,463,406	245,621	324,629			755,458
Port McNicol.....	178,956	251,873				
Meaford.....		9,104				163,493
Godrich.....	154,389	330,101	55,532	14,649		758,907
Point Edward.....	358,634	72,547	90,000			227,345
Kingston—Montreal Transportation Co.....	154,748	25,287				369,249
Commercial Elevator Co.....	83,290					
Port Colborne.....		35,516				502,400
Prescott.....	412,198					791,066
Montreal—Harbour Commissioners No. 1.....	435,135	147,514	172,139	37,278		1,413,984
No. 2.....	543,392	751,950	118,642			828,438
Montreal Whg. Co.....	442,615	162,009	107,583	116,231		24,997
St. John, N.B.....			24,997			37,534
West St. John, N.B.....		26,603	2,938	1,425		
Winter storage afloat.....	6,618					
Total public elevators.....	4,727,536	2,711,464	1,311,616	996,594		9,747,210
Total quantity in store.....	12,437,324	9,240,012	3,196,177	4,327,730		29,201,243



## NEW WESTMINSTER'S FINANCES HEALTHY

## Statement for Past Year is Published—City Owns Its Waterfront

The city of New Westminster has issued a satisfactory financial statement for 1912. In examining the figures, one recalls that what is therein termed "Capital Adjusting Assets," is the cash on hand from the sale of bonds, and the incomplete expenditures on capital account, all of which, when the works are completed, will adjust themselves into completed works, and then re-appear as assets or otherwise, according to the nature of the works.

On the other side of the account some of the same amounts appearing as "Capital Adjusting Liabilities" are, in the meantime, to maintain a proper balance and prevent the city's nominal surplus from appearing excessively large. In other words, these adjusting assets and liabilities show exactly the trend and position of unfinished expenditures.

## Provision for Sinking Funds.

In the matter of sinking funds, an amount is deposited in the savings department of the Bank of Montreal, annually, sufficient to retire the city's debentures at maturity, an extended date of maturity being set in the case of bonds issued prior to the fire of 1898, as per special act of Parliament, separate savings accounts, which were opened in 1910, being kept for these.

The city's regular assets are particularly strong. These are inventoried at a low valuation, land values in a number of cases being entered as low as one-third or one-half the actual value.

Of the city's public utilities, the electric light system, for instance, is down as valued at \$313,580. This branch is producing a net profit of about 6 per cent. on \$1,000,000 after paying for operating expenses, interest and sinking fund. The gross earnings for 1912 exceeded \$122,000. This year the receipts are about 15 per cent. ahead of 1912.

In the case of the city's water system, an additional 25 inch steel main has recently been completed, new reservoirs built and improved, and large amounts have been expended on the source of supply intakes and dams, placing the city's water system in value largely in excess of the figure as inventoried.

## Owns Its Waterfront.

The city owns the land of its water frontage on the river where the conditions are excellent, with deep water dockage. These are of permanent and increasing value.

With the backing of the fertile Fraser Valley, and this magnificent river at its door, the city occupies a position of rare strength and stability. The population, according to the census just completed, has increased about 45 per cent. during the last three years. The taxation is on land only. Improvements are taxable, but not taxed.

## DEBENTURES AWARDED

**Windsor, Ont.**—\$60,000 5 per cent., to Messrs. Brent, Noxon and Company, Toronto.

**Miami S.D., Man.**—\$16,000 20 instalments, to Messrs. H. O'Hara and Company, Winnipeg.

**Darlingford S.D., Man.**—\$5,000 20 instalments, to Messrs. H. O'Hara and Company, Winnipeg.

**North Qu'Appelle R.M., Sask.**—\$10,000 6 per cent., 10 years, to Messrs. H. O'Hara and Company, Winnipeg.

**Broadview S.D., Sask.**—\$12,000 6 per cent. 20 instalments, to Messrs. H. O'Hara and Company, Winnipeg.

The Pacific Great Eastern Railway Company has placed an order with Messrs. Evans, Coleman and Evans, of Vancouver, for 15,000 tons of open hearth steel rails for delivery at Newport, beginning in October next and ending in June, 1914. This quantity will be sufficient to lay the track for 140 miles. The railway company is also negotiating with various manufacturing companies for rolling stock and other equipment aggregating over \$400,000.

## DOMINION CANNERS SELL BONDS

## Million Dollars Placed in London—Underwriting System Criticized

Mr. Garnet P. Grant, president of the Dominion Bond Company, has placed in London, according to cable message received this week, the entire issue of \$1,000,000 6 per cent. first mortgage bonds issued by Dominion Canners in connection with improvements and additions to plants, costing about \$1,500,000, which were purchased by the Dominion Bond Company, Limited.

Dominion Canners profits last year were over half a million dollars, which sum is more than four times the amount required for interest on the bonds outstanding, including the present issue of one million dollars.

## Public and Underwriters.

The underwriting system is coming in for criticism. The public subscribes scarcely a penny to any of the new issues on their first appearance, says the New York Annalist. It keeps its money in its pocket; the issuing house has to announce (as Rothschilds had, in the case of the Brazilian loan) that underwriters will take up 94 per cent.; the price of the loan falls, say, to 1½ discount, and then the public comes and buys in the open market. It has learned, in fact, how to get a share in underwriters' profits. The circumstance forcibly suggests that the whole business of underwriting has been overdone. The commissions allowed are too high; hence the prompt fall in price after subscription. Loans are underwritten that would do better without; small instructed investor, if he knows that there will not be a number of underwriters in the market as soon as the subscription lists are closed, eager to sell stock with which they have been "landed." Underwriting is spread too wide.

## Municipal Forces.

The Nelson, B.C., city council has adopted the report of the finance committee recommending that the city guarantee interest and principal of a bond issue of \$40,000 to finance the street railway company under conditions which have been agreed upon by the directors of the company.

After considerable discussion as to the denomination of Toronto city bonds the board of control referred the matter to the treasury board for adjustment. Controller Foster favored the selling of bonds of the \$100 denomination as an attractive investment for the man whose savings were limited. Mayor Hocken believed that \$500 should be the minimum and that considerable trouble would be encountered were the city to place the face value of the bonds as low as \$100.

## WANT MORE RAILROADS

Discussing government assistance to the Canadian Northern Railway, the Canadian Manufacturers' Association says:—

"The government should give financial assistance to the Canadian Northern Railway only on condition that it will be used to provide better service for the country. If this assurance is given, a great enterprise like the Canadian Northern Railway should not be crippled for lack of funds.

"For the past sixteen years the Canadian Northern has built railroads at the rate of a mile a day, with capital secured largely through the untiring energy of Sir William Mackenzie. At the end of 1912 their total mileage was about 7,000. During that year their gross earnings were \$20,860,093, an increase of 27.5 per cent. over 1911. They have let every contract on their transcontinental line between Quebec and Port Mann. These great efforts are made, of course, in the interests of the directors and shareholders, but the quality and quantity of the service they sell are vital matters to shippers and receivers of freight.

"We need more railways, more engines, more cars, more of everything that is included in the operation of a railroad. If the Canadian Northern Railway wants money to buy these things, the government will benefit the country by giving it to them, but there should be a clear agreement concerning expenditure and service."

## 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 16-16 (4) May 17-31 (5) May 17-31 (6) May 17-June 2 (7) May 24-31