

The Chronicle

Insurance & Finance.

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Proprietor.

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Fraternal Society Exhibits.

An Ontario correspondent informs us, that, after having regularly paid his dues to the Royal Arcanum for twenty years he has been notified of an assessment which is over 300 per cent. larger than ever before. This enormous advance, from \$60 to \$190, is made when he is well advanced in life and naturally anxious to lessen his financial burdens.

Another correspondent, a bank officer in Manitoba, narrates the case of a widow in his vicinity whose husband was a member in good standing of the Independent Order of Foresters. She affirms that, all the necessary evidence to prove her claim for the amount of her late husband's policy has been sent by the local agent to headquarters but, though a long time has elapsed, no notice has been taken of the claim, receipt of the papers relating to the claim has not been even acknowledged.

Not Credible.

There is an Italian proverb which may be interpreted, "If not true it is well told." This is applied to statements whose lack of veracity has to be politely questioned. A contemporary publishes a letter to which the Italian proverb may well be applied with marked emphasis on, "If not true." It is affirmed that a State agent wrote his company that the Deputy Insurance Commissioner of the State had informed him that the department proposed to make an official examination of the company on a certain date. All that would be done would be to visit the head office, and dine with the staff. After this an official report would be made for which the company would have to pay \$300, a sum far less than the cost of a systematic examination. That any Deputy Insurance Commissioner would request such a letter to be written is incredible. A public officer who was rogue enough, would be cunning enough to avoid advertising his rascality.

Barn Fires. The question of barn fires is being discussed more fully just now than any other topic relating to insurance. The situation is stated very graphically by the president of the Atlantic-Birmingham Insurance Company, who says: "I do not charge the average farmer as being a bad man, but if he wants to be bad he will have less scruples and more opportunity to burn his barn than anything I know of.

"There are no household gods to be looked after, nor any curious and ever-present women and children to detect the incipient fire and put it out. Then there may be a lot of insurance on corn that has already been fed away and nothing but shucks left; yet the insurance company will likely pay for the absent corn! Then there are a lot of worn-out farm tools, and a lot of old ramshackle harness, buggies and wagons, all of which suddenly become very valuable when the fire comes. It strikes me that the farmer must be a powerfully good man to resist the temptation of burning up an old barn on which he has as much or more insurance than it and the contents are actually worth when he can do it so easily and charge it up to 'lightning.' It may be that more lightning rods or better ones might reduce barn losses actually caused from lightning, as would likely be the case with the dwellings in connection therewith, but even if such improvements are made I am inclined to be skeptical that barn losses would be materially thereby reduced. The lightning rod, however absolutely perfect it may be, will never reach the root of the trouble; which, in my opinion, is more from 'lighting'—accidental or otherwise—than from 'lightning,' and the only remedy, I think, that is left the underwriter is to increase the rate to cover the risk, or put barns on his prohibited list."

The last few words in the above which are the same in substance as we published in a recent issue, express all that needs to be said from the insurance standpoint.

So long as money can be made out of barn fires, barn fires will occur. When farmers are compelled to realize that it pays better to prevent fires, as far as possible, by installing protective appliances than to tempt fires by carelessness, they will do their utmost to secure immunity from barn fires. That lesson and experience must be enforced by increasing the rate to cover the risk, or putting barns on the prohibited list.

**A German
View of Peace
and Finance.**

Berlin as a monetary centre occupies a very prominent position. It is characterized by conservative methods. The rate of interest as fixed by the Imperial Bank of Germany has been marked by fewer fluctuations than the banks of England and France. The proximity of Russia is a constant factor in the political and financial situation in Germany. To use an insurance term, Germany has a serious "exposure hazard" owing to its sharing Poland with Russia, Poland being ever ready for revolt. Naturally the financiers of Berlin are highly elated over Russia having secured peace without having to pay an indemnity. It is understood there that a small loan will have to be raised by Russia for which, however, there is no urgency. They have expressed relief also at Japan not being likely to be a borrower, so the feeling in Berlin as to money market prospects is quite cheerful. During the war the two belligerent powers raised \$1,275,000,000 by loans in Europe and at home.

There are enormous expenses involved in the withdrawal of armies from the field of operations and meeting other conditions of peace, but both Russia and Japan will meet these without borrowing in outside markets. Those disturbers of the money market are spoken of in Berlin as having retired and left the market to be affected by only normal influences.

**The Royal
Arcanum.**

A meeting was held on 19th inst., at New York, of members of the Royal Arcanum representing the state committee of subordinate councils. A committee of lawyers, who were appointed to recommend a plan of action in regard to recent changes in the Order, reported resolutions which were adopted, calling for the appointment of an executive committee of fifteen with power to act for the conference and to be instructed "To cause proceedings to be taken for injunction and other provisional relief as it may deem best calculated to secure an early adjustment of the illegality and invalidity of the new laws concerning assessments re-

cently enacted by the Supreme Council and adjudging the previous laws of assessments in full force."

It was also resolved that the committee be directed "To take into consideration the question of procuring such amendments to the laws of the Royal Arcanum and of the state of Massachusetts that the votes in the Supreme Council shall be limited to the representatives elected thereto."

The meeting was attended by about fifty members of the order, representing various local bodies from New York, New Jersey, Ohio, Pennsylvania, Connecticut, Rhode Island, Indiana, Illinois and Massachusetts.

LIFE INSURANCE IN CANADA, 1904.

The business of the life insurance companies doing business in Canada was prosperous last year. The amount of insurance effected was \$98,306,102, which exceeds that in 1903 by \$6,738,297, is more by \$17,753,136 than in 1902, \$24,406,874 more than 1901, and is \$53,964,904 over the amount ten years ago.

In the previous ten years, 1885 to 1894, the increase was \$22,360,269, the increase from 1895 to 1904 was over 31 millions greater than from 1885 to 1894.

Between 1879 and 1904 there was \$501,607,088 added to the net amount of life insurance in force in Canada, the total last year being \$587,880,790.

The superintendent's report states that the Canadian companies show an increase in 1904 of \$3,882,009, whilst in 1903 they had an increase of \$9,286,937, the American companies had an increase of \$2,879,414, and in 1903, \$1,919,315, the British companies had a decrease of \$23,126, against their decrease of \$191,413 in 1903. In this connection it is to be regretted that the figures of the British companies which have withdrawn from active business in Canada are mixed up with those companies which are in active operation in this country, the effect being to convey an impression that is unfavourable to the British life companies which are seeking business in Canada.

The contest for business is keenest between the Canadian and American companies, in which the native institutions are keeping up a vigorous fight. Since 1900 the Canadian companies have added \$20,505,164 to their amount of insurance effected in the year, and the American companies increase in Canada was \$9,513,065. The excess of the Canadian companies over the American business in Canada in 1900 was \$11,913,803, whereas in 1904 the excess of the Canadian over American companies in Canada was \$22,905,902. Between 1901 and 1902 the American companies insurance effect-

ed in Canada went down from \$32,541,438 to \$31,346,482, a decrease of \$1,194,956 while in the same period the Canadian companies had an advance from \$38,208,747 to \$45,882,167, the increase being \$7,583,420. Still the American companies are working most energetically to secure business with no little success, as are the few British companies which are working in the Canadian field with results that show them to have made vigorous efforts "to keep up with the procession."

LIFE INSURANCE IN CANADA IN 1904.

(From the Report of the Superintendent of Insurance.)

The business of life insurance was transacted by forty active companies, of which twenty-one are Canadian, seven British and twelve American.

INSURANCES EFFECTED DURING THE YEAR.

The total amount of policies in Canada taken during the year 1904 was \$98,306,102, which is greater than the amount taken in 1903 by \$6,738,297. The Canadian companies show an increase in 1904 of \$3,882,009, whilst in 1903 they had an increase of \$9,286,937; the American companies have an increase of \$2,879,414, whilst in 1903 they had an increase of \$1,919,315; and the British companies have a decrease of \$23,126, whilst in 1903 they had a decrease of \$191,413, the total increase in 1904 being \$6,738,297, as above stated.

The respective amounts effected are:—

Canadian companies.....	\$59,051,113
British ".....	8,109,778
American ".....	36,145,211

So that the amount taken by native companies exceeds that taken by the British and American together by about \$19,800,000.

LIFE INSURANCE IN FORCE IN 1904.

The total amount of insurance in force at the close of the statements was \$587,880,790, which shows the large increase of \$39,437,790 over that of the previous year, being distributed as follows:

	Total in force.	Increase
Canadian companies.....	\$364,640,166	\$29,001,226
British ".....	42,608,738	481,478
American ".....	180,631,886	9,955,086
Total.....	\$587,880,790	\$39,437,790

The following tables will enable the progress of the total business to be traced during the past thirty years, both as regards the amount of insurances effected from year to year, and the total amount in force.

Year.	Canadian Companies. \$	British Companies. \$	American Companies. \$	Total. \$
1875.....	5,077,601	1,689,833	8,306,824	15,074,258
1876.....	5,465,966	1,683,357	6,740,804	13,890,127
1877.....	5,724,648	2,142,702	5,667,317	13,534,667
1878.....	5,508,556	2,789,201	3,871,998	12,169,755
1879.....	6,112,706	1,877,918	3,363,600	11,354,224
1880.....	7,547,876	2,302,011	4,057,000	13,906,887
1881.....	11,158,479	2,536,120	3,923,412	17,618,011
1882.....	11,865,545	2,833,250	5,423,960	20,112,755
1883.....	11,883,317	3,378,008	6,411,635	21,572,960
1884.....	12,926,265	3,167,910	7,323,737	23,417,912
1885.....	14,881,695	3,950,647	8,332,646	27,164,988
1886.....	19,289,694	4,054,279	11,827,375	35,171,348
1887.....	23,505,549	3,067,040	11,435,721	38,008,310
1888.....	24,876,259	3,985,787	12,364,483	41,226,529
1889.....	26,438,358	3,399,313	14,719,266	44,556,937
1890.....	23,541,404	3,390,972	13,591,080	40,523,456
1891.....	21,904,302	2,947,246	13,014,739	37,866,287
1892.....	25,585,534	3,625,213	15,409,266	44,620,013
1893.....	28,089,437	2,967,855	14,145,555	45,202,847
1894.....	28,670,364	3,214,216	17,640,677	49,525,257
1895.....	27,909,672	3,337,638	13,093,888	44,341,198
1896.....	26,171,830	2,869,971	13,582,769	42,624,570
1897.....	30,351,021	2,778,510	15,138,134	48,267,665
1898.....	35,043,182	3,323,107	16,398,384	54,764,673
1899.....	42,138,128	3,748,127	21,514,478	67,400,733
1900.....	38,545,949	3,717,997	26,632,146	68,896,092
1901.....	38,298,747	3,059,043	32,541,438	73,899,228
1902.....	45,882,167	3,324,317	31,346,482	80,552,966
1903.....	55,169,104	3,132,994	33,265,797	91,567,805
1904.....	59,051,113	3,109,778	36,145,211	98,306,102
Total.....	718,604,468	91,304,270	427,229,822	1,237,138,560

NET amounts of Insurance in force in Canada, 1875-1904.

1875.....	21,957,296	19,455,607	43,596,361	85,009,264
1876.....	24,649,284	18,873,173	40,728,461	84,250,918
1877.....	26,870,224	19,349,204	39,468,475	85,687,903
1878.....	28,656,556	20,078,533	36,016,848	84,751,937
1879.....	33,246,543	19,410,829	33,616,330	86,273,702
1880.....	37,838,518	19,789,863	33,643,745	91,272,126
1881.....	46,041,591	20,983,092	36,266,249	103,290,932
1882.....	53,855,051	22,329,268	38,857,629	115,042,048
1883.....	59,213,609	23,511,712	41,471,554	124,196,875
1884.....	66,519,953	24,317,172	44,616,596	135,453,726
1885.....	74,591,139	25,930,272	49,440,735	149,962,146
1886.....	88,181,859	27,225,607	55,908,230	171,315,696
1887.....	101,796,754	28,163,329	61,734,187	191,694,270
1888.....	114,034,279	30,003,210	67,724,094	211,761,583
1889.....	125,125,692	30,488,618	76,348,392	231,963,702
1890.....	135,218,900	31,613,730	81,599,847	248,424,567
1891.....	143,368,817	32,407,937	85,698,475	261,475,229
1892.....	154,709,077	33,692,706	90,676,825	279,110,265
1893.....	167,475,872	33,543,884	94,602,966	295,622,722
1894.....	177,511,846	33,911,885	96,737,705	308,161,436
1895.....	188,326,057	34,341,172	95,590,352	319,257,581
1896.....	195,393,042	34,837,448	97,660,009	327,890,499
1897.....	208,655,459	35,293,134	100,063,684	344,012,277
1898.....	226,209,636	36,606,195	105,708,154	368,523,985
1899.....	252,201,516	38,025,948	113,943,209	404,170,673
1900.....	267,151,085	39,485,344	124,433,416	431,069,846
1901.....	284,684,621	40,216,186	138,868,227	463,769,034
1902.....	308,202,596	41,556,245	159,053,464	508,812,305
1903.....	335,638,940	42,127,260	170,676,800	548,443,000
1904.....	364,640,166	42,608,738	180,631,886	587,880,790

* Including 2 months' business of the Canada Life.

AMOUNT OF INSURANCE TERMINATED IN 1904.

The amount of insurance terminated in natural course, namely, by death, maturity or expiry, was \$9,995,574, which is greater by \$728,807 than the corresponding amount in the previous year; and the amount terminated by surrender and lapse was \$44,709,036, being greater than in the previous year by \$4,453,819.

Relatively to the amounts at risk the amounts so terminated do not differ to any material extent from those of the previous year, giving for every

\$1,000 of current risk \$16.73 terminated in natural course and \$74.81 by surrender and lapse, making a total of \$91.54. In the year 1903 these rates were \$16.71 and \$72.58 respectively, making a total of

\$89.29, thus giving a difference of \$2.25 for each \$1,000 at risk.

The following table exhibits the rates for the last six years:—

TERMINATED out of each \$1,000 current risk.

	Naturally.				Surrender and Lapse.							
	1899.	1900.	1901.	1902.	1903.	1904.	1899.	1900.	1901.	1902.	1903.	1904.
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Canadian companies.....	13 74	13 80	14 40	12 91	13 27	13 58	64 94	59 29	58 34	57 45	61 58	62 79
British ".....	21 76	23 46	22 90	20 81	28 51	30 06	35 37	37 93	48 01	35 23	37 13	38 37
American ".....	28 09	25 69	24 62	33 11	20 39	19 72	88 43	96 20	102 22	120 85	102 33	106 51

The total termination amounts to about 55.65 per cent. of the amount of new policies. The actual amounts of termination were distributed as follows:—

DEATH RATE.

In the calculation of the death rate this year, as in previous years, the mean number of policies in force and the number of policies terminated by death during the year have been admitted as approximations to the mean number of lives exposed to risk and the number of deaths during the year respectively. It is believed that the results arrived at represent the actual mortality among insured lives in Canada as accurately as can be gathered from the returns of the companies.

	Naturally.	Surrender and Lapse.
	\$	\$
Canadian companies.....	4,960,451	22,929,264
British ".....	1,313,118	1,676,287
American ".....	3,722,005	20,103,485
Total.....	9,995,574	44,709,036

	1904.		1903.	1902.	1901.	1900.	1899.	1898.	1897.	1896.	1895
	Number of lives exposed to risk.	Death rate.	Death rate.	Death rate.	Death rate.	Death rate.	Death rate.	Death rate.	Death rate.	Death rate.	Death rate.
Active companies....	631,338	6,954	11.015	10.998	10.301	11.213	11.226	10.733	10.549	10.907	10.095
Assessment companies.	116,551	941	8.074	7.103	8.559	8.314	7.985	7.352	7.818	7.507	6.798
Retired companies....	3,281	154	46.930	34.269	39.221	40.544	40.182	35.733	33.560	26.747	32.969
Total.....	751,170	8,049	10.715	10.492	10.177	10.850	10.770	10.197	10.113	10.265	9.261

THE BANK OF BRITISH NORTH AMERICA.

REPORT FOR HALF-YEAR ENDED 30TH JUNE, 1905.

The Bank of British North America was incorporated by Royal Charter in 1836, since which period, for 69 years, it has held a highly honourable position amongst the banks of Canada, and enjoyed a high reputation in business and financial circles both here and in the Imperial metropolises.

During that long period it has ever maintained a policy inspired by the soundest, the most enlightened principles of banking. While liberal to customers in accommodation and terms it has ever sought to safeguard their best interests and to protect their credit by watching over their business transactions with the view to restraining any ventures, or operations liable to develop trouble. To aid in promoting legitimate business on prudential lines has been the bank's endeavour.

No year has passed without paying a dividend which for close upon 70 years has averaged over six per cent. In that period a reserve fund has been built up amounting to \$2,044,000.

The Bank of British North America has been a training school for young bankers, many of those who have had the advantage of instruction and ex-

perience in its service having risen to honourable positions in the financial world.

This old bank has set all public institutions a most commendable example by establishing and maintaining two funds for the benefit of its staff, one being the "Officers' Widows' and Orphans' Fund," and the other the "Officers' Pension Fund," in aid of which there have been made very handsome appropriations.

The report for the half-year up to 30th June last, showed the net profits to have been \$165,580. To this sum \$178,073 being added which was brought forward from 31st December, 1904, made \$343,653. The dividend paid in April last, took \$146,000, the sum of \$2,500 was transferred to Officers', Widows' and Orphan's Fund, and \$2,896 to Officers' Pension Fund. These appropriations together amounted to \$151,396, which being deducted from the amount for distribution left \$192,257 available for the October dividend at the rate of 6 per cent per annum.

The balance to be carried forward when the October dividend has been paid will be \$46,257.

Since the last report a branch has been opened at Hedley, British Columbia, and since the end of the last half-year branches have been opened at

Belmont, and Oak River, Manitoba, and a sub-branch at Hamilton, Ont.

The following shows the position of the bank on 30th June, 1900, as compared with 30th June, 1905 :

	June 30th, 1900.	June 30th, 1905.	Increase or Decrease.
Capital paid up.....	4,866,666	4,866,666	.....
Reserve Fund.....	1,625,000	2,044,000	Inc. 419,000
Circulation.....	2,673,000	2,721,830	Inc. 48,830
Current loans.....	24,419,600	28,216,441	Inc 3,796,841
Deposits and Current ac counts.....	15,791,800	18,202,135	Inc. 2,410,335

To the sagacious judgment of Mr. H. Stikeman the bank is indebted for the unabounded confidence felt in the Bank of British North America, which has been of eminent service to the commercial interests of the Dominion.

TELEGRAPH LINES IN CANADA.

The accompanying tables show the length of the various telegraph systems in operation in Canada, divided into those owned by Government in the several provinces and those operated by private companies. The figures are compiled from the last issued "Statistical Year Book."

The telegraph business of Canada westward from Quebec is in the hands of the Great North Western Telegraph Company, and the Canadian Pacific Railway Company, while in the Maritime Provinces the telegraph business is mainly transacted by the

Western Union Telegraph Company. Their respective lengths of mile, number of offices, and annual messages are shown by the table.

The Government lines in 1904 had a revenue of \$147,392, of which \$126,992 was derived from the Yukon. The expenditure was \$327,918 leaving a deficit of \$200,926 on the working of Government telegraphs in Canada. It must, however, be considered that the administration of public affairs necessitates the extensive use of telegraph systems by the different departments of the Government, so that the business is not to be judged as if it were a mercantile enterprise.

The following shows the extent of telegraphs in the British Empire :

	Miles of line.	Annual Messages.	Offices.
Great Britain.....	51,483	89,997,000	12,333
New Zealand.....	7,779	5,130,383	1,153
Australia.....	45,474	9,621,162	3,139
Canada.....	37,481	5,963,247	3,057
India and East.....	58,693	6,742,094	2,051
Africa.....	22,274	9,421,902	.....
Newfoundland and West Indies.....	3,308	1,654,000	300
Gibraltar and Malta.....	67	33,500	.....
Total British Empire...	226,559	128,563,288	22,033
Foreign Countries.....	883,877	349,528,448	130,197
Total of World.....	1,110,436	478,091,736	152,230

The area of a country is, of course, the chief factor in determining the length of its telegraphic system. Between the lengths of various national

TELEGRAPHS IN CANADA.

INCLUSIVE OF LINES OWNED BY GOVERNMENT IN SEVERAL PROVINCES AND LINES OWNED AND OPERATED BY THE GREAT NORTH WESTERN CO., CANADIAN PACIFIC RAILWAY CO., AND WESTERN UNION TELEGRAPH CO.

GOVERNMENT LINES.	DISTRICT.	LENGTH OF LINES		TOTAL.	Number of Offices.	Year Messages Sent.
		Land Lines. Miles.	Cables. Knots.			
Newfoundland.....	Port au Basque	14	.....	14	2	.....
Nova Scotia.....	Various Stations	512½	24½	537	45	9,050
New Brunswick.....	"	34	11	45	10	3,100
Quebec.....	Bay of Foundy System	264½	.....	.....	24	2,000
".....	North Shore Line "	1,029½	61½	1,090	66	15,000
".....	Quarantine "	53½	4½	58½	9	2,300
".....	Anticosti "	251½	65½	317½	9	1,500
".....	Magdalen Island "	83½	159½	243	12	2,000
Ontario.....	Pelee Island "	25½	17	42½	9	800
North West.....	Edmonton, &c. "	919	.....	919	34	12,000
British Columbia.....	Victoria, &c. "	788½	.....	789	38	12,250
Yukon.....	Dawson, &c. "	2,252½	.....	2,252½	66	42,000
Total, end of 1904.		6,270	*397	6,667	327	102,100

* Knots changed into Statute Miles in Totals.

lines and the number of messages conveyed there are serious discrepancies. Thus, Russia has 98,331 miles of telegraphs, which is nearly double the length of those in Great Britain, but the Russian messages are only 22 per cent. of the British.

The United States telegraphs extend 227,143 miles, which is $4\frac{1}{2}$ times the length of those in Great Britain, but the British messages are equal in number to those in the United States. Belgium has only 4,100 miles of telegraphs, which equals 4.2 per cent. of the length of these in Russia, but the messages in Belgium amount to 70 per cent. of those in Russia.

France with lines equalling 180 per cent. of those in Great Britain, has messages only equal to 57 per cent. of those in Great Britain.

The United Kingdom, and Australasia lead the world in their ratio of telegraph messages to population.

WHO IS RESPONSIBLE FOR HIGH INSURANCE RATES?

The discussions over the alleged misappropriations of money by officials of the Equitable Life Insurance Society have brought out some highly imaginative comments on the business of insurance. The cost of life assurance is said to have been greatly enhanced by the amount of the personal gains derived from the business by officials which are declared to have been improperly received. If any one who thinks so will ascertain how much is the total annual sum of what is alleged to have been misappropriated and compare it with the total annual premiums he will discover that such premiums could not have been reduced more than a very slight fraction per cent. had every dollar alleged to have been misused gone into the Society's funds.

The cost of both life and fire insurance is regulated mainly by the public. Were they to act in concert in an effort to reduce insurance rates they would certainly succeed. By adopting in regard to their insurance the same course as they adopt in their other business affairs they would reduce the cost of insurance so materially as to bring rates down to a lower level.

One of the main factors in keeping up insurance rates is, the cost of obtaining and retaining the business. If all dry goods stores had to keep up a staff of agents perpetually on the look out for customers upon each of whom they had to wait time and time again before making a sale and if each of these customers had to be kept constantly in touch with the store, the expenses of conducting a dry goods business would be so large as to necessitate all the goods being so priced as to provide a margin to cover these heavy expenses.

Reversing the illustration, if every person desirous of obtaining, or renewing insurance were to deal directly with the office of the company, without any

intermediary, the cost of insurance would be materially reduced and rates would be proportionately lowered.

If the public were as wise as most of its members individually consider themselves to be, there would be no necessity for any efforts being made, personally, or by literature, to induce persons to insure their lives or their property. But the public, in this respect is not wise, but far otherwise, its lack of wisdom largely enhances the cost of insurance and its folly is further manifest by complaints against the natural consequences of their own actions.

It is mainly against fire insurance rates that objections are raised, yet, over these rates property owners have a large measure of control.

Municipal corporations obstinately refuse to establish such fire protection services as are essential in the interests of citizens. Owing to this persistence in maintaining a system of inadequate fire protection the losses inflicted on the insurance companies are excessive, consequently the rates for fire insurance have to be raised so as to bear some proportion to the extra risk. The insurance companies do not create the conditions which subject them to inordinate losses, they continually protest against those conditions, they are perpetually asking for improvements in fire protection, how unreasonable then it is to blame the insurance companies for high rates when their demands for such improved conditions as would enable them to reduce rates are ignored by civic authorities!

In this city the underwriters have been protesting for years against the inadequate fire protection provided by the City Council. They have repeatedly pointed out what improvements are required, more especially in the supply of water, but the civic authorities content themselves with maintaining the fire protection service at the same level of inadequacy year after year.

It is true they have enlarged the service, but the additions made have been only proportionate to the additions made to the population and properties of the city. The local standard of efficiency has not been raised, consequently the rates of fire insurance have not been generally reduced.

Going from the general to the particular, from city corporations to individuals, there is the same disregard of the natural, the unalterable connection between the nature and extent of fire risks and the rate of fire insurance. Buildings are erected of the cheap, fire-trap class, false economy induces property owners to neglect precautions against fire. Yet, when they apply for insurance they expect such low rates as can only be conceded on buildings that are high quality risks.

So also in regard to warehouses, their protection against fire is very inadequate, they have highly inflammable contents, the heating apparatus and el-

lars are kept in a dangerous condition, the building is exposed to imminent risk from its surroundings, yet the proprietors expect low rates of insurance on property that, as a business proposition, calls for exceptionally high rates.

Upon public authorities and individual property owners rests the entire responsibility for insurance rates being higher than would be imposed were the suggestions, the advice, and the reasonable demands of the underwriters carried out and conceded.

NEW YORK TRUST COMPANIES.

The table showing the main features of the reports published by the Trust Companies of Greater New York is a remarkable exhibit of the enormous extent of their business. The total of the statistics in our contemporary are not given, so we have cast the columns in our condensed statement and given the totals in more detail in this column.

The liabilities are classified as follows:

Capital Stock.....	31,475,000
Surplus and undivided profit.....	88,773,293
Individual Deposits.....	435,800,000
Certificates of Deposit.....	75,200,000
Amount due Trust Companies.....	41,000,000
Amount due Banks and Bankers.....	21,810,000
Amount due as Executor, Administrator, etc.....	24,680,000
Deposits of Trust Monies.....	71,710,000
Due Savings Bank and Loan Associations.....	29,590,000
Unclassified.....	15,234,963
Total Liabilities.....	\$835,373,256

The resources are classified as follows:

Bonds and Mortgages.....	33,668,975
Stock and Bond Investments.....	166,835,776
Loaned on Collaterals.....	491,050,821
Other Loans.....	34,985,000
Real Estate.....	8,292,000
Cash on deposit.....	83,930,000
Specie.....	14,000,000
Legal tender notes and Bills of National Banks.....	1,232,000
Cash items and other assets.....	1,378,684
Total.....	\$835,373,256

The most salient feature in these returns is the small amount of capital on which the enormous

NEW YORK TRUST COMPANIES.

TABLE SHOWING THE MAIN FEATURES OF THE REPORTS PUBLISHED BY THE TRUST COMPANIES OF GREATER NEW YORK, COMPILED AND CONDENSED FROM THE "NEW YORK COMMERCIAL BULLETIN."

INSTITUTIONS.	RESOURCES.			CAPITAL.	LIABILITIES.		TOTAL ASSETS AND LIABILITIES.
	Bonds and Mortgages.	Stock and Bond Investments.	Loaned on Collaterals.		Surplus & Undivided Profits.	Deposits and Credit Balances.	
	\$	\$	\$	\$	\$	\$	\$
Central Trust.....	116,822	17,681,741	56,661,056	1,000,000	14,335,010	79,267,702	85,602,712
Nassau Trust Co.....	644,133	2,045,110	3,253,788	500,000	592,094	9,181,310	10,174,304
Title Guarantee & Trust Co.....	13,819,450	6,701,906	16,702,982	4,375,500	5,869,364	34,106,723	44,351,087
Williamsburg Trust Co.....	1,037,596	1,964,440	2,905,534	700,000	525,051	7,501,811	8,726,862
Windsor Trust Co.....	796,000	3,951,965	4,159,134	1,000,000	631,831	9,603,809	11,235,640
Commonwealth Trust Co.....		742,435		500,000	71,866	192,234	764,100
Farmer's Loan & Trust Co.....	1,468,700	23,539,663	61,299,463	1,000,000	7,162,094	92,279,647	109,571,741
Flatbush Trust Co.....	439,880	245,585	1,626,294	200,000	150,166	2,713,728	3,063,894
King's Co. Trust Co.....	1,035,583	1,550,638	7,855,423	500,000	1,415,110	10,767,925	12,683,035
L. I. L. & Trust Co.....	811,175	3,492,561	5,364,448	1,000,000	1,576,865	8,381,649	10,958,514
Road Estate Trust Co.....	244,500	1,437,586	9,417,835	500,000	662,706	11,229,223	12,392,069
Broadway Trust Co.....	508,930	963,860	1,039,247	700,000	434,150	3,418,341	4,552,491
Fifth Avenue Trust Co.....	730,507	8,967,274	11,840,057	1,000,000	1,554,375	20,940,925	23,495,400
Metropolitan Trust Co.....	938,500	3,315,085	32,486,200	2,000,000	6,446,054	32,642,733	41,088,787
Morton Trust Co.....		10,712,452	45,657,462	2,000,000	6,988,657	58,365,554	67,354,211
Queen's Co. Trust Co.....	416,000	603,052	113,233	500,000	141,657	935,146	1,576,803
Union Trust Co.....	668,500	16,490,165	37,226,344	1,000,000	7,941,051	55,589,644	64,530,695
Bankers' Trust Co.....		6,832,700	17,022,852	1,000,000	793,640	26,488,931	24,282,571
Colonial Trust Co.....	83,200	2,403,807	24,050,975	1,000,000	1,736,217	30,534,576	33,270,793
Bowling Green Trust Co.....	87,000	6,756,580	14,701,835	2,500,000	2,899,282	22,274,298	27,673,580
Empire Trust Co.....	452,500	631,342	1,567,891	500,000	1,068,025	3,556,605	5,124,630
Hamilton Trust Co.....	646,675	2,322,336	3,749,040	500,000	994,543	7,443,949	8,838,492
Lincoln Trust Co.....	1,305,431	7,140,961	5,168,150	500,000	916,216	19,317,738	20,734,954
Mutual Alliance Trust Co.....	283,793	1,580,740	3,414,804	500,000	526,596	6,950,613	7,977,209
Mercantile Trust Co.....	1,491,825	10,983,527	55,839,686	2,000,000	6,621,868	65,668,024	73,669,892
People's Trust Co.....	626,795	5,871,250	6,997,085	1,000,000	1,568,245	14,230,546	16,793,791
Standard Trust Co.....	133,755	5,995,776	13,426,018	1,000,000	1,156,943	22,357,702	24,514,645
Washington Trust Co.....	548,225	1,150,900	9,525,925	500,000	1,025,957	11,047,137	12,572,094
United States Trust Co.....	4,333,500	11,360,353	37,981,000	2,000,000	12,976,680	58,017,750	72,994,430
Total.....	33,668,975	166,835,776	491,050,821	31,475,000	88,773,293	716,005,873	835,373,256

* In this column the following deposits, etc., are included: Deposits of Trust Monies, Individual Deposits, due Trust Companies, due to Banks, due Savings and Loan Associations, due as Executor, Administrator, etc.

business of the New York Trust Companies is built. The proportion of deposits to capital is, for each \$1,000 of capital these companies have \$22,740 of deposits and credit balances. The "surplus fund and undivided profits" being given in one sum the amount of the reserve fund is not disclosed, but it is known to be very large in most cases.

Considering the volume of deposits the amount of cash held is trifling, being only \$15,232,000, which equals only 3.40 per cent. of the "Individual Deposits," and only 2 per cent. of the total deposits. The banks of Canada hold \$57,848,000 of specie and government notes, which is 12 per cent. of the Canadian deposits.

The New York Trust Companies act as the executor, administrator, etc., of devised estates, but in this branch of business they do not rival those of Canada, the 29 New York Trust Companies having only \$24,680,000 of liabilities as executors and administrators as compared with the \$24,303,995 of 7 trust companies established in Ontario.

The leading item in the assets is the amount loaned on collaterals which, for the 29 trust companies in the table, amount to \$491,050,821, of which their capital is 6.4 per cent., and their deposits 103 per cent. Several of these companies have loans on collaterals ranging from 61 to 27 times the capital, the smallest proportion being 2 1/4 per cent. of the capital.

The exhibit shows how powerful a factor these trust companies are in the money market of New York.

THE SITUATION IN ARKANSAS.

A SCHEME FOR EVADING THE LAW.

The embarrassment caused to property owners in Arkansas by the local law has developed a situation of great interest. The law forbids any fire insurance company doing business in the State of Arkansas which is associated with other fire companies for the purpose of establishing a common schedule of rates. Owing to this unreasonable law the more reliable companies have withdrawn from Arkansas the consequences of which have been a wholesale cancellation of policies and a withdrawal of the loans and credits based on insurance.

To relieve a situation that was severely injuring business a scheme has been devised that affords another illustration of the difficulty of framing a law that cannot be evaded.

The idea is to place insurance in Arkansas with the few small, weak, local companies under an arrangement for the risks being re-insured in strong companies that are prohibited doing business in the State. The clause in the Act which relates to this reads as follows:

"Section 1. That no insurance company shall directly or indirectly contract for, or effect the insurance of, any risk in the State of Arkansas with any company not authorized to do business therein. Whenever any company negotiating insurance on property in this State shall effect the reinsurance or any part thereof, otherwise than in companies duly authorized to do business in this State, the entire tax, therefore, shall be paid by the original insuring company, and the insurance commissioner shall make no deduction on account of such reinsurance."

This curious clause first prohibits re-insurance with outside companies, then it practically condones the offence by declaring that if outside re-insurance is effected the local State tax must be paid by the local insuring company, which is a superfluous provision for the State is powerless to enforce a tax on outside companies.

The Attorney-General has given the following as his judgment on this clause:

"My opinion is that a domestic insurance company, *bona fide*, incorporated and authorized to do business in this State, can reinsure its Arkansas risks in foreign companies, not authorized to do business in this State, and not qualified under the Anti-Trust Act to do business in Arkansas, without incurring the penalty of the Anti-Trust Act, or any other law in force here, *except the tax penalties*, as provided by section 1 of the Act of April 22, 1901, above referred to, provided such reinsurance contract is made outside of Arkansas, to be performed outside of Arkansas."

This being accepted as the law in Arkansas it would be competent for an insurance company to be organized in Arkansas nominally to do a local fire business, but really to secure re-insurance business to be placed with strong companies who are prohibited from doing business directly in that State.

The Attorney-General draws a distinction between a contract of insurance made with a foreign insurance company in a foreign state that is to be a foreign contract wholly performed without (outside) the State, and a contract that was made in the State, to be an Arkansas contract to be performed in the State.

The distinction is somewhat indistinct, but it seems, according to the Attorney-General, to imply that, if re-insurance is effected with an outside company such re-insuring company, "could not enter the State to adjust a loss without violating the law for that would be doing business under the law, the entire contract must be performed outside the State."

So far as adjusting losses is concerned the outside companies could employ a resident of the State and so again evade the law. The legislators of Arkansas are likely to see their senseless Act made of non effect by a system that will provide the merchants with the fire insurance of which they have been deprived to the serious injury of business.

CANADA'S FOREIGN TRADE 1904-5.

Official returns just issued show the aggregate exports and imports of Canada for year ended 30th June last, to have been \$470,151,289, against \$472,733,038 in previous year, a decline of \$2,581,749. The imports were \$266,834,417, against \$259,211,803, and exports \$203,316,872 as compared with \$213,521,235. The decrease of \$10,204,363 in exports less \$7,622,614 increase in imports, leaves a decrease balance of \$2,581,749 as stated.

When the revised returns are available an opportunity will be taken to analyse and publish a synopsis of them. Meanwhile the figures as given continue to show a large growth of business with the United States and a decrease of that with Great Britain and the Empire at large.

Imports from Great Britain were \$60,538,811, which is \$1,422,098 less than in 1903-4, while imports from the United States were \$166,040,890, which is \$9,043,710 more than in 1903-4. On the other hand our exports to Great Britain were \$101,958,771, which is less by \$15,632,605 less than in 1903-4, while our exports to the United States were \$75,563,015 which is \$4,849,945 more than in 1903-4.

The surtax on German goods seems to have had its desired effect as the imports from Germany last year were \$1,386,405, about 17 per cent. less than in previous year.

The following table gives the main features of Canada's trade returns for 1904-5:

	1904.	1905.	Increase+ or decrease—
	\$	\$	\$
Total imports.....	259,211,803	266,834,417	+7,622,614
Total exports.....	213,521,235	203,316,872	-10,204,363
Aggregate.....	\$471,733,038	\$470,151,289	-2,581,749
Free goods.....	103,103,350	109,669,442	+6,566,092
Dutiable goods.....	156,108,453	157,164,975	+1,056,522
Imports from Great			
Britain.....	61,960,909	60,538,811	-1,422,098
Colonies.....	73,675,411	73,662,290	-13,121
United States.....	156,997,180	166,040,890	+9,043,710
France.....	6,289,362	7,201,679	+912,317
Germany.....	8,028,544	6,642,139	-1,386,405
Foreign countries....	185,536,392	193,173,127	+7,636,735
Exports.			
To Great Britain....	117,591,376	101,958,771	-15,632,605
United States....	70,713,070	75,563,015	+4,849,945
Colonies, etc.....	128,951,548	118,676,548	-10,275,000
France.....	1,597,928	1,511,293	-86,636
Germany.....	1,819,223	1,146,654	-672,569
Foreign countries	52,104,130	57,595,213	+5,491,08

Although the year closed on 30th June did not have as large a foreign trade as the previous year the total was \$263,462,000 greater than 1895, the growth in the past 10 years having been 127 p.c.

PROMINENT TOPICS.

UNWIELDY LIFE ASSURANCE.—The question is being discussed, should there be a limit to the dimensions of a life assurance company. On several occasions THE CHRONICLE has referred to the problem relating to the desirability of limiting the business of life assurance companies, the stand we took being that when a life company's business reached a certain extent it became unwieldy, the task of administration too difficult to be efficiently performed and the enormous funds be a matter of very grave import. The danger would arise of such conditions causing their legitimate business, for

which they are in existence, being neglected and life assurance becoming only a secondary consideration. They would become vast investment concerns wielding enormous power in financial and political spheres.

* * * *

AN EMINENT ACTUARY ON GIANT LIFE COMPANIES.—We are pleased to find that Mr. David Parks Fackler, the eminent actuary, has addressed two letters, one to "The Sun," the other "The Times of New York," on the "Unwieldiness of large life insurance companies."

Mr. David Parks Fackler states that it was pointed out some 15 years ago that if the larger companies continued to develop, "the directors and trustees would be unable to give proper attention to their affairs and the State Insurance Departments also would be unable to supervise them as closely as necessary." In 1892 and 1893 it was urged that, when a life company's assets reached a certain amount it be restrained from soliciting new business. This course is approved by Mr. David Parks Fackler, who suggests that "when the assets of a life insurance company shall attain the amount of \$500,000,000, it shall no longer be allowed to employ any one to obtain new business for it, nor to issue even to voluntary applicants, any policies except to replace insurances that have ceased and cannot be revised."

In his letter to "The New York Sun" he points out that:

"When a life company holds hundreds of millions readily available by the man or ring at the head of it, the temptations to its wrong use are constantly presenting themselves." He considers that,

"There is a danger, first of all, for the interests of the policy-holders, and secondly, even for the well being of the State Government itself, which in all its branches is more or less liable to be controlled by such a great and active money power."

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NEW BUSINESS IS NOT NEEDED.—This distinguished authority considers that, the giant life companies have no need for new business, but they would produce better results if all of them from this day forward should not do any new business. "The continued growth of the giants," he remarks, "will serve nothing but the ambition and aggrandisement of the managers."

On these conditions and considerations Mr. David Parks Fackler bases his suggestion that when a company's assets reach \$500,000,000 its further expansion be restrained. We, however, think the limit should be 250 or 300 millions.

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INVESTMENTS OF LIFE INSURANCE COMPANIES.—The funds accumulated by life insurance companies are of a wholly different character to those under

the control of any other class of business. The guiding principle of their investment ought to be in harmony with the object for which these funds have been and are continuing to be contributed. The payments made by a policy-holder to a life insurance company are intended to provide a certain sum on his decease for those who inherit his estate, ordinarily to make some provision for his bereaved family. In other cases the payments are for the purpose of securing payment of a certain sum during his life time, after the lapse of a term of years.

It is impossible to conceive of any funds being more sacred than those which are accumulated for the purposes contemplated by holders of life insurance policies, they are trust funds in the most emphatic and sacred sense. These funds are not drawn out and paid in like those in a savings bank, they are usually held for the whole life time of the policy-holder. It is evident, therefore, from the very nature and purposes of such trust funds, that the investments in which they are placed should be of a permanent character and not be subject to the depreciations and risks and uncertainties of such investments as are of a more or less temporary nature.

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THERE IS TOO MUCH REASON TO FEAR that some life insurance companies do not sufficiently realize the conditions under which they hold their funds, nor adequately recognize the purposes for which they are primarily entrusted to them. Hence they are prone to sacrifice the essential feature of permanence in the investments they make under the temptation to obtain some temporary advantage from securities of a less permanent character.

* * * *

TRADE AND FOREIGN INVESTMENTS OBJECTIONABLE.—It is too obvious to need argument that the funds of a life insurance company should never be so invested as to be subject to the fluctuations of trade. By acquiring the securities of a mercantile enterprise the company becomes, practically, a partner in the business, with all the chances of such a connection. The imprudence of such investments of trust funds led to their being forbidden in the old land.

Investments of life insurance funds in the securities of foreign enterprises are especially objectionable. They are essentially speculative, as their absolute value depends upon imperfectly known and some unknown conditions, conditions which are certain to vary from year to year involving risks to the annual revenue and to the principal. The chance of high interest returns is attractive to imprudent, inexperienced investors, who, in time, will realize that the soundness of a security, as a rule, is in inverse ratio to the interest rate it yields, or promises to return.

GREATER MONTREAL.—Now that the municipalities on the borders of this city are moving towards annexation the time is opportune for considering a scheme looking to the embracement of the entire Island of Montreal in one municipality. Precedents for and examples of such an extensive area, forming one municipality, comprising a city, its immediate suburbs, a number of rural settlements, and farm lands are to be found in Great Britain.

The farm lands could be equitably dealt with so as not to burden the proprietors with city taxes, unless any portions of farm lands were laid out into building lots and provided with city conveniences.

Such a scheme might be arranged without doing any injustice to suburban property owners, and it would enable this city to expand without being continually hampered by the necessity of re-arranging its boundaries, while all the scattered communities would have the inestimable advantage of being an integral portion of a great municipality with all its privileges, its prestige and its opportunities.

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MOUNT ROYAL PARK.—The question of providing a "Look-out" has again been raised, and a design has been submitted to the civic authorities. The plan embraces a two-storey pavilion, a restaurant, and a parterre. The cost to be \$15,000. Any structure erected on the Mountain should be in harmony with the site. The less obtrusive it is—the better and the less it is suggestive of a cheap hotel—better still.

All that is needed is a fenced platform, under cover, with a driving shed for carriages. Visitors go to the "Look-out" to enjoy the magnificent view, they have no use for a restaurant, and, in all likelihood, such an establishment would degenerate into a nuisance and a reproach to the city. More money might wisely be expended on putting the Park roads in first-class condition, and one or two shelters from rain would be highly appreciated by the families who resort to the lower slopes of Mount Royal Park to enjoy and benefit from the fresh air that makes the locality a veritable sanitarium, such as very few cities possess.

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THE MAYORALTY.—Candidates for the office of mayor of this city have been already named by the daily papers. It is stated that the present incumbent of the office, Mayor Laporte, will not offer for re-election. He has been a good mayor, and by taking this stand will be all the more appreciated. The unwritten law by which the mayor is alternately chosen from the English speaking and the French Canadian sections ought to be strictly observed. While some citizens may give their sanction to a mayor having more than one term, a large section on both sides feel that the rule should be observed.

It is also considered that when there are aldermen who are competent and suitable for the office they should have the preference.

It will take nearly a year for an outsider to gain such a knowledge of routine and details of civic business as will enable him to give efficient service to the city.

Moreover, the fact that an alderman is considered to have the first claim on the mayoralty will be an encouragement to the better class of our citizens to serve on the City Council.

We earnestly hope the time will never come when religion or politics will be a serious element in a contest for this dignity.

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MAYORALTY CANDIDATES.—We learn that Alderman Sadler has decided not to be a candidate for the mayor's chair. We also understand that a petition will be presented to Alderman Ekers who comes next in seniority as a member of the City Council asking him to become a candidate. Alderman Ekers has always attended to his civic duties and been zealous for the interests of the city.

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TO KEEP SIDEWALKS CLEAR OF SNOW it is suggested that the work be undertaken by the Corporation, and the cost thereof be levied upon the occupants of premises fronting the street. This proposal is well worthy of being favourably considered by our civic authorities.

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A SPECIAL LOAN for cost of putting and keeping the streets in proper order is also entitled to consideration. The consolidated debt limit ought not to be enlarged, but a temporary loan spread over a number of years repayable by a special tax would probably be desirable. We should like to see alderman going to Quebec to secure power to levy an additional $\frac{1}{4}$ of 1 p.c. which would prove sufficient for all administrative purposes. Small, petty taxes are very aggravating and their revenue is small. A real estate tax is bound to come in time and it is wanted now.

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SUPPLY OF LIGHT, HEAT AND POWER.—In regard to the question involved in the future supply of light, heat and power to this city by gas and electricity our suggestions are, that a franchise over a moderate term of years be granted the company, which, in return, should be required to pay the city a percentage of its profits, after providing for fixed charges, a sinking fund, and a dividend to shareholders of 5 per cent.

The city's share of profits might pass into the general civic revenue, or be used by special arrangement with the company, towards reducing the price of light, heat and power. The city should be re-

presented on the company's Board of Directors, and a certain amount of stock might be secured in order to acquire the rights of a shareholder. It would be necessary to employ an outside independent expert auditor to ascertain the amount of the profits.

This suggestion has been freely discussed in various circles and we believe it contains the elements out of which a solution of this vexed question can be arrived at.

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THE ANNUAL MEETING OF THE LAKE OF THE WOODS MILLING COMPANY will be held on Wednesday next, the 4th October, when it is understood that a satisfactory statement will be presented, and that after paying a dividend of 3 p.c., which with the 3 p.c. already paid last July, places the stock for the year on a 6 p.c. basis, as well as the 1 p.c. on account of the previous broken period. That is to say, after paying the shareholders 4 p.c. on the 2nd October, a surplus will be carried forward. The anonymous circular fiend has been endeavouring to impair the stock, but investors generally take no notice whatever of unauthorized and anonymous circulars. The waste paper basket is the proper place for them. From all we can gather the affairs of the company are in good shape, and its future prospects excellent. It is controlled at the present time by directors who are well known and capable business men, and we venture to assert that there are few in the Dominion who know more about the wheat and flour business than Mr. Robert Meighen, the president of the company.

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PROVINCE OF QUEBEC STAMP TAX.—The manner in which this tax is hindering and hampering Stock Exchange transactions is becoming more apparent and vexatious every day. In our opinion, when business becomes active, it will simply become unworkable. Week after week we have referred to various phases in connection with it, and urged upon the members of the Stock Exchange the desirability of making representation to the Provincial Treasurer and the Cabinet of the injury that it is doing, and which it is sure in the future to do in a more aggravated form, to the Stock Exchange business in this province. From a financial standpoint the tax is against the best interests of the province. It will check the expansion of Montreal as a financial centre. Outsiders will naturally hesitate about purchasing Province of Quebec securities with the question of this Stamp Tax hanging over them, and will certainly avoid transacting their business in Montreal. In other words, it will drive capital away from Montreal, and there is no reasonable amount of money that would pay, from a public standpoint, for this being done. It is easy to drive business away, but a much slower process to recall it again. This is apart altogether from any legal aspect, and the writer is quite satisfied that if united

representations were made by the members of the Stock Exchange to the powers that be, they would immediately grant them relief. It is difficult to believe that they realize the situation. Another phase of it is, why, in all fairness, should a Stock broker be discriminated against? All those transacting a legitimate business of that description pay the taxes imposed upon them, both civic and provincial, and they assist, more than any other class in the community, in bringing money into circulation in the province. This Tax Act is against public policy, and to an outsider it is difficult to understand why it is that the Stock Exchange does not take some united action in connection therewith. If a tax is to be imposed on the brokers for any reason, then let it be of a nature that will not ruin their business, and at the same time injure the financial standing of the city and province. There are hundreds of brokers coming in from across the border, selling their securities here, who do not pay one cent of taxation of any description, and we venture to say that these strangers sell far more securities in this city than those residents who are engaged in the business here.

PROSPECTUS OF A NEW FIRE OFFICE.—Our attention has been called to the prospectus of a new fire insurance company, in which the following statement appears under the caption of "Profits of Fire Assurance Companies":

"The average dividend paid by thirty-two British Joint Stock Fire Assurance Companies for the current financial year, corrected down to September 1, 1905, exceeded 30 p.c. per annum, and the average dividends for ten years ending December 31, 1904, paid by 136 Joint Stock Fire Assurance Companies of the United States, as compiled from official reports, has exceeded 13¼ p.c. per annum. Statistics compiled by the superintendent of insurance covering a period of thirty years, from 1875 to 1904 inclusive, show that the dividends paid by Canadian Fire Assurance Companies amounted to \$4,460,885.25, and when it is remembered that the rates for fire assurance are to-day practically 50 per cent. to 100 p.c. in excess of the rates charged during the period covered by the insurance department, it will be readily seen that the business is now fixed upon a substantial basis and the profitableness of the future is unquestionably assured."

If our readers will refer to the last issue of THE CHRONICLE, they will find a statement therein taken from the Government Blue Books which shows that during the past thirty-six years the Canadian fire offices paid in losses 69.39 p.c. of the premiums. And if to this be added expenses of 33½ p.c., it will show that for every \$100 received the Canadian companies paid out in losses and expenses, on an average, over \$102. We should be glad to see another strong Canadian fire office in the field, but it is as well that the condition of the fire business for the past thirty-six years should be known. The Canadian experience of British companies does not materially differ, for their average loss ratio was 69.73, while that of the American companies was 69.32, to which has to be added an expense ratio of say 35 p.c. Our readers will readily understand that the dividends paid by the British offices were not earned in the Canadian field, but, to a large extent, were derived from the revenue from investments.

QUERIES' COLUMN.

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

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

1480.—A. C. B., Quebec.—Baltimore & Ohio Railway common is now on a 5 p.c. basis. The last dividend was paid on 1st September, at 2½ p.c. for the half-year. The outstanding common stock is \$124,272,060.

1482.—B. D. T., Wingham.—The stock is quite inactive and subject to decided fluctuations in price. It is quite possible that your broker would have to accept a point below your figure to carry out your stop order.

1483.—G. O'B., Stratford.—Mexican Central Railway earnings for the year ended 30th June last, were \$4,118,173 net as compared with net earnings of \$4,178,452 for the 18 months ending 30th June, 1904. The stock is speculative, but for a long hold should prove fairly profitable.

PERSONALS.

MR. P. H. SIMS, secretary of the British America Assurance Co., Toronto, who has just returned from a visit to the West, speaks in enthusiastic terms of the progress in that portion of the Dominion. He states that it makes a person very optimistic, and the benefits which will be derived from the large wheat crop, which is now practically secured, will be felt in all parts of Canada. He goes on to say that it is indeed wonderful and must be seen to be fully realized. There can be no question at all as to the great future of Manitoba and the Northwest. In fact, the only trouble will be that it is liable to get ahead too fast for us, and, so to speak, run away with us.

MR. W. O. NARES, of the firm of Nares, Robinson and Block, Winnipeg, general agents of the Employers' Liability Assurance Corporation, spent a few days in Montreal this week. He reports business in the Northwest as being in a flourishing condition.

MR. C. W. I. WOODLAND, of Toronto, joint manager of the Employers' Liability Assurance Corporation, was in Montreal this week visiting his colleague, Mr. Richard I. Griffin.

LORD CLAUD HAMILTON and several of the other directors of the Employers' Liability, who are on this side of the water, will be present on the occasion of the opening of the company's building in Boston.

MR. S. STANLEY BROWN, general manager and secretary of the Employers' Liability Assurance Corporation, London, England, spent a couple of days in Montreal this week, and left on the 26th inst. to be present at the opening of the Corporation's new office building in Boston, which has just been completed, which is one of the handsomest and most imposing structures in that city. While in Montreal Mr. Brown expressed great satisfaction at the progress made in the business of the Canadian branch.

Mr. L. GOLDMAN, managing director North American Life Assurance Company, passed through Montreal this week, en route to the Lower Provinces. He states that the business of the Montreal branch under the management of Mr. Simpson shows a large increase over last year.

Notes and Items.

AT HOME AND ABROAD.

MONTREAL CLEARING HOUSE.—Total for week ending September 28, 1905—Clearings, \$25,065,041; corresponding week 1904, \$21,118,916; 1903, \$20,097,708.

THE NATIONAL LIFE ASSURANCE CO. is now occupying its handsome offices in the company's new building, at corner of Toronto and Adelaide Streets, Toronto.

THE SOVEREIGN BANK OF CANADA has opened a branch at Thorndale, Ont. Mr. G. J. Lackner, formerly of the Toronto branch, will have charge of the office, and will be assisted by Mr. W. A. Fisher of the Exeter branch.

THE LIGHTNING ROD PROTECTS.—There is abundant evidence that a proper rod gives perfect protection against the lightning play in the average electrical storm. The Washington Monument was repeatedly struck and injured until it was given a rod. It has been struck repeatedly since without damage.

A committee of the National Fire Protection Association, headed by Mr. W. S. Lemon, has devoted more than two years to the consideration of specifications for a standard rod.

The items referring to lightning have been furnished by Mr. Hy. D. Davis, State Fire Marshall, Ohio.

STOCK EXCHANGE NOTES.

Wednesday, p.m., September 27, 1905.

The market broadened considerably during the last few days and to-day became quite active under the leadership of the Dominion Iron securities and Montreal Power. Toronto Railway, which has been inactive though steady for some months past, also came into prominence. The interest which has recently been centered in C. P. R. shows signs of extending to local securities, and the outlook for some upward movement in these stocks, which have been so long inactive, is promising. It is reported that the earnings of the Dominion Iron & Steel Company are improving. The company has just closed a contract for a large quantity of rails with the Grand Trunk Railway. It is reported that a mutually satisfactory arrangement is being made by this Company with the other rail producing concerns in Canada that will prevent any undue or unwise competition between them.

The fear of stringency in the money market and higher rates, owing to the usual drain to the interior at this season of the year, is commencing to lose its force. Monetary conditions are aided by a considerable inflow of gold to this side, and well-informed bankers do not anticipate any undue tightness this fall, although from time to time there may be temporary flurries in rates. If the money market continues satisfactory, stock prices will

certainly merit an advance, as the conditions of the country generally, in view of the large crops and other satisfactory factors, are flourishing.

The demand for Montreal Cotton stock continues, and under the impetus of the demand, the price of the security has advanced considerably. The stock seems to be closely held with little coming out even at the increased quotation.

Call money in Montreal remains unchanged, the bank rate continuing at 4½ p.c. In New York to-day the rate for call money was higher at 4¼ p.c., while in London loans on call were made at 3 p.c. The Bank of England rate has been advanced to 4 p.c., which was expected last week.

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

	Market.	Bank.
Paris.....	2 1-16	3
Berlin.....	3½	4
Amsterdam.....	2½	2½
Brussels.....	2½	3
Vienna.....	3½	3½

C. P. R., while not prominent in this week's market, has continued fairly firm, and closed with 174 bid, a net reaction of 1½ points for the week, and 1,212 shares were dealt in. The earnings for the third week of September show an increase of \$138,000.

The Grand Trunk Railway Company's earnings for the third week of September show an increase of \$38,956. The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day
First Preference.....	115	115
Second Preference.....	106½	106½
Third Preference.....	61	62

Montreal Street continues firm though inactive and sold up to 226¼ to-day, closing with 226 bid, but only 211 shares were dealt in during the week. It seems probable that this stock will, in the course of a short time, become more prominent and if buying develops, it will almost surely advance in price. The earnings for the week ending 23rd inst. show an increase of \$7,184.04, as follows:—

		Increase
Sunday.....	\$6,062.23	\$*151.28
Monday.....	8,151.17	515.85
Tuesday.....	8,383.49	1,554.47
Wednesday.....	7,923.66	893.69
Thursday.....	8,427.54	1,347.48
Friday.....	8,060.88	975.47
Saturday.....	9,124.08	2,048.36

Toronto Railway made a good gain and sold up to 108, closing with 107½ bid, a net advance of 3 full points for the week. There does not seem to be very much of the stock pressing for sale, and even on this decided advance only 1,066 shares came out. The earnings continue large, those for the week ending 26th inst. showing an increase of \$8,013.12 as follows:—

		Increase.
Sunday.....	\$3,621.47	\$* 408.23
Monday.....	8,413.27	1,406.05
Tuesday.....	8,264.32	1,524.34
Wednesday.....	8,053.08	1,414.76
Thursday.....	7,928.89	1,237.61
Friday.....	8,087.66	1,235.54
Saturday.....	10,064.36	1,603.05

* Decrease.

Twin City closed with 117½ bid, a gain of ½ point on quotation for the week, and 957 shares were dealt in. The earnings for the second week of September show an increase of \$31,020.65.

Detroit Railway has recovered and sold up to 94 $\frac{3}{8}$, closing with 94 $\frac{1}{4}$ bid, a net gain of 1 full point for the week. It was the most active traction in this week's market and 2,165 shares changed hands. The earnings for the second week of September show an increase of \$20,779.

Halifax Tram on sales of 93 shares closed with 106 $\frac{3}{4}$ X. D. bid, equivalent to a gain of $\frac{1}{4}$ point over last week's closing quotation of 108. The dividend of 1 $\frac{1}{2}$ p.c. will be payable on 2nd October.

Toledo Railway was traded in to the extent of 145 shares, and closed with 34 $\frac{3}{8}$ bid, a gain of $\frac{3}{8}$ of a point on quotation for the week.

Havana Common was traded in to the extent of 100 shares, the sale being made at 23 $\frac{1}{2}$. The Preferred stock closed offered at 73 with no bid, and 195 shares were dealt in during the week.

Mackay Common has made a decided advance, and on sales of 1,600 shares for the week shows a gain of 3 $\frac{3}{8}$ points, closing with 44 $\frac{3}{8}$ bid. The Preferred sold up to 75, and closed with 74 bid, and 250 shares changed hands during the week.

R. & O. shows a gain of $\frac{1}{4}$ point on quotation, closing with 75 bid, and 75 shares were dealt in.

Montreal Power came into decided prominence, and sold up to 93 $\frac{1}{2}$, closing with 93 $\frac{1}{2}$ bid, a net gain of two full points for the week and 2,204 shares were dealt in.

Dominion Iron Common, which declined to 20 $\frac{1}{4}$, has made a good recovery, and closed with 23 $\frac{1}{4}$ bid, a gain of 3 points from the lowest of this week and of 2 $\frac{1}{4}$ points over last week's close. Most of the trading was done today. The stock opened at 21 $\frac{1}{4}$ and advanced two full points on sales of over 2,000 shares. The business of the week totalled 2,745 shares. The Preferred stock, which has also been weak, improved and recovered to 72, closing with 71 $\frac{3}{4}$ bid, a gain of 2 $\frac{3}{4}$ points over last week's close. This improvement was made on sales of 302 shares. The bonds advanced to 85, and closed with 84 $\frac{1}{2}$ bid, a gain of $\frac{5}{8}$ of a point on sales of \$33,000.

There were no sales in Dominion Coal Common, and the quotation is unchanged at 77 bid. The Preferred stock was dealt in to the extent of 15 shares, the sales being made at 114 $\frac{1}{2}$ and 115. There were no transactions in the bonds.

Nova Scotia Steel Common closed with 64 $\frac{7}{8}$ bid, a fractional decline of $\frac{1}{8}$ point for the week, and 225 shares changed hands. There were no sales in the Preferred stock nor in the bonds.

Montreal Cotton has made a good advance and sold up to 125, closing with 124 $\frac{1}{2}$ bid, a gain of 5 $\frac{1}{2}$ points over last week's closing quotation, and 725 shares were dealt in during the week.

There was only one sale of Lake of the Woods Common this week, 25 shares changing hands at 97 $\frac{3}{4}$ X. D. A dividend of 74 per cent. will be payable on 3rd October. The closing quotation was 96 X. D. bid, unchanged from a week ago. The transactions in the Preferred stock totalled 100 shares, and the closing bid was 112 $\frac{5}{8}$, a nominal gain of $\frac{5}{8}$ of a point on quotation for the week. There was one transaction in the bonds, \$1,000 changing hands at 112 and they closed offered at 112 with 111 bid.

Call money in Montreal.....	Per cent.
Call money in New York.....	4 $\frac{1}{2}$
Call money in London.....	3
Bank of England rate.....	4
Consols.....	89 $\frac{1}{2}$
Demand Sterling.....	95-16
60 days' Sight Sterling.....	84

* * * *

Thursday, p.m., September 28, 1905.

Dominion Iron Preferred continued to advance to-day, and after opening at 72, sold up to 74, reacting again to 73 $\frac{1}{4}$ on sales of over 750 shares. The Common stock opened strong at 24, at which price some 450 shares were dealt in. The stock later reacted to 23 and closed with 23 $\frac{1}{4}$ bid. Montreal Power continued its advance, and most of the day's sales were made at 94, but in the afternoon it reacted to 93 $\frac{1}{2}$, and closed with 93 bid. Mackay Common was also firmer, selling at 45 in the early trading and closing with 44 $\frac{3}{8}$ bid. A complete list of the day's transactions will be found below.

* * * *

MONTREAL STOCK EXCHANGE SALES

THURSDAY, SEPTEMBER 28, 1905.

MORNING BOARD.

No. of Shares.	Price	No. of Shares.	Price
100 C.P.R.....	174 $\frac{1}{2}$	\$1,500 Textile B'ds. (C)	89 $\frac{1}{2}$
115 Street.....	226 $\frac{1}{2}$	\$1,000 " (C)	90
54 ".....	226	450 Iron Com.....	23
25 R & O.....	75 $\frac{1}{2}$	25 ".....	23 $\frac{1}{2}$
25 ".....	75	150 ".....	23 $\frac{1}{2}$
25 Toronto Ry.....	107	175 ".....	23 $\frac{1}{2}$
75 Detroit Ry.....	94 $\frac{1}{2}$	100 ".....	23 $\frac{1}{2}$
50 ".....	94 $\frac{1}{2}$	25 ".....	23 $\frac{1}{2}$
25 Toledo.....	34 $\frac{3}{8}$	100 ".....	23 $\frac{1}{2}$
500 Power.....	94	175 ".....	23 $\frac{1}{2}$
25 Coal Com.....	78 $\frac{1}{2}$	125 ".....	23 $\frac{1}{2}$
375 Mackay Com.....	45	100 ".....	23 $\frac{1}{2}$
25 ".....	44 $\frac{3}{8}$	5 ".....	23 $\frac{1}{2}$
50 ".....	44 $\frac{3}{8}$	725 ".....	23 $\frac{1}{2}$
31 Montreal Cotton.....	124 $\frac{1}{2}$	25 ".....	23
45 ".....	125	50 ".....	23 $\frac{1}{2}$
1 Ogilvie Pfd.....	130	1 Iron Pfd.....	70
25 Textile Pfd.....	96 $\frac{1}{2}$	225 ".....	72
25 Scotia Com.....	65 $\frac{1}{2}$	25 ".....	72 $\frac{1}{2}$
75 ".....	65 $\frac{1}{2}$	125 ".....	72 $\frac{1}{2}$
7 " Pfd.....	110	15 ".....	72
1 Coal Pfd.....	115 $\frac{1}{2}$	75 ".....	72 $\frac{1}{2}$
9 Mont. Telegraph.....	167	75 ".....	73
15 ".....	166	25 ".....	73 $\frac{1}{2}$
2 Bank of Montreal.....	256	50 ".....	74
19 Merchants Bank.....	163	\$7,000 Iron Bonds.....	85
25 Lk. of Woods Pfd.....	113 $\frac{1}{2}$	\$2,000 ".....	84 $\frac{1}{2}$

AFTERNOON BOARD.

150 Iron Com.....	23 $\frac{1}{2}$	75 Power.....	93 $\frac{1}{2}$
25 ".....	23 $\frac{1}{2}$	50 Scotia Com.....	65 $\frac{1}{2}$
10 " Pfd.....	74	25 Mackay Com.....	44 $\frac{3}{8}$
50 ".....	73 $\frac{1}{2}$	25 ".....	44 $\frac{3}{8}$
\$6,000 Iron Bds.....	84 $\frac{1}{2}$	25 Tram.....	107 $\frac{1}{2}$
50 Mont. Street.....	226	\$2,000 Textile B'ds.....	91(B)
75 Power.....	93 $\frac{1}{2}$	25 Montreal Cotton.....	125
75 ".....	93 $\frac{1}{2}$		

WANTED

The General Agency in Alberta or Saskatchewan, for a first-class Fire Insurance Company, by one having twenty-three years' experience in town and country business. Good references.

Address: "J. W." c/o THE CHRONICLE, P. O. Box 578, Montreal.

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

GRAND TRUNK RAILWAY.

Year to date.	1903.	1904.	1905.	Increase.
Aug. 31.....	\$23,146,621	\$21,631,375	\$22,744,413	1,113,038
Week ending.	1903.	1904.	1905.	Increase
Sept. 7.....	787,031	739,837	814,313	74,476
14.....	763,984	724,700	795,918	71,918
21.....	735,730	742,985	781,941	38,956

CANADIAN PACIFIC RAILWAY

Year to date.	1903.	1904.	1905.	Increase
Aug. 31.....	\$29,165,000	\$30,083,000	\$32,395,000	\$2,312,000

GROSS TRAFFIC EARNINGS

Week ending	1903.	1904.	1905.	Increase
Sept. 7.....	895,000	990,000	1,056,000	66,000
14.....	870,000	933,000	1,045,000	112,000
21.....	888,000	971,000	1,109,000	138,000

NET TRAFFIC EARNINGS.

Month.	1903.	1904.	1905.	Inc.
January.....	\$916,771	\$357,652	\$422,668	\$65,010
February.....	742,741	82,541	302,171	219,606
March.....	1,258,564	850,854	1,182,827	331,973
April.....	1,493,173	412,533	531,806	119,273
May.....	1,383,357	1,391,565	1,387,935	3,630
June.....	1,246,055	1,449,911	.....	.....
July.....	1,318,527	1,449,652	1,637,778	188,126
August.....	1,434,102	1,527,930	.....	.....
September.....	1,202,266	1,268,808	.....	.....
October.....	1,654,027	1,566,114	.....	.....
November.....	1,477,981	1,669,575	.....	.....
December.....	1,581,145	1,662,669	.....	.....
Total.....	15,708,709	13,689,804	.....	.....

CANADIAN NORTHERN RAILWAY.

GROSS TRAFFIC EARNINGS.

July 1st, 1903 to	July 1st, 1904 to	Increase	
June 30, 1904	June 30, 1905		
\$3,124,800	\$3,871,800	\$747,000	
Week ending.	1904.	1905.	Increase
Sept. 7.....	62,600	73,400	10,800
14.....	63,400	78,200	14,800
21.....	65,600	88,700	23,100

DULUTH, SOUTH SHORE & ATLANTIC.

Week ending.	1903.	1904.	1905.	Increase
Sept. 7.....	\$56,562	\$52,243	\$57,403	\$5,16
14.....	54,712	52,897	62,447	9,55

MONTREAL STREET RAILWAY.

Month.	1903.	1904.	1905.	Increase
January...	\$ 168,883	\$ 182,386	\$ 201,096	18,710
February..	130,065	167,023	184,132	17,100
March....	168,987	183,689	206,725	23,036
April.....	170,050	184,905	200,910	16,005
May.....	170,773*	217,341	232,999	15, 68
June.....	205,454	229,565	244,436	14,871
July.....	212,337	223,137	254,697	30,960
August...	208,586	226,764	257,403	30,699
September.	212,156	216,295	.....	.....
October...	204,452	219,633	.....	.....
November..	187,930	201,147	.....	.....
December..	187,780	208,428	.....	.....
Week ending.	1903.	1904.	1905.	Increase
Sept. 7.....	51,470	51,388	56,247	4,869
14.....	50,208	50,799	59,288	8,489
21.....	49,784	50,684	55,602	5,218

TORONTO STREET RAILWAY.

Month.	1903.	1904.	1905.	Increase
January...	\$ 161,938	\$ 179,360	\$ 166,970	\$17,61
February..	146,539	168,904	185,377	16,47
March....	159,943	183,643	207,014	23,37*

TORONTO STREET RAILWAY.

Month	1903.	1904.	1905.	Increase
April.....	\$162,276	183,763	\$201,317	\$17,554
May.....	174,519	198,337	225,768	27,431
June....	177,593	207,482	231,140	23,658
July.....	192,629	211,356	238,895	27,539
August...	185,822	217,887	250,880	32,943
September.	237,010	246,862	.....	.....
October...	183,810	202,344	.....	.....
November..	174,039	198,150	.....	.....
December..	199,115	213,662	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Sept. 7.....	68,699	71,352	91,438	20,086
14.....	71,698	68,308	66,100	Dec. 2,708
21.....	43,581	46,783	54,252	7,469

TWIN CITY RAPID TRANSIT COMPANY.

Month.	1903.	1904.	1905.	Inc *
January ..	\$310,084	\$329,354	\$349,469	20,111
February .	280,947	310,180	319,811	9,634
March.....	317,839	338,580	359,884	21,304
April.....	315,465	332,615	352,729	20,114
May.....	337,699	358,344	387,645	29,301
June.....	346,018	365,897	389,120	23,229
July.....	362,702	381,224	432,239	49,015
August...	363,579	386,620	420,231	33,602
September.	370,349	371,476	.....	.....
October...	346,673	365,932	.....	.....
November..	333,424	352,433	.....	.....
December..	357,452	374,738	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Sept. 7.....	116,404	109,123	125,937	16,814
14.....	76,300	81,552	112,572	31,020

HALIFAX ELECTRIC TRAMWAY CO., LTD.

Railway Receipts.

Month.	1903.	1904.	1905.	Inc.
January..	\$10,867	10,677	\$10,256	Dec. 421
February.	9,322	9,894	7,186	" 2,705
March...	10,195	11,152	9,322	" 1,830
April.....	10,533	11,145	10,516	" 629
May.....	10,768	12,074	.....	.....
June.....	11,844	14,051	12,796	" 1,255
July.....	15,942	17,528	17,284	" 244
August...	16,786	17,402	17,754	" 352
September.	18,494	17,862	.....	.....
October...	12,055	12,434	.....	.....
November	11,220	11,085	.....	.....
December	12,160	12,163	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Sept. 7.....	3,706	\$3,913	\$3,619	Dec. 294
14.....	5,915	6,595*	4,113	" 2,482
21.....	4,825	3,647	6,624*	2,977

Lighting Receipts.

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

DETROIT UNITED RAILWAY.

Week ending	1904	1905.	Increase.
Sept. 7.....	\$100,794	111,376	10,582
14.....	98,654	119,433	20,779

HAVANA ELECTRIC RAILWAY CO.

Week ending	1904	1905.	Increase.
Sept. 12.....	†\$35,310	†\$40,395	†\$5,085
19.....	33,489	39,665	6,176

† Spanish Silver.

* Provincial Exhibition.

STOCK LIST

Reported for THE CHRONICLE by R. Wilson-Smith & Co., 160 St. James Street, Montreal.
Corrected to September 27th, 1905, P.M.

BANKS.	Closing Prices or Last sale.		Par value of one share.	Revenue per cent. on investment at present prices.	Capital subscribed	Capital paid up.	Reserve Fund.	Per centage of Res't paid up Capital.p	Dividend for last half year	When Dividend payable.
	Asked.	Bid.								
British North America	243		\$	Per Cent.	\$	\$	\$	\$	Per Cent.	April
Canadian Bank of Commerce	168	50	50	4 16	4,866,666	4,866,666	2,044,000	42.00	3	June
Crown Bank of Canada					9,811,350	9,778,740	3,231,512	40.23	3	November
Dominion					781,300	708,288				December
Eastern Townships					3,000,000	3,000,000	3,500,000	110.66	2 1/2	Jan. April July October
Hamilton					2,500,000	2,500,000	1,500,000	60.00	4	January
Hochelaga	145	142	100		2,436,700	2,385,750	2,355,250	100.00	5	June
Imperial			100	5 00	2,000,000	2,000,000	1,200,000	60.00	3 1/2	December
La Banque Nationale			100		3,616,830	3,460,835	3,460,835	100.00	5	June
Mercantile Bank of P.E.I.			30		1,500,000	1,500,000	500,000	33.33	3	December
Mercantile Bank of Canada			32.44		344,073	344,073	296,000	86.82	4	May
Metropolitan Bank	163 1/2		100	4 29	6,000,000	6,000,000	3,400,000	56.66	3 1/2	January
Montreal, N.D.	210	225	100	4 34	1,000,000	1,000,000	1,000,000	100.00	4	June
Montreal	255		100	5 92	3,000,000	3,000,000	3,000,000	100.00	5	April
New Brunswick			100		14,400,000	14,400,000	10,000,000	71.42	6	June
Nova Scotia			100		500,000	500,000	800,000	160.00	6	January
Ontario	268	263	100		2,337,600	2,318,200	3,749,120	160.00	6	February
Ottawa			100		1,500,000	1,500,000	650,000	43.33	3	June
People's Bank of N. B.			100		2,500,000	2,500,000	2,500,000	100.00	4	June
Provincial Bank of Canada			150		180,000	180,000	175,000	97.22	4	January
Quebec			100		846,587	828,217			1 1/2	July
Royal N.D.			100	5 18	2,500,000	2,200,000		42.50	3 1/2	June
Sovereign Bank	216		100	3 70	3,000,000	3,000,000	3,000,000	100.00	3	February
Standard			50		1,624,330	1,582,626	473,156	32.50	1 1/2	February
St. Stephens			100		1,000,000	1,000,000	1,000,000	100.00	5	June
St. Hyacinthe			100		200,000	200,000	45,000	22.50	2	April
St. Johns			100		504,600	329,818		22.76	3	February
Toronto	250	238 1/2	100	4 00	800,000	297,970	16,000	3.60	3	June
Traders			100		3,485,800	3,086,200	3,386,200	110.00	5	June
Union Bank of Halifax			50	4 79	3,000,000	3,000,000	1,100,000	36.66	3 1/2	June
Union Bank of Canada	146	145	100		1,336,150	1,336,150	970,000	74.17	3 1/2	February
Western			100		2,500,000	2,500,000	1,100,000	40.80	3 1/2	February
			100		551,000	650,000	250,000	45.45	1 1/2	April
MISCELLANEOUS STOCKS.										
Bell Telephone	150	155	100	5 03	7,975,100	7,916,980	135,607	25.53	2 1/2	Jan. April July October
Can. Colored Cotton Mills Co.			100		2,790,000	2,700,000			6	January
Canada General Electric			100		1,475,000	1,475,000	205,000		5	January
Canadian Pacific N.D.	175	174	100	3 42	101,400,000	94,020,000	75,000		3	July
Commercial Cable			100		15,000,000	15,000,000	4,923,122	34.75	1 1/2	April
Detroit Electric St.	94 1/2	94 1/2	100	5 81	12,500,000	12,500,000			1 1/2	Jan. April July October
Dominion Coal Preferred	115		100	6 08	3,000,000	3,000,000			3 1/2	March June Sept. Dec.
do Common	77 1/2	77	100		15,000,000	15,000,000				January
Dominion Textile Co. Com.			100		7,500,000	7,500,000				
do Pfd.	90 1/2	86	100		2,500,000	1,941,000				
Dom. Iron & Steel Com.	23 1/2	23	100		20,000,000	20,000,000				
do Pfd.	72 1/2	71 1/2	100		5,000,000	5,000,000				
Duluth S. S. & Atlantic			100		12,000,000	12,000,000				
do Pfd.			100		10,000,000	10,000,000				
Halifax Tramway Co. N.D.	112	106 1/2	100	4 62	1,850,000	1,260,000			1 1/2	Jan. April July October
Hamilton Electric St. Com.	7 1/2		100		1,700,000	1,700,000			1 1/2	January
do Pfd.			100		2,278,000	2,278,000			2 1/2	January
Intercolonial Coal Co.			100		500,000	500,000	90,474			
do Preferred			100		219,700	219,700		12.06	7 1/2	January
Laurentide Paper Co.	95		100	6 43	1,900,000	1,900,000			3 1/2	February
Laurentide Paper, Pfd.	106		100		1,200,000	1,200,000			3 1/2	August
Lake of the Woods Co. N.D.	98		100	6 12	2,500,000	2,000,000			1 1/2	January
Lake of the Woods Mill Co., Pfd.	111	112 1/2	100	6 08	1,500,000	1,500,000			1 1/2	July
Maremont Wireless Telegraph Co.	45	44 1/2	100	4 76	5,000,000				1 1/2	Feb. May, August Nov.
Mackay Companies Com.	75	74	100	5 33	50,000,000	41,280,400			1	January
do Pfd. N.D.	112		100	2 75	60,000,000	35,968,700			1 1/2	Jan. April July October
Minn. St. Paul & S.S.M.			100		14,000,000	14,000,000			2	January
do Pfd.			100		7,000,000	7,000,000			3 1/2	January
Montreal Cotton Co.	124 1/2		100	5 64	3,000,000	3,000,000			1 1/2	March June Sept. Dec.
Montreal Light, Ht. & Pwr. Co.	94 1/2	93 1/2	100	4 25	17,000,000	17,000,000			1 1/2	Feb. May August Nov.
Montreal Steel Work, Pfd.			100		800,000	80,000			1 1/2	March June Sept. Dec.
do do Com.			100		700,000	400,000			1 1/2	March June Sept. Dec.
Montreal Street Railway	226 1/2	226	50	4 42	7,000,000	7,000,000	698,370	13.31	3 1/2	Feb. May August Nov.
Montreal Telegraph	167 1/2	166	40	4 70	2,000,000	2,000,000			2 1/2	January
National Salt Com.			100		7,000,000	7,000,000			1 1/2	Jan. April July October
do Pfd.			100		5,000,000	5,000,000			1 1/2	June
North-West Land, Com.	370	25			1,487,681	1,487,681				December
do Pfd.			100		3,080,625	3,080,625			6 1/2	March
N. Scotia Steel & Coal Co. Com.	65	64 1/2	100		4,120,000	5,000,000	750,000	15.00	2 1/2	Jan. April July October
do Pfd.			100		1,030,000	1,030,000			2 1/2	Jan. April July October
Optive Flour Mills Co.	130	128 1/2	100	5 38	2,000,000	2,000,000			1 1/2	Jan. April July October
Richelieu & Ont. Nav. Co.	75 1/2	75	100		3,132,000	3,132,000				
St. John Street Railway			100		707,863	707,863	23,101	7.93	3	Mar. June Sept. December
Toledo Ry & Light Co.	34 1/2	34 1/2	100	5 30	12,000,000	12,000,000			1 1/2	May
Toronto Street Railway N.D.	107 1/2	107 1/2	100	4 62	6,500,000	6,500,000	1,454,136	8.10	1 1/2	Jan. April July October
Trinidad Electric Ry			100	4 80	1,200,000	1,032,000			1 1/2	Jan. April July October
Twin City Rapid Transit Co.	118 1/2		100	4 23	16,511,000	16,511,000	2,169,507	14.41	1 1/2	Feb. May August Nov.
do Preferred			100		3,000,000	3,000,000			1 1/2	Dec. March June Sept.
Windsor Hotel			100		80,000	80,000			4	May
Winnipeg Electric Railway Co.	192	190	100	2 60	4,000,000	4,000,000			1 1/2	Jan. April July October

*Quotations. †Returns of per cent. ‡Price per Share § Annual. *These figures are corrected from last Govt. Bank Statement, JULY 31st, 1905.

STOCK LIST - Continued.

BONDS.	Latest quotations.	Rate of Interest per annum	Amount outstanding	When Interest due	Where Interest payable.	Date of Redemption.	REMARKS
Commercial Cable Coupon	96	4	\$18,000,000	1 Jan. 1 Apl.	New York or London.....	1 Jan., 1907.	
Registered	96	4		1 July 1 Oct.			
Can. Colored Cotton Co.	98	8	2,000,000	2 Apl. 2 Oct.	Bank of Montreal, Montreal.....	2 Apl., 1902.	
Canada Paper Co .....	.....	5	200,000	1 May 1 Nov.	Merchants Bank of Can., Montreal	1 May, 1917.	
Call Telephone Co .....	.....	5	2,000,000	1 Apl. 1 Oct.	Bank of Montreal, Montreal.....	1 Apl., 1925.	
Canadian Coal Co	102	8	2,433,000	1 Mch. 1 Sep.	Bank of Montreal, Montreal.....	1 Mch., 1912.	Redeemable at 100
Canadian Cotton Co .....	.....	4 1/2	\$ 200,000	1 Jan. 1 July	.....	.....	Redeemable at 100
Dominion Textile Co	Series A 89 1/2	.....	758,900	.....	.....	.....	Redeemable at 110
do do B 90	.....	6	1,167,000	.....	.....	.....	do 105 after 5 yrs
do do C 89 1/2	.....	6	1,090,000	.....	.....	.....	Redeemable at 105
do do D 92	.....	6	450,000	.....	.....	.....	Redeemable at 105
Dominion Iron & Steel Co.	8 1/2	6	\$ 7,876,000	1 Jan. 1 July	Bank of Montreal, Montreal.....	1 July, 1920.	Redeemable at 110 & accrued interest
.....	.....	5	.....	.....	.....	.....	Redeemable at 102
Halifax Tramway Co .....	.....	5	\$ 600,000	1 Jan. 1 July	Bk. of N. Scotia., Hal. or Montreal	1 Jan., 1916.	
Intercolonial Coal Co	106 1/2	5	344,000	1 Apl. 1 Oct.	.....	1 Apl., 1918.	
Laventide Pulp	108	6	1,112 00	.....	.....	.....
Montmorency Cotton .....	.....	5	1,000 00	.....	.....	.....
Montreal Gas Co .....	.....	4	480,075	1 Jan. 1 July	Company's Office Montreal.....	1 July, 1921.	
Montreal Light, Heat and Power	102 1/2	4 1/2	7,500,000	1 Jan. 1 July	Bank of Montreal, Montreal.....	1 July, 1922.	Redeemable at 100
Montreal Street Ry Co .....	.....	5	292,000	1 Mch. 1 Sep.	Bank of Montreal, London, Eng.	1 Mch., 1908.	after Jan. 1st, 1911
.....	.....	4 1/2	681,333	1 Feb. 1 Aug.	Bank of Montreal, Montreal.....	1 Aug., 1922.	
.....	104	4 1/2	1,500,000	1 May 1 Nov.	Bank of Montreal, Montreal.....	1 May, 1922.	
Nova Scotia Steel & Coal Co	107	6	2,500,000	1 Jan. 1 July	Union Bank, Halifax, or Bank of Nova Scotia, Mont'l or Toronto	1 July, 1921.	
Ogilvie Flour Mill Co	116	6	1,000,000	1 June 1 Dec	Bank of Montreal, Montreal.....	1 June, 1922	Redeemable at 111 after June
Rehells' & Ont. Nav. Co.	103	5	471,580	1 Mch. 1 Sep.	Montreal and London.....	1 Mch., 1915.	Redeemable at 11
Royal Electric Co .....	.....	4 1/2	\$ 180,000	1 Apl. 1 Oct.	Bk. of Montreal, Mont'l or London	Oct., 1914	Redeemable at 11
St. John's Railway .....	.....	5	\$ 675,000	1 May 1 Nov.	Bank of Montreal, St. John, N.B.	1 May, 1926.	5 p.c. redeemable
Tramway .....	.....	4 1/2	840,000	1 Jan. 1 July	Bank of Montreal, Montreal.....	1 July, 1914.	yearly after 100
.....	106 1/2	4 1/2	2,500,000	28 Feb. 31 Aug.	Bank of Scotland, London.....	31 Aug., 1921.	
Windsor Hotel .....	.....	4 1/2	340,000	1 Jan. 1 July	Windsor Hotel, Montreal.....	2 July, 1912.	
Windsor Elec. Street Railway	107	5	3,000,000	1 Jan. 1 July	Bank of Montreal, Montreal.....	1 Jan., 1927.	
Windsor Ry. & Light Co .....	.....	5	700,000	1 Jan. 1 July	.....	1 July, 1912.	
.....	.....	5	5,185,000	1 Jan. 1 July	.....	1 July, 1909.	
.....	.....	5	4,000,000	1 Jan. 1 July	.....	1 July, 1909.	

[FIRE]

German American
Insurance Company
New York

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

AGENCIES THROUGHOUT CANADA.

REPORT OF THE DIRECTORS OF
THE BANK OF BRITISH NORTH AMERICA,
TO THE PROPRIETORS.

The Court of Directors submits the accompanying Balance Sheet to the 30th June last.

The Profits for the half-year, including £6,590 9s. 7d. brought forward from last account, amount to £40,613 18s. 0d., out of which the Directors have now to report the declaration of an Interim Dividend of 30s. per Share, payable free of Income Tax, on the 6th October next, being at the rate of 6 per cent. per annum, leaving a balance of £9,505 0s. 5d. to be carried forward.

The Dividend Warrants will be remitted to the Proprietors on the 5th October next.

The following appropriations from the Profit and Loss Account have been made for the benefit of the staff, viz:

To the Officers' Widows' and Orphans' Fund	£513 14s. 0d.
To the Officers' Pension Fund	£595 3s. 7d.

Since the last report a Branch has been opened at Hedley, British Columbia.

And since the end of the half-year Branches have been opened at Belmont, Manitoba; Oak River, Manitoba; and a Sub-Branch at Hamilton, Ont., Victoria Avenue.

London, 5th September, 1905.

BALANCE SHEET, 30th JUNE, 1905

DEBIT.	CREDIT.
To Capital	By Cash and Specie at Bankers
20,000 shares of \$50 each fully paid.	and in Hand.
\$ 4,866,666.66	\$4,339,514.33
To Reserve Fund	By cash at Call and Short Notice 7,579,499.92
2,044,000.00	\$11,919,014.25
To Deposits and Current Accounts	By Investments—
18,202,135.11	Consols, £253,000 at
To Notes in Circulation	86.
2,721,830.31	\$1,058,889.33
To Bills Payable and other Liabilities, including Provision for Contingencies	National War Loan—
15,740,761.94	£50,000 at 90
To Rebate Account	219,000.00
To Liabilities on Endorsements	\$1,277,889.33
To profit and Loss Account—	Dominion of Canada Bonds, £140-
Balance brought forward from 31st December, 1904	000 at 97.
\$178,073.66	660,893.33
Dividend paid April, 1905	Other Securities
146,000.00	753,150.84
\$ 32,073.66	\$ 2,691,933.50
Net profit for the half-year ending this date, after deducting all current charges, and providing for bad and doubtful debts	By Bills Receivable, Loans on Security and Other Accounts
\$165,580.64	28,216,441.82
\$197,654.30	By Bank Premises, etc., in London, and at the Branches
Deduct:	885,104.11
Transferred to Officers', Widows' and Orphans' Fund	By Deposit with Dominion Government required by Act of Parliament for Security of General Bank Note Circulation.
\$2,500.00	155,175.40
Transferred to Officers' Pension Fund	
2,896.53	
\$ 5,396.53	
Balance available for October Dividend.	
\$ 192,257.77	
\$43,867,669.12	\$43,867,669.12

NOTE.—The latest monthly Return received from Dawson is that of the 31st May, 1906, and the figures of that Return are introduced into this Account. The balance of the transactions for June with that Branch has been carried to a suspense account, pending the receipt of the June accounts.

We have examined the above Balance Sheet with the books in London, and the Certified Returns from the Branches, and find it to present a true statement of the Bank's affairs.

LONDON, 24th August, 1905.

EDWIN WATERHOUSE, Of the Firm of
 G. SNEATH, Price, Waterhouse & Co.,
 Auditors, Chartered Accountants.