

# Monetary Times

## Trade Review and Insurance Chronicle of Canada

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### CANADA'S RAILROAD PROBLEM

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# Monetary Times

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JAS. J. SALMOND  
Managing Director

FRED. W. FIELD  
Editor

A. E. JENNINGS  
Advertising Manager

## Life Insurance in "Old Line" Companies

*It is Far Cheaper Than That Sold by Assessment Societies, and Carries Many Options, Such as Cash and Loan Values and Paid-up Policy, Not Otherwise Obtainable—The Two Systems Compared.*

By W. H. ORR.

**W**HEN a man gets his life insured, whether on the assessment system, in a fraternal society, or in an old line company, there is immense profit to his family in case his death occurs after the payment of only one or two years' premiums or assessments. It is not so well understood that in the case of a long life, after becoming insured, there is a great difference in cost between the assessment and the straight life plan. By the latter plan, there is a small sum laid aside at compound interest, out of every premium collected, which is technically called the "reserve." No company is allowed to continue to collect premiums in any state or province or country, nowadays, unless it does, in that manner, make full provision, as it goes along, for paying for the "last man" as well as for the first man, the full amount agreed upon in the policy.

About forty years ago there came into prominence in London, Ontario, a certain M.D. of Indian birth, named Oronhyatekha, who belonged to an American society of Foresters, which offered very cheap life insurance to its members. The doctor was not satisfied that the society was giving as cheap life insurance as it might do. In course of time, he persuaded the Canadian membership, to a large extent, to leave the United Foresters and join him in a secession, wholesale, by establishing the Independent Order of Foresters, now popularly known since the founder's death, as the I.O.F., with headquarters in Toronto. It is the owner of the I.O.F. Temple on Bay Street, in front of the Toronto city hall. Its president is now, and has been for some years past, Mr. Elliott G. Stevenson, whose title is Supreme Chief Ranger.

Dr. Oronhyatekha's particular hobby, or foundation plank, in forming the independent society, in the year preceding 1877, was, that a great share of the money paid to life insurance companies could, and ought to, be left in the pockets of the members, in a fraternal society, because founded upon the principles of virtue, love, truth; and, these and other good qualities were taught and practised. This hobby the doctor promulgated with great vigor, and not only did his new society grow and prosper wonderfully, but in all parts of the continent, many societies with a similar base sprang into being. A large number of those ran a short, successful course, and by mismanagement on this and other lines, have long since disappeared. Among these were the Covenant Mutual, of

Galesburg, Ill.; the Colonial Mutual, of Toronto; the Masonic Mutual, of London; the Mutual Reserve Fund, of New York; the Massachusetts Benefit, of Boston; the Provincial Provident Institution, of St. Thomas, Ont.; the Select Knights, of St. Catharines, Ont.; the Canadian Relief Society, and many others elsewhere. We mention these because they all transacted business in Toronto and other Canadian cities, and many of our older readers will remember their names, and perhaps have lost money and faith by their disappearance. They are not now doing business on any plan.

The I.O.F. and the Maccabees and the United Workmen, the Knights of Pythias, the Royal Arcanum, the Chosen Friends, the Home Circles, the Catholic Foresters, etc., are among those which have continued to the present time, but all of which, of whatever name, are doing poorly, compared with their former prosperity. Largely the reason of their inability to attract new members in such great volume as formerly is the inevitable increase of the death claims among the older members, and consequent heavier assessment calls. In addition to raising the monthly rates, most of the larger ones have resorted to an investigation by an actuary, and to the placing before their members, old and young, the option of an increase of assessment in cash, or having a large loan placed against the face of their certificates; in other words, a reduction in the amount of their insurance.

Now that some of these societies have lived long enough to have had members die whose membership dates back as far as thirty or forty years, it is found that what was once thought to be cheap life insurance is turning out to be expensive—indeed, to cost considerably more than what is called "old line" insurance. This can be easily seen by the record sent to every member of the Royal Arcanum, for instance. That society publishes a monthly paper called "Royal Arcanum Bulletin" each month, giving full particulars, more so than any other society that we know of, of the name, address, age at entry and at death, amount of certificate, and the "total amount assessments paid"; that is, in the case of the members whose death claims have matured and been paid during the preceding month. No doubt this publicity plan was adopted, at first, in order to show what a boon it was to belong to the Arcanum, wherein such large death benefits were being realized by means of small assessments. This



was so during the earlier years of its history, in every case, for all were young, and very few monthly rates could have then been paid. There are some such, even now, as, for instance, in the March and April lists we find \$1,000 paid while only such small sums had been received as \$24.84, \$21.20, \$55.48, \$28.60, \$2.08, \$45.74, \$15.00, \$16.69, \$8.60, etc., in each case the party having died within a few months or years after having entered.

But now, as the Royal Arcanum is coming near the fortieth anniversary of its existence, each monthly paper contains information as to cases which have been paying assessments and dues for 30, 35, 38 and 39 years past, and who had reached about eighty or more years of age before Death closed the contract. From the March and April issues we have prepared the following table of 18 such cases of long membership. Every name and figure is carefully copied, and after each case we show what the same amount of real insurance would have cost in a regular life insurance company on the non-participating, straight-life plan, without having to pay a single cent for entry, for yearly membership fees, or for lodge dues or other expenses. These are not included in the column of "assessments paid in," herewith, and in some cases would add a hundred to two hundred dollars to the assessments stated.

In the case of several of the parties, it will be observed, the cost in the Arcanum was more than double what the same insurance would have cost in any regular life insurance company. But that is not all. In the regular company there would be available several important benefits which are not found in the certificate of any assessment society. For instance, cash value, loan value, and paid-up policy, together with facility for paying premiums quarterly, or half-yearly, or annually, changing as desired. The loan privilege is one that can be used as in a savings bank, 20, 30 or 50 times or more, in the case of any person joining at 30 or 40 and living

to old age. If the family have pre-deceased the assured, the cash surrender value enables an old man to get the benefit of the reserve fund for his own support, thus perhaps prolonging his life for years, especially if the policy is one of large amount.

Finally, another most vital consideration is the uncertainty that attaches to the life and operations of every society conducted on the plan of letting the needful reserve fund remain in the "pockets of the members" until called for. As well build a railroad with wooden instead of steel rails, so people could travel at lower fares for a short time. The assessment plan has been tried and found wanting, both in cheapness and in permanence.

The cash assets of the Royal Arcanum at the close of 1911—five years ago—were \$6,875,691, and are now only \$3,107,759. It appears to have 91 local councils, or lodges, in Canada, containing nearly five thousand members. Its total membership is about 240,000. By means of a new ordinance, No. 15, under Section 460, it is now exercising the privilege of entering a certain large amount of loan, as determined by an actuary, against any certificate under which the holder has exercised his option of not paying any higher assessment than formerly. All the leading assessment societies are now resorting to this legislative device to add some millions of dollars to their diminishing assets, in order to prolong their lives. The immediate result generally is a large increase in the lapses upon the healthiest lives, and a large decrease in the entry of new members, owing to the higher rates now found necessary.

An extra edition of the Royal Arcanum Bulletin for April has been sent out to the members, showing that a receiver was appointed for it by a judge in Boston, on April 13th, without due notice, and that four days later his duties were suspended, the state insurance commissioner having been satisfied that the society is "not exceeding its powers, or transacting its business fraudulently."

#### Assessment Plan Compared with Regular Life Insurance.

Name and address.	Age at entry.	Age at death.	Years insured.	Amount insured	Assessments paid in.	Amount Old Line costs.
T. A. Coivles, Lansing, Mich. ....	34	62	28	\$1,000	\$1,153.24	\$ 603.40
E. F. Beecher, Brooklyn, N.Y. ....	34	70	36	1,000	1,278.39	775.80
G. A. Mackay, Cleveland, O. ....	36	75	39	1,000	1,823.26	895.05
C. S. Fraser, Port Huron, Mich. ....	39	78	39	1,000	1,545.40	989.82
F. M. Clinch, New York, N.Y. ....	40	66	26	1,000	1,310.96	683.28
J. F. Weimer, Warsaw, Ind. ....	41	71	30	1,000	1,238.05	876.90
W. Moses, Louisville, Ky. ....	44	64	20	1,000	1,110.61	608.60
H. L. Dexter, New York, N.Y. ....	44	82	38	1,000	2,103.32	1,156.34
H. Mackechie, Somerville, Mass. ....	44	83	39	1,000	2,121.58	1,186.77
J. F. Wood, Wilmington, Del. ....	45	80	35	1,000	2,447.94	1,107.05
W. Harris, Dover, N.J. ....	45	81	36	1,000	1,763.24	1,138.68
J. G. Bartlett, Camden, N.J. ....	50	84	34	1,000	1,950.18	1,941.50
H. W. Martin, Lemont, Ill. ....	52	73	21	1,000	1,791.25	890.40
L. H. Hobby, Brooklyn, N.Y. ....	53	74	21	1,000	1,392.57	931.77
S. Bluthen, Pine Bluff, Ark. ....	41	77	36	3,000	3,076.68	2,940.84
H. Westheimer, Baltimore ....	41	78	37	3,000	3,081.48	3,022.53
A. S. Lightner, St. Louis, Mo. ....	47	71	24	3,000	3,216.88	2,466.00
P. W. Walton, Madison, Ga. ....	50	76	26	3,000	3,038.70	3,028.74

#### ESTATE, \$25,000; LIFE INSURANCE, \$1,000

The late Rev. John Muir, formerly of 288 Glen Road Avenue, Toronto, who died on March 5th, left an estate valued at \$25,798. A daughter, Agnes Darling Muir, and a son, William Muir, now overseas with the C.E.F., will divide the estate between them. Real estate amounting to \$13,250; stocks, \$6,855, and mortgage \$4,052 formed the principal amounts in the estate. Other amounts were \$500 furniture, \$130 debts, \$1,000 life insurance, and the small amount of

\$10.50 cash. The real estate consisted of lots in Grimsby, \$8,000; a \$4,050 interest in the Toronto residence, a house in Brantford, a lot in Cochrane and three veteran grants. He held stock in the Maple Leaf Milling Company, \$950; Beaver Consolidated, \$172; Pacific Burt, \$848; Canada Locomotive, \$445; Spanish River Paper and Pulp Mills, \$85; Harvey Knitting Company, \$350; National Steamship Company, \$730; Canada Cottons, Limited, \$800; Canada Bread Company bonds, \$100; Canada Steamships, \$1,465; and Monarch Knitting Company, \$80.



INVESTMENTS AND THE MARKET

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

**Demerara Electric Company, Limited.**—The company's earnings for March were as follows: Railroad (gross) \$4,901, (net) \$406; light and power (gross) \$7,121, (net) \$3,609; miscellaneous, \$17; total, \$3,220.

**De Long Hook and Eye Company of Canada.**—The annual report of the parent company shows the Canadian company made profits last year amounting to \$10,326, and the outlook of the company for business is stated to promise further development.

**Dominion Sugar Company.**—At the annual meeting of the Dominion Sugar Company, Limited, the following officers and directors were re-elected for the ensuing year: President, Mr. H. B. Smith; vice-president, Mr. C. A. Eddy; secretary and treasurer, Mr. Chas. H. Houson; general superintendent, Mr. H. Wiese; directors, Messrs. J. H. Avery, A. E. Dymont, C. A. Eddy, R. E. Gilchrist, C. H. Houson, R. Laidlaw, G. H. Moulthrop, H. B. Smith, H. Wiese. A donation of \$10,000 was made to the Canadian Patriotic Fund. Several syndicates have been formed to grow sugar beets.

**Buffalo, Lockport and Rochester Railway Company.**—At the annual meeting of the Buffalo, Lockport and Rochester Company, there were three changes made in the directorate as follows: Messrs. A. S. Muirhead, W. H. Nesbitt and R. C. Vaughan, of Toronto, Canada, were chosen in place of Messrs. E. R. Wood, of Toronto, and F. W. Dudley, of Niagara Falls and C. D. Beebe, of Syracuse, N.Y. The other directors were re-elected as follows: Messrs. G. Loomis Allen, James P. Barnes, William Nottingham, Hendricks Holden, William Osgood Morgan, of New York and Mr. E. F. Seixas of St. Catharines, Ont. The only other important business transacted was the formal transfer of the executive offices of the road from Syracuse to Rochester.

**Peterson Lake Mining Company.**—The annual report of the company gives cash assets at \$53,491.90, less \$4,572 unpaid dividends. During the last year \$126,095 was paid in dividends. The operating statement for the year shows a net loss on operations amounting to \$43,555. Expenditures for the year were as follows: Mine expenses and supplies, \$7,192; development work, \$25,123; office administration and general expenses, \$15,279. With the addition of the three dividends paid during the year, the total of expenditures reaches \$169,650. Expenditures from March 11 to April 30, 1917, were \$844 for mine expenses, \$1,234 for development and \$819 for general expenses, a total of \$3,076. For this period the loss on operations amounted to \$2,876.

**American Salesbook Company, Limited.**—The plan whereby the assets of the Carter-Crume Company, Limited, will be distributed among shareholders and the company eventually wound up is contained in the annual report for the year ending December 31, 1916. The Carter-Crume, the Eastern Salesbook Company and the American Salesbook Company, of Elmira, New York, were amalgamated in June, 1911, under the name of the American Salesbook Company, Limited. The Carter-Crume Company sold its assets and its business to the new enterprise, and has since been a holding company, holding a majority interest in the American Salesbook Company, which is represented by 15,903 preference and 15,903 common shares, the latter having a par value of \$20.

Under the plan recommended by the Carter-Crume directors, owners of each preference share will receive \$7 in cash, being one year's accrued dividend; one share of American Salesbook 7 per cent. accumulative preference stock carrying accumulated dividends of 12¼ per cent. and half a share of American Salesbook common stock. This distribution is intended to provide in cash and accumulated dividends for all unpaid dividends on Carter-Crume preferred. The owner of each common share will receive one-fifth share of American Salesbook preference stock and four-fifths of a common share. This distribution will leave 4,126 preference and 1,264 common shares of the American Salesbook Company owned by the Carter-Crume Company undistributed, and these, together with other remaining assets, will be sold and the proceeds used to meet the company's liabilities. The Carter-Crume

shareholders will receive the first chance to purchase the surplus American Salesbook shares. Earnings of the American Salesbook Company were \$310,761, after the payment of bond interest of \$31,183. After bond interest and depreciation these earnings were \$239,362. This year the American Salesbook Company resumed payments on the preferred stock, which is now on a 7 per cent. basis.

**Havana Electric Railway, Light and Power Company.**—The gross earnings for the years 1914, 1915 and 1916 were as follows:—

1914.	1915.	1916.
\$5,396,713.78	\$5,541,302.72	\$6,017,708.59

A condensed statement of the results of operation of the company during the same three years is:—

	1916.	1915.	1914.
Gross earnings .....	\$6,017,708	\$5,541,302	\$5,396,713
Operation expenses and taxes .....	2,443,885	2,337,506	2,595,321
Net income .....	\$3,573,823	\$3,203,796	\$2,801,392
Miscellaneous income .....	144,561	147,874	102,119
Gross income .....	\$3,718,384	\$3,351,671	\$2,903,511
First charges .....	1,297,093	1,115,413	1,094,139
Net profit from operation and miscellaneous income .....	\$2,421,291	\$2,236,257	\$1,809,371
Balance at credit of profit and loss account, January 1st, 1916 .....	1,709,956		
	\$4,131,248		

The following disbursements were made during the past year: Dividends paid during the year (6 per cent. on the preferred and common shares), \$1,796,901; provision for sinking fund in respect to English bonds of the Compania de Gas y Electricidad de la Habana, and Consolidated mortgage bonds of the Havana Electric Railway Company, \$111,761; reserve for depreciation, \$75,000; reserve for bad and doubtful debts and other adjustments, \$123,083; profit and loss account—balance transferred to 1917, \$2,024,501; total, \$4,131,248.

The company's balance sheet shows assets amounting to \$58,727,119. There is a special reserve of \$522,288, and the corporate surplus is shown as \$2,581,666.

**Canadian Cottons, Limited.**—The company's manufacturing profits and rentals amounted to \$792,832, as compared with \$716,548 in the previous return. Bond interest and dividends on preferred and common stocks were paid during the year amounting to \$538,010. Business profits war tax amounted to \$26,574 and \$10,000 was added to the reserve for bad debts, leaving a balance of \$218,248 to carry to the credit of profit and loss account.

Comparisons of profit and loss figures for three years follow:—

	1916-17.	1915-16.	1914-15.
Manufacturing profits ..	\$ 593,272	\$ 515,114	\$ 369,411
Rentals, etc. ....	199,559	201,434	204,465
Total profits .....	\$ 792,832	\$ 716,548	\$ 573,877
Bond interest .....	209,700	209,700	210,250
Balance .....	\$ 583,132	\$ 506,848	\$ 363,627
Preferred dividend .....	219,690	219,690	219,690
Balance .....	\$ 363,442	\$ 287,158	\$ 143,937
Common dividend .....	108,620	.....	.....
Balance .....	\$ 254,822	\$ 287,158	\$ 143,937
Reserve, etc. ....	*36,574	10,000	10,000
Surplus .....	\$ 218,248	\$ 277,158	\$ 133,937
Previous surplus .....	1,380,322	1,103,163	969,226
Total surplus .....	\$1,598,571	\$1,380,322	\$1,103,163

\*Includes \$26,574 war tax.

The president, Mr. C. R. Hosmer, stated that there had been a ready market for all the goods that the mills could



produce, with the labor available. The year was a perplexing one, owing to the violent fluctuations that were constantly occurring in the prices of raw cotton and the abnormally high prices prevailing for mill supplies. The outlook for the new year is encouraging, and the supply of dyestuffs, which had been the cause of some anxiety in the past, shows steady signs of improvement. The balance sheet shows assets of \$13,782,030.

#### SEEDING IN EAST AND WEST

The Saskatchewan department of agriculture's summary of their telegraphic crop reports, collected from about 100 localities in Saskatchewan, states that the weather for seeding has been ideal during the past week. About 75 per cent. of wheat has been sown and early grain is appearing above ground. In some parts farmers are preparing land for oats. It is impossible at present to estimate the wheat acreage, but a slight decrease is expected as compared with last year.

Reports sent in by representatives of the Ontario department of agriculture point to a marked advance during the past week in the work of getting in the new crops. Over 75 per cent. of spring seeding has been accomplished, for, while in many quarters the work has been practically completed, on low land or on poorly-drained fields it has dragged somewhat. The soil, as a rule, worked up nicely this spring, better than for many years.

Fall wheat is beginning to pick up again, although here and there more of it has been reseeded with barley or oats.

#### STERLING BANK'S RETURN

An annual report reflecting continued advance and development has been issued by the Sterling Bank of Canada. On the past year's operations profits of \$161,270 were earned as compared with \$145,290 in the previous year. The profits and balance brought forward gave \$214,005 available for division. Of this, \$72,580 was paid in dividends, \$60,000 transferred for depreciation of securities, \$20,594 paid in government taxes, and \$60,829 carried forward.

In the balance sheet, changes are noted as follow:—Canadian municipal securities and British, foreign and colonial public securities increased from \$923,463 to \$2,071,000. Dominion and Provincial government securities are shown at \$1,322,000, indicating the bank's holdings of Canadian war bonds, etc. Call loans were reduced from \$445,000 to \$173,000. Current coin increased by \$9,000 to \$52,964, and Dominion notes rose from \$1,200,000 to \$1,421,000. Current loans stood at \$6,434,000, compared with \$5,912,000 at the close of 1916. After notice deposits increased from \$6,156,000 to \$7,237,000, and deposits not bearing interest from \$1,638,000 to \$3,440,000. Total assets grew from \$10,744,000 to \$13,759,000.

A comparison of the two years' figures follows:—

	1916.	1917.
Profits .....	\$ 145,290	\$ 161,270
Circulation .....	1,159,980	1,269,600
Demand deposits .....	1,638,329	3,440,590
After notice deposits .....	6,156,492	7,237,400
Total liabilities to public..	7,794,821	10,677,991
Call loans .....	445,347	173,545
Current loans .....	5,912,940	6,434,898
Total assets .....	10,744,315	13,759,887

Mr. G. T. Somers, president of the Sterling Bank, in his comments on the report, said:—"The deposits stand at \$10,677,991.13, being nearly \$3,000,000 higher than last year, or an increase of about 37 per cent. These are fairly divided between our savings accounts and current accounts, and with the exception of the Dominion government deposits, which are due to war loan subscriptions, it has all come as a general expansion of business throughout our branches. This is gratifying for two reasons. It indicates the favorable regard and confidence of the public in our institution, due to the conservative policy which we have never lost sight of since its inception. It also provides the bank with a good start for this year to further increase its earnings."

The report was received with considerable favor at the annual meeting on Tuesday.

Mr. H. H. Motley, Calgary, has been appointed general agent for Alberta of the Fireman's Fund Insurance, of San Francisco.

#### RECENT FIRES

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

**Halifax, N.S.**—May 10—Home for Aged Men, 297 Gottingen Street. Cause, supposed defective wiring; Mr. J. Redmond's residence and bungalows at Rockingham.

**Laura, Sask.**—May 5—Hotel, store, etc.

**Mitchell, Ont.**—May 14—Mr. W. C. Hill's barn, Logan township. Loss, \$5,000.

**St. Thomas, Ont.**—May 14—Dake House, Talbot Street. Owned by R. McLean and Sons. Loss, \$39,200; insurance, \$20,000.

**Tillsonburg, Ont.**—May 11—Mr. J. Swetman's residence. Loss, \$50; insured.

**Toronto, Ont.**—May 12—Cluff Manufacturing Company's plant, Sterling Road. Loss estimate, \$250,000.

#### LIBERTY LOAN OF 1917

The following are brief particulars of the United States Liberty loan of 1917:—Amount—authorized, \$5,000,000,000; offered, \$2,000,000,000. Rate of interest—3½ per cent. Maturity—30 years—redeemable, in whole or in part, at the option of the United States, on or after fifteen years, at par and accrued interest.

Denominations—Bearer bonds, \$50, \$100, \$500, and \$1,000. Registered bonds, \$100, \$500, \$1,000, \$5,000, \$10,000, \$50,000, and \$100,000. Dates of payment—2 per cent. on application, 18 per cent. June 28th, 20 per cent. July 30th, 30 per cent. August 15th, 30 per cent. August 30th.

Interest payable—Bonds dated June 15th and interest payable on June 15th and December 15th of each year. Subscription books—open now and will close June 15th.

Conversion privilege—Holders of bonds will have the right to exchange them for bonds of a higher rate of interest should the government issue bonds of a higher yield before the termination of the war.

Tax exemption—Bonds are exempt from all Federal, State, and local taxation excepting estate and inheritance taxes.

#### CANADA'S BANK CLEARINGS

The following are the bank clearings for the weeks ended May 12th, 1917, and May 11th, 1916, respectively:—

	Week ended May 12, '17.	Week ended May 11, '16.	Changes.
Montreal .....	\$ 95,652,082	\$ 76,519,044	+ \$19,133,038
Toronto .....	62,495,883	53,388,235	+ 9,107,648
Winnipeg .....	64,305,682	35,204,931	+ 29,100,751
Vancouver .....	7,582,207	5,923,230	+ 1,658,977
Ottawa .....	6,349,533	5,032,349	+ 1,317,184
Calgary .....	6,538,140	4,230,912	+ 2,307,228
Hamilton .....	4,839,801	3,495,745	+ 1,344,056
Quebec .....	4,796,577	4,020,836	+ 775,741
Edmonton .....	2,926,162	2,165,173	+ 760,989
Halifax .....	2,873,049	2,366,062	+ 506,987
London .....	2,248,950	2,331,439	— 82,489
Regina .....	2,852,932	1,891,086	+ 961,846
St. John .....	2,196,626	1,865,768	+ 330,858
Victoria .....	1,769,685	1,622,282	+ 147,403
Saskatoon .....	1,733,296	1,071,971	+ 661,325
Moose Jaw .....	1,100,828	897,972	+ 202,856
Brandon .....	496,308	471,961	+ 24,347
Brantford .....	821,798	645,597	+ 176,201
Fort William .....	530,273	465,001	+ 65,272
Lethbridge .....	769,988	480,190	+ 289,798
Medicine Hat .....	661,070	331,281	+ 329,789
New Westminster ..	273,155	268,037	+ 5,118
Peterboro' .....	677,137	550,761	+ 126,376
Sherbrooke .....	782,949	569,848	+ 213,101
Kitchener .....	736,455	548,046	+ 188,409
Total .....	\$276,010,566	\$206,357,757	+ \$69,735,298

Toronto bank clearings for the week ended March 17th were \$65,367,154, and for the corresponding period last year \$50,240,714, and for 1915, \$36,344,319.



# Monetary Times

Trade Review and Insurance Chronicle  
of Canada

Address: Corner Church and Court Streets, Toronto, Ontario, Canada.  
Telephone: Main 7404, Branch Exchange connecting all departments.  
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Winnipeg Office: 1208 McArthur Building. Telephone Main 5663.  
G. W. Goodall, Western Manager.

## SUBSCRIPTION RATES

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\$3.00	\$1.75	\$1.00	10 Cents

## ADVERTISING RATES UPON REQUEST.

The Monetary Times was established in 1867, the year of Confederation. It absorbed in 1869 The Intercolonial Journal of Commerce, of Montreal; in 1870, The Trade Review, of Montreal; and the Toronto Journal of Commerce.

The Monetary Times does not necessarily endorse the statements and opinions of its correspondents, nor does it hold itself responsible therefor. The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

## SUBSCRIBERS PLEASE NOTE:

When changing your mailing instructions, be sure to state fully both your old and your new address.

All mailed papers are sent direct to Friday evening trains. Any subscriber who receives his paper late will confer a favor by complaining to the circulation department.

## BUSINESS PROFITS TAX

The suggested increased taxation of business profits is reported to be interfering with the production of munitions and the investment of capital in Canada. It has also had the effect of postponing the initiation of many new enterprises. The matter is sufficiently serious for government consideration. Funds must be raised for the successful conduct of the war. Objection will not be raised to taxation for that purpose, so long as it is equitable and does not act as a check upon necessary production and development. There is an important difference between the European taxes and the excess profits taxes on this continent. All of the European laws measure taxable profits by comparing present profits with the average profits of business before the war began; in some cases this average is taken for a number of years. Our law takes the arbitrary figure of 7 per cent. on the capital employed as the normal profit, and taxes everything above that 7 per cent. In the United States, an arbitrary figure of 8 per cent. is taken.

There is much to be said for the opinion of Professors Seligman and Haig, of Columbia University, that this arbitrary method is unfair both to investors and to industries. Especially in comparatively new countries like Canada and the United States, where risks are great and losses frequent, a profit of more than 7 or 8 per cent. is often necessary to justify investment. The principle of taxing heavily excess profits above normal peace profits, is defensible, but to penalize all profits above 7 per cent. is not so easily defended. Instead of bringing any more revenue, a larger rate upon such excess profits might yield actually less revenue, in addition to placing an unfair burden upon a particular class of investors. Opinion is growing in the United States, where they are considering a high excess profits tax, that the European principle should be adopted and the arbitrary methods now being followed, should be abandoned. The authorities quoted think that price regulation which would effectively restrict

prices to a point near the cost of production, would be preferable to high prices, high profits and a high excess profits tax. Price regulation would necessarily mean a diminution in the fiscal results of the excess profits tax. An attempt should be made to regulate the Canadian taxation in such a way as to raise the necessary funds without seriously interfering with production and development. This can best be done through conferences between the government and business men. The government knows what money it must get. The experience of business men should help to suggest the most effective and least harmful methods for the raising of the necessary revenue.

## THE RAILROAD REPORT

Mr. A. H. Smith, who has presented the minority report of the Railway Inquiry Commission, is opposed to the government operation of railways. He refers to the proposal of Sir Henry Drayton and Mr. Acworth that practically all the railways in Canada, except the Canadian Pacific and the American lines, shall be turned over to a corporation to be managed by a board of trustees appointed by government, and says:—

"They insist that this board is to be permanent and self-perpetuating. I do not know by what means one parliament can bind its successors to a given policy, especially in so simple a matter as changing the organization of a government board. This is a point not yet answered by the other commissioners. My friends seek to avoid a government ownership and operation, in fact, condemn it as inadvisable, but propose a plan which contains so many elements of danger in the direction which is sought to be avoided that I am unable to join them."

Apparently Sir Henry and Mr. Acworth are also opposed to government operation of railroads, as it is popularly understood. They say: "That the government should itself take over the railways, and they should then be operated under the control of a parliamentary minister of railways, is a policy which, in our judgment, would not be in the best interest of Canada." They want to get away from political influences in government railroad operation and so propose:—

1. That the government do not acquire to operate any further railways, but:—

2. That these three railways, Canadian Northern, Grand Trunk, and Grand Trunk Pacific, be transferred by act of parliament to an independent board of trustees (incorporated as a company).

The constitution of the Dominion Railway Company is then described, as outlined in *The Monetary Times* last week. Sir Henry Drayton, speaking at the Canadian Club, Toronto, last week, showed complete confidence in the proposal as a remedy for political interference and patronage in our railroad situation. On that point opinion will divide. It is difficult to find any encouragement in the past history of Canadian politics and business. Sir Henry's reference, in his Toronto address, to the elimination of patronage and political interference was loudly applauded. A well-known man at this meeting, who is partial to the Drayton-Acworth scheme, remarked to his neighbor: "That is a sentiment which everybody always applauds and nobody ever acts upon." Is it possible to free the Drayton-Acworth scheme from the influences which so many fear?

Sir Henry Drayton, in his Toronto address, attached the greatest importance to Mr. Acworth's conclusions,



particularly in view of the fact that he is familiar with company management and English finance, and that he himself is a director of the Underground Railway of London which controls the greater part of the transportation facilities, both street and underground, and omnibuses in and around the metropolis. He is a recognized authority on the question of railway economics, he has written leading text books on the subject and in the opinion of the practical railway managers of America his knowledge and his standing is such that he was engaged by them to give evidence last week on their behalf before the Congressional Committee on Transportation at Washington on the evils of political railway management.

Prior to Mr. Acworth's present appointment on the Canadian commission, he said: "A careful study of the evidence has convinced me that in the long run state control ends in keeping down the best to the level of the worst, and that, taking them all for all, the private railway companies of England and the United States have served the public better than the government railways of the Continent, or of our Australian colonies, and, which is still more to the point, are likely to serve it better in the future." Yet, holding that opinion, Mr. Acworth joins Sir Henry Drayton in the proposal to nationalize our railways and to operate them by a permanent commission. This looks as though he sees only one way out of our difficulties, government operation of the railways, although on a new and novel basis, which Mr. Smith thinks contains "many elements of danger." In the meantime, there are many signs that parliament will ratify the Drayton-Acworth proposal. Before that is done, we hope that the public will read, as Sir Henry Drayton has recommended, the inquiry commission's majority and minority reports carefully and without bias.

### DOUBLE INCOME TAX

The Imperial War Conference, which has just concluded its sessions in London, in its recently issued statement, urges that the present system of double income taxation within the British Empire be taken in hand immediately after the war, and the law so amended as to remedy the present unsatisfactory position. Double income tax is one of those questions on which much has been said and little accomplished during the last 10 years. It was discussed at the Colonial Conference of 1907, and again at the Imperial Conference of 1911, without result.

Witnesses before the Dominions Royal Commission took up the question in various forms, particularly with reference to legislation passed in New Zealand, in Queensland and in Western Australia. The view expressed by the British Treasury Commissioners in a letter laid before the Imperial Conference in 1911 was that there is nothing inequitable in the requirement that a person who resides in one country and earns his income in another should be made amenable to the taxation of both. For some time this view held the field. Recently, however, the pressure of war taxation has resulted in some modification of opinion, and relief to the tax payer. For example, in the Imperial Finance Act of 1916 relief is given in respect of income subjected to a higher rate than 3s. 6d. in the United Kingdom which is also subject to colonial income tax. The same principle is adopted in the Business Profits War Tax law recently passed in Canada, and also in New Zealand legislation. There is little doubt that these precedents will be of value and that the present situation in regard to double income tax will be altered after the war.

### DIFFERENTIAL OCEAN FREIGHTS

Before the war, British steamship companies made a practice of charging a lower rate to New Zealand from Hamburg and other German ports than from London, on the same classes of goods. This facilitated the competition of German manufactures with British in New Zealand. It unduly handicapped British manufacturers and destroyed, at least to the extent of the difference in freight, the advantage intended by New Zealand to be given by means of preference to the British manufacturer. No assurance has been given that similar practices will not continue after the war. The case is much the same with regard to the differential freight rates charged, for example, on asbestos from Canada to foreign and British ports.

This matter of freight discrimination receives considerable attention in the reports of the Dominions Royal Commission, which heard many complaints of the kind during its tour of the British Empire. The commissioners, representing the United Kingdom, Canada, New Zealand, South Africa and Newfoundland, regard "as intolerable that British ship owners should be in a position to initiate or countenance practices of a kind so directly inimical to British trade." The commissioners state that the Imperial government has not yet been convinced of the necessity or, if convinced, has not yet found the time to take the matter in hand, in spite of the representations made by more than one Dominion government. "Our investigations," they say, "have satisfied us that in normal times the combination of shipowners is strong enough to limit the freedom of shippers, whose varied and detached interests make it difficult, if not impossible, for them to combine in any effective opposition, and that therefore, in principle, it is not desirable that the operations of the steamship companies should remain longer without some measure of government supervision."

To overcome these objections, the Commissioners recommend that the contractors for subsidized mail services should be required to submit a schedule of freight rates, both of import and export, for the approval of the governments concerned, the rates when approved, not to be altered without consent. Similar action is recommended in the case of vessels, to the construction or operation of which government contributions are made. It is also suggested that the Imperial and Dominion governments should establish inquiry boards to investigate complaints of shippers. The Commissioners express themselves strongly as to the differential freight rates, and propose that the suggested inquiry boards should have authority, at their discretion, to order the abolition of differential rates which were found inimical to Imperial trade. The Commissioners' report is further proof that tariffs are not always the most effective factor in building or destroying trade.

### COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended May 11th, 1917:—

La Rose Mines, 87,534; McKinley-Darragh-Savage Mines, 82,754; Dominion Reduction Company, 88,000; Trethewey Silver Mine, 51,720; Kerr Lake Silver Mine Company, 60,295.

Total, 370,303 pounds, or 185 tons.

The total shipments since January 1st, 1917, now amount to 8,611,165, or 4,305.5 tons.



# BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up	- - - -	\$16,000,000
Rest	- - - -	\$16,000,000
Undivided Profits		\$1,414,423
Total Assets	- - - -	\$365,215,541

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INCORPORATED 1855

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# IMPERIAL BANK OF CANADA

The Annual Meeting of the shareholders will be held at the Head Office of the Bank on Wednesday, 23rd May, 1917 The chair to be taken at noon.



MANITOBA'S INSURANCE RETURNS

Over \$7,000,000 Collected in Premiums for the Various Branches of the Business

In his annual report Mr. A. E. Ham, provincial insurance superintendent of Manitoba, gives the following statistics of the insurance business in that province:—

	Total premiums.	Claims paid.
Life	\$3,901,059	\$1,278,737
Fire	2,740,842	1,458,915
Marine	75,662	2,889
Hail	328,005	294,834
Automobile	75,736	32,513
Accident	129,076	46,257
Sickness	99,056	34,845
Employers' Liability	132,422	44,858
Guarantee	143,183	43,263
Plate Glass	21,073	9,934
Burglary	10,156	560
Tornado	5,969	1,248
Livestock	19,685	15,629

The following table shows the life and fire business transacted in Manitoba by Dominion and Provincial companies:—

Manitoba Business of Dominion Licensees	FIRE		LIFE		
	Prem.	Losses	Prem.	Death Claims	Mat'd Endow
Acadia Fire	11,989	925			
Actna	34,336	18,810			
Actna Life	20,682	10,741	45,361	11,250	11,700
Alliance	32,704	20,166			
American Central	14,821	1,771			
American	34,400	21,130			
Atlas	4,112	4,301			
Beaver Fire	36,554	16,004			
British Colonial	10,400	12,776			
British Columbia			9,022	5,900	
British Dominions	9,923	7,385			
British Northwestern	13,513	7,158			
Caledonian	43,000	20,051			
California	4,935	99			
Canada Life			240,111	66,850	
Canada National	61,488	21,275			
Canadian	84,668	23,993			
Capital Life			1,921		
Commercial Union	100,675	69,610			
Connecticut	11,764	12,603	203,421	43,743	17,387
Continental	28,547	10,587			
Continental			38,435	3,150	
Crown			51,011	17,227	1,000
Dom. of Canada Guar. & Accid'nt.	9,706	721			
Dominion	21,563	11,738			
Dominion Life			34,713	60,000	1,000
Employers Liability	24,873	14,097			
Equitable Fire and Marine	11,719	3,544			
Excelsior Life			96,410	18,142	1,855
Fidelity-Phoenix	43,460	25,003	51,287	2,182	1,500
Fireman's Fund	11,211	2,523			
Firemen's	38,043	7,878			
General Accident	34,591	22,389			
General Fire	7,990	9,345			
German American	18,889	18,374			
Glens Falls	5,588	4,726			
Globe and Rutgers	30,357	9,216			
Great West Life			769,174	272,615	14,388
Gresham Life			14,411	2,000	
Guardian	54,617	34,299			
Hartford	113,671	37,193			
Home, New York	69,296	35,847			
Hudson Bay	17,966	9,610			
Imperial Guarantee & Accident	24				
Imperial Life			133,311	50,501	2,000
Imperial Underwriters	8,676	6,707			
Insurance Co. of North America	28,057	10,081			
Ins. Co. of State of Pennsylvania	4,557	1,340			
Law Union and Rock Insurance	24,987	18,983			
London Assurance	33,599	11,003			
London Life Assurance			146,118	26,169	
London Guarantee & Accident	11,985	1,022			
London Mutual	29,904	13,924			
London & Lancashire	50,525	15,299			
Lon. & Lancashire Life & General	79,014	47,508	53,068	12,000	2,000
Liverpool and London and Globe	48,888	15,390			
Liverpool Manitoba	14,556	18,289			
L'Union of Paris			210,249	47,495	10,000
Manufacturers Life	18,366	10,222			
Mercantile			266,665	65,364	3,681
Metropolitan	14,412	5,200			
Millers' National			49,098	21,238	
Monarch	28,920	17,004			
Mount Royal			310,256	66,950	21,535
Mutual Life of Canada			79,885	8,671	4,000
Mutual Life of New York			4,941	341	
Mutual Life and Citizens'					
National of Hartford	43,964	22,994			
National Life			66,829	2,103	
National Union	29,093	18,825			

Manitoba Business of Dominion Licensees	FIRE		LIFE		
	Prem.	Losses	Prem.	Death Claims	Mat'd Endow
National Ben. Franklin	15,508	4,940			
Nationale of Paris	13,375	4,545			
New York Life			164,685	42,710	47,056
Niagara Fire	14,147	3,623			
North American Life			128,981	34,000	18,295
North British and Mercantile	58,879	36,772			
North Empire	28,784	15,559			
Northern Assurance	45,491	60,755			
Northern Life			53,543	6,000	
North West	15,373	5,786			
Northwestern National	9,885	6,694			
Norwich Union	38,791	19,041			
Occidental	39,599	14,610			
Ocean Accident and Guarantee	14,025	33			
Pacific Coast	13,821	2,189			
Palatine	22,204	15,776			
Phoenix	64,643	23,092	27,407	2,625	
Phoenix of Hartford	25,172	17,420			
Providence Washington	12,417	13,573			
Provincial	5,936	485			
Prudential of America			131,511	36,518	
Phenix of Paris	4,404	388			
Quebec	19,716	11,321			
Queen of America	27,854	9,228			
Royal Exchange Assurance	43,010	23,637			
Royal Insurance	89,491	25,907	16,689	1,000	
La Sauvegarde			982		
Scottish Union and National	35,482	15,378			
Springfield Fire and Marine	70,309	35,048			
Sovereign Life of Canada			47,316	16,124	
St. Paul	27,475	26,409			
Standard Life			22,878	11,589	3,500
Stuyvesant	10,860	15,288			
Sun	29,966	18,387			
Travellers' Insurance			56,732	25,592	1,000
Travellers of Canada			6,438	2,000	
Union	34,850	23,340			
Union Mutual			11,050	3,000	5,407
Westchester	18,966	4,289			
Western	52,904	44,114			
Yorkshire	36,775	35,390			
Totals	2,481,547	1,292,731	3,842,353	1,088,801	176,166

The figures of Underwriters' Agencies are included in those of the Parent Companies.

Manitoba Business of Provincial Licensees	FIRE		LIFE		
	Prem.	Losses	Prem.	Death Claims	Mat'd Endow
British Crown	21,901	8,441			
Century	6,285	2,501			
Continental	9,567	813			
Industrial	11,798	2,455			
Miniota Farmers' Mutual	36,446	24,115			
Policy-Holders' Mutual Life			2,262		
Portage la Prairie Par. Mutual Fire	114,805	93,834	7,541	3,000	
Retail Lumbermen's Mutual Fire	3,271	2,225			
Royal Victoria Mutual Fire	8,083	6,491			
Universal Life Assur. & Annuity			7,360		
Urban Mutual Fire	6,595	3,003			
Wawanesa Mutual	40,539	22,302			
Western Empire Life			25,283	5,000	
Western Life			16,258	5,770	
Totals	259,295	166,183	58,706	13,770	
Totals of Regis. Companies	2,481,547	1,292,731	3,842,353	1,088,801	176,166
Grand Totals	2,740,842	1,458,915	3,901,059	1,102,571	176,166

LONDON IS ANXIOUS

The Commission's report on the Canadian Northern and Grand Trunk Pacific Railway is much discussed in highest financial circles in London, says a Windermere cable message to the Montreal Star. Although full copies of the report have not yet been received, it is understood that while not prepared to commit themselves in any way, Canadian ministers, when here, left a confident impression among bankers and financiers that, seeing how much Canada had depended in the past, and would depend in the future upon British economic support, it was inconceivable that any Canadian ministry would enforce terms of purchase which would be confiscatory of even junior securities of these projects.

Grand Trunk ordinary and some preference stockholders are not prepared to see the majority report adopted and their capital almost wiped out without the most vigorous public protests, which would inevitably leave the nastiest anti-Canadian impression with the investing public.

Arthur W. Kiddy, editor of the Bankers' Magazine, and finance editor of the Morning Post, urges that Canada would be most unwise to prejudice financing of all Canadian enterprises from London. Means should be found for shareholders to retain their stake in the future of roads like the Grand Trunk.



Established in 1836. Incorporated by Royal Charter in 1840.

# The Bank of British North America

Paid-up Capital - \$4,866,666  
Reserve Fund - \$3,017,333

## Statement to the Dominion Government (Condensed) 31st March, 1917

LIABILITIES TO THE PUBLIC	
Notes in Circulation	\$ 5,430,930
Deposits	52,289,988
Other Liabilities	1,205,354
	<u>\$58,926,272</u>
ASSETS	
Cash on Hand and in Banks	\$ 9,713,276
Deposit with Government o/a Note Circulation	1,385,694
Government, Municipal and other securities	13,004,476
Call and Short Loans	5,536,616
Current Loans and Discounts and other Assets	37,240,237
Bank Premises	2,312,121
	<u>\$69,192,420</u>

# THE MOLSONS BANK

Capital Paid-Up, \$4,000,000 Reserve Fund, \$4,800,000  
Incorporated by Act of Parliament 1855.

HEAD OFFICE ... MONTREAL

### BOARD OF DIRECTORS

WM. MOLSON MACPHERSON, President. S. H. EWING, Vice-President  
Geo. E. Drummond Wm. M. Birks F. W. Molson  
W. A. Black E. J. Chamberlin  
EDWARD C. PRATT, General Manager

### BRANCHES

<b>ALBERTA</b>	Calgary	Hamilton	Toronto	Montreal—Cont.
	Camrose	Market	Queen St. W.	Market & Harbor
	Edmonton	James & Barton	West Toronto	St. Henri
	Lethbridge	Hensall	Trenton	Maisonneuve
<b>BRITISH COL- UMBIA</b>	Highgate	Iroquois	Wales   Waterloo	Cote des Neiges
	Revelstoke	Kingsville	Williamsburg	St. Lawrence
	Vancouver	Kirkton	Woodstock	Boulevard
	East End	Kitchener	Zurich	Cote St. Paul
<b>MANITOBA</b>	Winnipeg	Lambton Mills	QUEBEC	Park & Bernard
	Portage Av.	London	Bedford	Montreal, West
<b>ONTARIO</b>	Alvinston	Meaford	Chicoutimi	Tetreaultville
	Amherstburg	Merlin	Pierreville	Quebec
	Aylmer	Morrisburg	Drummondville	Upper Town
	Belleville	Norwich	Foster	Richmond
	Brockville	Ottawa	Fraserville	Roberval
	Brucefield	Owen Sound	and Riviere du	Sorel
	Chesterville	Port Arthur	Loup Station	Sutton   St. Cesaire
	Clinton   Delhi	Ridgetown	Knowlton	St. Ours
	Dutton   Drumbo	Simcoe	Lachine	St. Therese de
	Exeter   Forest	Smith's Falls	Lachute   Matane	Blainville
	Formosa	St. Mary's	Mont Joli	Trois Pistoles
	Frankford	St. Thomas	Montreal	Three Rivers
		East End	St. James St. Victoriaville	
		Teeswater	St. Catherine Ville St. Pierre	
			St. Waterlo	

AGENTS IN GREAT BRITAIN AND COLONIES—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

FOREIGN AGENTS—France—Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

**Collections** made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.



# THE BANK OF NOVA SCOTIA

Capital paid-up - \$ 6,500,000  
Reserve Fund - 12,000,000  
Total Assets - 110,000,000

HEAD OFFICE - HALIFAX, N.S.

### BOARD OF DIRECTORS

JOHN Y. PAYZANT, President  
CHARLES ARCHIBALD, Vice-President  
G. S. CAMPBELL J. WALTER ALLISON  
HECTOR MCINNES HON N. CURRY  
JAMES MANCHESTER W. W. WHITE, M.D.  
S. J. MOORE W. D. ROSS  
HON. M. C. GRANT

### General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.  
J. A. McLEOD, Asst. General Manager.

### BRANCHES IN CANADA

30 in Nova Scotia 33 in New Brunswick  
7 in Prince Edward Island 10 in Quebec  
67 in Ontario 14 in Western Provinces

### IN NEWFOUNDLAND

Bay Roberts Brigus Catalina Harbor Grace  
Bell Island Burgeo Channel St. John's  
Bonavista Burin Fogo East End  
Bonne Bay Carbonear Grand Bank Twillingate  
Wesleyville

### IN WEST INDIES

Havana, Cuba San Juan, Porto Rico.  
Jamaica—Black River, Kingston, Mandeville, Montego Bay,  
Morant Bay, Port Antonio, Port Maria, Spanish Town,  
St. Ann's Bay, Savanna-la-Mar.

### IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

### CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.



## FRIENDLY SOCIETIES IN ONTARIO

**They Have 833,242 Members with Insurance in Force  
\$891,000,000**

There is considerable agitation at present among friendly societies to form whole family protection branches. This is evidently copied from the old English system of insuring every member of the family in the society to which the parents belong. During this year a large number of States in the United States have adopted a bill to permit friendly societies to transact business under this form. Each few days will make additions to the States where the business will be permitted.

The bill seems to have been approved of by the insurance commissioners at a meeting held recently in New York City.

The approved bill provides that benefit societies authorized to do business may provide in their constitutions and by-laws for the payment of death benefits upon the lives of children between the ages of 2 to 18 years at the next birthday. The members, however, must be responsible for the support and maintenance of such children.

Societies may, in their option, organize and operate branches for children, but no initiation shall be required, nor shall they have any voice in the management. Benefits shall not exceed at the time of death at age of next birthday: Two, \$34; three, \$40; four, \$48; five, \$58; six, \$140; seven, \$168; eight, \$200; nine, \$240; and from sixteen to eighteen years of age the amount is limited to \$600.

### Ontario Societies Adopt Plan.

The rates of payment are based upon the Standard Industrial Mortality Table or English Life Table No. 6, and the rate of interest is not greater than 4 per cent. Medical inspection of the children by the medical practitioner is compulsory. The funds of the juvenile department must be segregated from the other funds of the society and a separate financial statement made to the insurance department.

The law imposes proper safeguards and establishes the business of child insurance by friendly societies on a sound foundation. To take advantage of the opportunity which it presents many of the societies are preparing to amend their constitution and by-laws to conform to this provision; several societies, however, have taken the proper steps and are extending the benefits of whole family protection into new territory as soon as it is opened. Large societies in England have been transacting this business for a great many years and several in Ontario have been using this class of insurance for over forty years with marked success. Already three or four of the Ontario societies have adopted this new phase of insurance, according to the report of the Ontario department of insurance.

### Membership of Societies.

From the advance copy of the report of the Ontario registrar of friendly societies it is seen that the total membership in Ontario was 255,753, which is a decrease of 20,000 during the year. The amount of insurance carried by the members was \$163,577,253. Societies transacting business in Ontario have branches outside of the province and the total membership was 833,242, and the amount of insurance in force anywhere was \$891,806,223.

The number of claims matured in 1916 was 2,588, while notwithstanding the number killed during the year in the terrible war, it is only a few more than 1915, which was 2,509.

The amount of insurance benefits paid in Ontario during 1916 amounted to \$2,887,727, while in 1915 the amount was \$2,834,999. In addition to the above, disability benefits were paid amounting to \$142,946.

### Assets of \$65,000,000.

Societies in Ontario at December 31st, 1916, show an increase in assets of \$602,623; in 1915, the assets amounted to \$15,970,078, while in 1916 the amount was \$16,572,702. The liabilities in Ontario in 1916 were only \$421,581, and in 1915, \$463,187; these are principally claims that the society had notice of at December 31st, but had not been paid at that time. The total assets of the friendly societies transacting business in Ontario at December 31st was \$65,171,975, while in 1915, the amount was \$52,795,655.

Ready's Breweries, Limited, with Dominion charter, has changed its name to Ready's, Limited.

## WHY LEAVE OUT THE C.P.R.?

**Sir Henry Drayton, in an Address at Toronto, Gives  
His Reasons**

As to why the Canadian Pacific Railway should not be included in the proposed government operated system was discussed by Sir Henry Drayton, in his first public speech, at the Canadian Club, Toronto. Sir Henry, with Mr. W. M. Acworth, has signed the majority report, recommending government ownership of our railways, with the exception of the Canadian Pacific Railway.

"Everyone has conceded," said Sir Henry, "that that company is giving an efficient public service and is well and efficiently organized. The Canadian Pacific stands well in the world's financial circles, and has a great borrowing power, as well as liquid assets held in reserve. At a time like the present, it is undoubtedly in the best interest of the country that the company's borrowing power and financial ability to increase its facilities be not impaired; and further, that any new capital that may be required for the Canadian Pacific undertaking ought not to be obtained on the credit of the country generally, as might be the case should the company be taken over and its liquid reserves divided among its shareholders.

### Should Not Jeopardize Service.

"More or less difficulty attends any change, mistakes of detail invariably occur. The Canadian Pacific service is good and satisfactory. It is certainly not necessary under the present conditions to jeopardize it. In so far as the other systems go, the conditions are reversed. Service is poor. Transportation failures have taken place, and no company funds are available to make them good. In addition to this, no further capital investment would be saved by taking in the Canadian Pacific, whose service and facilities are, speaking generally, complete both in the east and west. On the other hand, the Grand Trunk is well established in the east, but lacks necessary feeders and terminals in the west, while the Canadian Northern has a well laid-out system in the west, but is sadly lacking in both terminals and lines in the east. The two systems combined, as we suggest, renders unnecessary Grand Trunk work in the west and Canadian Northern work in the east.

"Two objections have been made to our conclusions. The one that it is impossible for the new national system to compete with the well-established and efficient Canadian Pacific, and that public ownership must, under such unfair conditions, fail. All I can say is that if the National Railway system cannot stand in competition with a privately-owned system, the sooner the fact is demonstrated the better. We seek to improve conditions and not to create an inefficient substitute merely for the purpose of making a change.

### Good to Have Yard Stick.

"The other objection, equally strong, taken is that the competition of the National system would be unfair to the Canadian Pacific. Manifestly, the one objection answers the other. I believe neither are well taken. The competition would be unfair to the Canadian Pacific if the National system were not run on business principles and rates were not levied having regard to the cost and value of the service, but were in part covered by the general tax levy. With the safeguards we suggest observed, no dishonest competition can or will take place. Then, again, is it not well to have a yard stick with which to measure the performances of your railway administrators? Successful railways never can stand still. Facilities must from time to time be enlarged, practices changed to meet new conditions, extensions of usefulness in all directions made in order to properly cover the ever-increasing demands of public service. The country's successful line, the Canadian Pacific, is an illustration of this fact. Undoubtedly its usefulness will increase in the future as it has in the past. The National Railway system will not properly serve the public unless progress and increased facilities and potentialities characterize all its activities. There will be but little danger of lack of effort in this direction under the spur of an intelligent and effective competition, and little danger of paralysis and dry rot resulting from political interference and the patronage system. Over and above all other considerations, the underlying public necessity, transportation, will not be unnecessarily jeopardized."



**The Dominion Bank**

**HEAD OFFICE .. TORONTO**

Sir EDMUND B. OSLER, M.P., President  
W. D. MATTHEWS, Vice-President  
C. A. BOGERT, GENERAL MANAGER

---

**The London, England, Branch**

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada.

THE

**Royal Bank of Canada**

INCORPORATED 1869

Capital Authorized .....\$ 25,000,000  
Capital Paid-up..... 12,911,700  
Reserve and Undivided Profits.... 14,324,000  
Total Assets ..... 287,000,000

HEAD OFFICE, MONTREAL

Sir H. S. HOLT, Pres. E. L. PEASE, V. Pres. and Man. Dir.  
C. E. NEILL, General Manager.

360 Branches in Canada and Newfoundland.  
Thirty-six Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela.

BRITISH WEST INDIES

ANTIGUA—St. John's; BAHAMAS—Nassau  
BARBADOS—Bridgetown; DOMINICA—Roseau;  
GRENADA—St. George's; JAMAICA—Kingston;  
ST. KITTS—Basseterre  
TRINIDAD—Port of Spain and San Fernando.  
BRITISH HONDURAS—Belize.  
BRITISH GUIANA—Georgetown, New Amsterdam, and Rose Hall (Corentyne).

LONDON, ENGLAND

Bank Bldgs.,  
Princes Street, E.C.

NEW YORK CITY

Cor. William and  
Cedar Streets.

Business Accounts carried upon favorable terms.  
Savings Department at all Branches.

**The Standard Bank of Canada**

Established 1873 120 Branches

Capital (Authorized by Act of Parliament) ... \$5,000,000.00  
Capital Paid-up ..... 3,000,000.00  
Reserve Fund and Undivided Profits ..... 4,053,140.63

DIRECTORS

W. F. COWAN, President. W. FRANCIS, K.C., Vice-President.  
W. F. Allen, F. W. Cowan, H. Langlois, T. H. McMillan, G. P. Scholfield, Thos. H. Wood.

HEAD Office, 15 King St. West TORONTO, Ont.  
GEO. P. SCHOLFIELD, General Manager.  
J. S. LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

AUSTRALIA and NEW ZEALAND

**BANK OF NEW SOUTH WALES**

(ESTABLISHED 1817)  
AUSTRALIA

PAID UP CAPITAL -	\$ 18,526,600.00
RESERVE FUND -	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS	18,526,600.00
	\$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916	\$277,488,871.00



J. RUSSELL FRENCH, General Manager

338 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C.

AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA

**Keep Informed**

Our new Booklet of investment Securities contains, among other valuable information, latest available earnings, financial position, etc., of some of Canada's most prominent industrial enterprises.

*A copy will be sent on request.*

**ROYAL SECURITIES CORPORATION LIMITED**

164 St. James Street, MONTREAL

THE

**Weyburn Security Bank**

Chartered by Act of The Dominion Parliament

HEAD OFFICE, WEYBURN, SASKATCHEWAN

BRANCHES IN SASKATCHEWAN AT

Weyburn, Yellow Grass, McTaggart, Halbrite, Midale, Griffin, Colgate, Pangman, Radville, Assiniboia, Benson, Verwood, Readlyn, Tribune, Expanse, Mossbank, Vantage, Goodwater, and Osage.

A GENERAL BANKING BUSINESS TRANSACTED

H. O. POWELL, General Manager



**CANADIAN WAR LOANS**

An instalment of 30 per cent. on the third war loan was due on Tuesday. Excluding the bank's contingent subscription of \$60,000,000, approximately \$190,000,000 was subscribed to the \$150,000,000 loan. Ten per cent., or \$19,000,000, was payable on application. Of the total subscriptions, \$150,000,000 were accepted. Thirty per cent. of that amount, or \$45,000,000, was payable by subscribers on April 16th. While no official figures are available, it is commonly reported that 85 per cent. of the subscriptions were paid up in full on that date, subscribers having that option. If that is so, the deposits accounts in the April bank statement, under ordinary circumstances, will show a substantial decrease. In that event, too, the payment due on Tuesday, May 15th, would not involve a large sum. As a result of the heavy payment on the second instalment, the payment this week did not involve the work that devolved on the banks in April. There has been little disturbance in the money market. A considerable amount of calling of private funds on loan in the Street went on before the April payment, but there has been little this time.

The first two Canadian war loans rapidly rose to substantial premiums. The slight heaviness of the third loan therefore has caused some disappointment. The bonds are selling around 97½.

Despite the heaviness of the issue and some easing off in the other Canadian loans, both domestic and New York, O'Brien & Williams, Montreal, in a letter to clients, point out that: "Although the Canadian bonds are yielding a

little to liquidation, they are making a more satisfactory showing than many other prominent war issues. The Anglo-French issue is selling at a price to yield 7.5 per cent.; the United Kingdom 5's, 1918, sold recently at a price to yield over 7½ per cent.; City of Paris 6's yield 7¼ per cent., and the Russian 6½'s no less than 12 per cent. Under the circumstances we have nothing to complain about with our own bonds selling on a 5½ per cent. basis."

Over seven million dollars have already been invested in the war savings certificates by the small investors of Canada. The total number of certificates disposed of since they were first issued last January is now slightly over a hundred thousand. They are being sold at the rate of about one thousand per day and the demand is keeping up steadily.

**MONEY MARKETS**

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

	Buyers.	Sellers.	Counter.
N.Y. funds .....	11-32 pm	¾ pm	½
Mont. funds .....	par	par	¾ to ¼
Sterling—			
Demand .....	\$4.77-10	\$4.77-30	\$4.79½
Cable transfers .....	\$4.78	\$4.78-25	\$4.80½
Rates in New York—Sterling demand, \$4.75½.			
Bank of England rate, 5 per cent.			

# The Sterling Bank of Canada

Statement of the Result of the Business of the Bank for the Year Ending 30th of April, 1917, Given at the Annual General Meeting of the Shareholders, Held at the Head Office, Toronto, on Tuesday, 15th of May, 1917.

**PROFIT AND LOSS ACCOUNT.**

Balance of Profit and Loss, 30th April, 1916 .....	\$ 52,735.29
Profits for the year ending 30th April, 1917, after deducting charges of management, rebate of interest, etc.....	161,270.20
<b>Making a total of .....</b>	<b>\$214,005.49</b>
Appropriated as follows:—	
Dividend 1½ per cent. 15th August, 1916.....	\$18,110.74
Dividend 1½ per cent. 15th November, 1916.....	18,128.77
Dividend 1½ per cent. 15th February, 1917 .....	18,160.68
Dividend 1½ per cent. 15th May, 1917 .....	18,182.20
	<b>\$ 72,582.39</b>
Transferred to Contingent Account for depreciation of assets, etc. ....	60,000.00
War Tax on Circulation .....	\$11,989.24
Provincial Government Taxes .....	8,604.82
	<b>\$ 20,594.06</b>
Balance of Profits carried forward .....	60,829.04
	<b>\$214,005.49</b>

**RESERVE FUND.**

Balance brought forward .....	\$300,000.00
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**COMPARATIVE GENERAL STATEMENT,**

For Year Ending 30th April, 1916, and Year Ending 30th April, 1917.

**Liabilities.**

	1916.	1917.
Notes of the Bank in circulation.....	\$ 1,159,980.00	\$ 1,269,600.00
Deposits not bearing interest .....	1,638,329.03	3,449,590.34
Deposits bearing interest (including interest accrued to date of statement) .....	6,156,492.56	7,237,400.79
Balances due to other Banks in Canada.....	209,771.95	215,946.79
Acceptances under Letters of Credit .....	914.40	2,436.06
<b>Total Liabilities to the Public .....</b>	<b>\$ 9,165,487.94</b>	<b>\$12,165,973.98</b>
Capital Stock paid up .....	1,200,299.61	1,212,173.95
Reserve Fund .....	300,000.00	300,000.00
Dividends Declared and Unpaid .....	19,793.11	20,910.30
Balance of Profit and Loss Account carried forward .....	52,735.29	60,829.04
	<b>\$10,744,315.95</b>	<b>\$13,759,887.27</b>

**Assets.**

	1916.	1917.
Current Coin held by the Bank.....	\$ 43,698.89	\$ 52,964.57
Dominion Notes held .....	1,200,827.25	1,421,353.75
Deposit with the Minister for the purposes of the Circulation Fund .....	56,900.00	58,607.00
Notes of other Banks .....	154,443.00	173,146.00
Cheques on other Banks .....	557,527.34	505,289.71
Balances due by other Banks in Canada.....	10,312.17	5,000.00
Balances due by Banks and Banking Correspondents elsewhere than in Canada.....	530,007.31	467,281.38
Dominion and Provincial Government Securities, not exceeding market value .....		1,322,404.58
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian .....	923,463.80	2,071,029.65
Railway and other Bonds, Debentures and Stocks, not exceeding market value.....	547,406.70	619,366.07
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks .....	445,357.15	173,545.38
	<b>\$ 4,469,943.61</b>	<b>\$ 6,929,988.09</b>
Other Current Loans and Discounts in Canada (less rebate of interest) .....	5,912,940.77	6,434,898.69
Overdue Debts (estimated loss provided for)....	17,024.37	17,680.04
Bank Premises, at not more than cost, less amounts written off .....	273,433.65	275,723.29
Liabilities of Customers under Letters of Credit, as per contra .....	914.40	2,436.06
Other Assets not included in the foregoing.....	70,059.15	99,161.10
	<b>\$10,744,315.95</b>	<b>\$13,759,887.27</b>

Toronto, April 30th, 1917.

G. T. SOMERS, President.  
A. H. WALKER, General Manager.

**AUDITOR'S REPORT.**

This statement has been duly vouched by comparing all entries with the books at the Chief Office and certified Returns from the Branches, and in my opinion is properly drawn up so as to exhibit a correct view of the condition of the Bank.

Cash and Securities have been checked at the Chief Office at 30th April, 1917, as well as at another time during the year, as required by Section 56 of the Bank Act.

I have obtained all the information and explanations required, and am of the opinion that the transactions of the Bank which have come under my notice have been within the powers of the Bank.

SHERMAN E. TOWNSEND, C.A., Auditor.



# THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

## NOTICE OF QUARTERLY DIVIDEND

Notice is hereby given that a Dividend at the rate of five per cent. (5%) per annum upon the paid-up Capital Stock of this Bank, has been declared for the three months ending the 31st of May, 1917, and that the same will be payable at the Head Office and Branches on and after Friday, the First day of June, 1917. The Transfer Books will be closed from the 17th day of May to the 31st day of May, 1917, both days inclusive.

By Order of the Board,  
**J. COOPER MASON,**  
Actg.-General Manager

Toronto, April 24th, 1917.

# The National Bank of Scotland

Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed.....	£5,000,000	\$25,000,000
Paid up .....	1,000,000	5,000,000
Uncalled .....	4,000,000	20,000,000
Reserve Fund .....	700,000	3,500,000

**Head Office** **EDINBURGH**

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.  
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.

JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

# THE BANK OF OTTAWA

ESTABLISHED 1874 95 BRANCHES IN CANADA

Capital Paid Up, \$4,000,000. Rest, \$4,750,000

**Board of Directors**

HON. GEORGE BRYSON, President;	JOHN B. FRASER, Vice-Pres.
RUSSELL BLACKBURN	ALEXANDER MACLAREN
GEORGE BURN	HON. SIR GEORGE H. PERLEY
SIR HENRY K. EGAN	E. C. WHITNEY
General Manager, D. M. FINNIE	Assistant General Manager, H. V. CANN

A commercial bank well equipped to serve merchants, manufacturers, importers and exporters. Drafts, money orders and letters of credit issued. Savings Departments at all branches.

# THE STERLING BANK

OF CANADA

The Sterling Bank meets the needs and requests of its clients with promptness, backed by adherence to sound banking principles.

**Head Office**  
King and Bay Streets, Toronto 20

# Union Bank of Canada

ESTABLISHED 1865

**Head Office - WINNIPEG**

Paid-up Capital	\$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	109,000,000

**BOARD OF DIRECTORS**

Hon. Pres., SIR WILLIAM PRICE	President, JOHN GALT, Esq.
Vice-Presidents, R. T. RILEY, Esq.;	G. H. THOMSON, Esq.

W. R. Allan, Esq.	Major-General John W. Carson, C.B.	J. S. Hough, Esq., K.C.
G. H. Balfour, Esq.	B. B. Cronyn, Esq.	F. E. Kenaston, Esq.
Hume Blake, Esq.	E. L. Drewry, Esq.	R. O. McCulloch, Esq.
M. Bull, Esq.	S. Haas, Esq.	Wm. Shaw, Esq.

H. B. SHAW, Gen. Manager  
J. W. HAMILTON, Assistant General Manager

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, Office, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch.

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**Commercial relations between United Kingdom, France, Russia, Germany, United States and principal British overseas empires, shown in chart form**

	Canada		South Africa		India		Australia		New Zealand	
	Import from	Export to	Import from	Export to	Import from	Export to	Import from	Export to	Import from	Export to
United Kingdom, 1913	\$104,568,130	\$ 9,791,630	\$ 4,290,320	\$ 9,046,565	\$100,165,540	\$ 9,919,040	\$ 77,777,300	\$ 12,012,225	\$ 44,377,905	\$ 4,182,550
Raw materials and articles mainly unmanufactured	38,625,310	2,466,830	56,690,295	1,522,115	106,767,150	2,734,785	92,027,475	1,659,895	57,023,255	790,395
Manufactured articles	8,389,155	100,214,830	1,077,880	101,417,415	34,492,585	334,912,215	20,293,365	156,283,600	212,110	47,997,760
Total	152,441,870	118,971,630	62,476,755	115,118,010	242,102,450	351,136,725	190,326,250	172,352,260	101,690,285	54,188,235
France, 1912	1,007,800	104,800	1,746,800	109,200	9,655,600	252,000	6,216,000	271,200	—	—
Raw materials	217,200	—	5,138,200	—	60,528,800	80,800	46,076,800	480,600	—	—
Manufactured goods	630,000	188,800	13,400	30,600	1,000,200	93,000	171,200	1,786,400	—	—
Total	1,855,000	293,600	6,898,400	139,800	71,184,600	425,800	52,464,000	2,538,200	—	—
Russia, 1912	—	—	—	—	6,169,367	966	—	—	—	—
Raw materials	—	—	—	—	8,710,723	1,278	—	—	—	—
Manufactured goods	—	—	—	—	43,584	27,234	—	—	—	—
Total	—	—	—	—	14,923,700	28,928	—	—	—	—
Germany, 1913	13,625,000	800,000	100,000	450,000	25,660,000	300,000	6,375,000	700,000	75,000	25,000
Raw Materials	1,100,000	1,000,000	15,850,000	50,000	101,275,000	500,000	59,050,000	300,000	2,375,000	175,000
Partly manufactured goods	25,000	525,000	1,275,000	250,000	5,250,000	1,125,000	8,475,000	975,000	75,000	175,000
Manufactured goods	1,275,000	12,750,000	150,000	10,975,000	3,050,000	34,750,000	100,000	20,150,000	—	2,300,000
Total	16,004,250	15,134,750	17,405,500	11,735,000	135,434,750	37,885,500	74,020,500	22,136,750	2,517,750	2,671,500
United States, 1913	120,571,180	415,449,457	3,305,552	14,488,501	*116,920,591	*15,108,956	10,956,200	43,351,855	4,385,162	9,079,497

\* Including Straits Settlements and other British Indian possessions.

† The figures given in this chart for the United Kingdom exports represent exports of manufactures and produce of United Kingdom only, and do not include transit trade. The transit trade transacted by the English market during the year 1913 had a value of \$47,875,185. Roughly, one-third of the merchandise reaching United Kingdom from her colonies is re-exported again, finding its way either to Europe or to other markets. Also part of the merchandise imported into United Kingdom from not British sources is re-exported again. The percentage of re-shipments of the total imports, however, is not more than 10%. The following statistic shows the re-exports of foreign and colonial merchandise to the most prominent customers of United Kingdom in Europe, also those going to the principal British colonies.

**Export of Foreign and Colonial Merchandise from United Kingdom to several leading European and Colonial Markets, 1913**

	Food, Drink, and Tobacco		Total		Raw Materials and partly manufactured Goods		Manufactured Goods		Total	
	Food, Drink, and Tobacco	Total	Raw Materials and partly manufactured Goods	Manufactured Goods	Raw Materials and partly manufactured Goods	Manufactured Goods	Raw Materials and partly manufactured Goods	Manufactured Goods	Total	
Allied Group	\$ 3,674,410	\$47,956,350	\$38,658,720	\$ 5,627,675	Canada.....	\$ 4,280,555	\$ 3,482,765	\$ 9,795,825	\$17,561,325	
Russia	4,218,610	37,103,145	2,323,560	2,923,560	Australia.....	1,186,585	1,811,230	13,790,585	16,795,150	
Belgium	3,197,880	59,743,595	47,327,090	9,211,920	British Indies.....	1,182,165	2,214,515	3,569,295	6,985,430	
France	714,200	5,059,235	2,829,255	1,515,705	South Africa.....	4,132,335	396,215	5,039,735	9,585,240	
Italy	12,475,560	99,113,315	70,695,185	15,836,335						
Central Group	3,103,395	6,497,760	3,103,395	1,471,160						
Germany	1,922,685	5,071,855	2,442,110	1,129,020						
Austria-Hungary	1,498,865	25,464,435	12,541,420	5,963,325						
Neutrals	6,959,015									
Holland										

**Total Export of United Kingdom to the European Market, 1913**

France	\$208,115,860	Germany	\$302,531,075	Holland	\$106,507,325
Russia	138,469,765	Austria-Hungary	28,902,400	Switzerland	25,439,940
Servia	188,030	Bulgaria	2,510,145	Spain	43,164,580
Belgium	121,119,600	Turkey	40,059,735	Roumania	10,090,800
Portugal	19,670,330			Greece	12,979,945
Italy	78,110,005				
		Sweden	\$46,173,283		
		Norway	33,338,900		
		Denmark	32,947,485		



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# Nationalization Would Add Billion of Debt

Drayton-Acworth Plan Would Mean Additional Interest Charges of \$40,000,000 Annually, Says A. H. Smith—Reorganization of Canada's Railways as Proposed in the Minority Report.

**I**N *The Monetary Times* last week a lengthy summary of the Drayton-Acworth majority report of the Railway Inquiry Commission was published. The minority report of Mr. A. H. Smith, reviewing the salient facts concerning each company, makes the following observations:—

The Canadian Pacific is amply able to take care of itself. It can and does provide competition with the other railroads. In order to be most serviceable to Canada, it should be continued, subject only to such equitable regulation as is accorded to all lines.

The Grand Trunk succeeded in the east and failed in the west. The Canadian Northern succeeded in the west and was jeopardized by its eastern expansion.

There is extensive duplication of lines in the west; the unsuccessful Grand Trunk Pacific lines are found among the successful Canadian Northern lines. Public policy demands the unification of these lines, for great economies could be thereby accomplished.

There is extensive duplication in the East; the new Canadian Northern lines among the older lines of the Grand Trunk proper. Great economies in proposed investment and operating expenses await the joint working of these properties.

There is wasteful duplication in the connecting region between North Bay and Winnipeg, where the Canadian Northern line parallels the government line. Economy awaits the joint working of these lines.

## Remedies Recommended.

Consideration of all phases of the problem leads me to recommend the following remedies for the existing situation: Let the Canadian Pacific alone; let the Grand Trunk operate the eastern lines now held by that company and the Canadian Northern; let the Canadian Northern operate the western lines now held by that company and the Grand Trunk Pacific system; let the government operate the connections or procure their operation by private companies; all of which should be done under arrangements that are equitable, and yet look to the not distant day when the country will have survived the war and resumed its prosperous growth.

There may be several ways by which this can be brought about, but the one that has appealed to me is that which seems to be the least disturbing of values and credit and involves no untried schemes or protracted disputes. Therefore, I beg to make the following suggestions:—

1. Amend the regulating policy so that the Railway Commission may have jurisdiction over all railroads in the matter of maximum and minimum rates, the issuance of securities, the building of new railways, or the extension of lines, and other matters properly within the scope of governmental supervision.

2. Create a board of trustees, consisting of two government officials and three private citizens, to act for the government in the matters hereinafter proposed.

## Relieve the Grand Trunk.

3. Relieve the Grand Trunk Railway Company of its obligation to lease the Transcontinental, and require the company to relinquish all claims upon the Transcontinental; require it to lease to the Board of Trustees the Grand Trunk Pacific railroad properties at a rental amounting to the net annual fixed charges; require it also to take under lease the Canadian Northern properties east of North Bay and Parry Sound, and pay as a rental the net fixed charges on those properties. The time of the lease should be for twenty-one years. The Grand Trunk's investments, other than railroad, in the West may be disposed of by the company as it may elect, and in accordance with its best interests.

4. Require the Canadian Northern Railway Company to confine its operation to the field west of Winnipeg. Relieve it of the line east of Winnipeg by leasing for twenty-one years to the governmental Board of Trustees

at a rental of the net annual fixed charges. Require it to take a lease of, and to operate for the same period the Grand Trunk Pacific Railway, and its branch lines, paying as rental the net annual fixed charges upon those properties; except that until seven years after the end of the war they shall have the immunity that was promised the Grand Trunk Pacific for a period of seven years after construction, and that they shall not be required to assume any of the extraneous investments of the Grand Trunk System in the West.

## Twenty-one Years' Lease.

5. Lease the lines between North Bay and Winnipeg (except the Canadian Pacific's) for a term of twenty-one years to either the Canadian Northern or the Grand Trunk (or, in event neither applies, to any other qualified company), requiring the lessee to furnish the necessary capital for new equipment, and to maintain and operate the lines on the best terms that can be made; terms that would give the best service needed at lowest cost to the government being regarded as best. Either the government or the lessee should build a connecting line of about thirty miles near Long Lake, Ontario, to protect the better working of the two lines.

6. The government and companies should have the option of terminating, after ten years, any of the leases upon equitable terms.

The foregoing recommendations are made with a view to obtaining for Canada a maximum of efficiency at a minimum outlay. The continuance of government aid, to some of the railroads at least, will be necessary under any plan. The plan herein proposed seeks to reduce this to the lowest possible point and to centralize it upon those parts of the existing lines which are not self-supporting, and which, in the nature of things, cannot be self-supporting for years. These connecting links, "bridges," as they have been called, exist, it seems to me, as a result of that public policy which has been discussed at some length. The government may well afford to take them over and maintain them as necessary parts of the public investment in the country's development. They are not of sufficient importance to bring about those dangers inherent in government operation of this kind on a large scale, and holding them will not endanger private enterprise. It may be necessary in working out this plan to grant some additional and temporary aid to the Canadian Northern, and it will be necessary to effect some compromise with the Grand Trunk Railway Company which will enable this company to continue. Aid should be extended upon the recommendation of the Board of Trustees, who should be charged with the duty of investigating the need of and approving the aid to be rendered by the government; they should also see that the government receives for that aid such security as will give it a reversion in case of default.

## Fair Solution of Problem.

The recommendations here submitted are to be considered as a general outline of what appears to be a fair solution of the transportation problem. Enabling legislation will be required in any case, and I realize that there are many technical and legal questions which will require careful attention at expert hands. If the general plan is adopted, my thought is that the Board of Trustees which I have suggested be charged with the duty of acting for the government in all matters requiring new contracts, and shall protect the interest of the government in every way while leasing, operating, or financing the property under their care to the best advantage, due consideration being given to the rights of the other parties at interest.

If for any reason it should prove inexpedient to carry out the foregoing suggestions, and if the government should find it wise or necessary to possess itself of, and to hold any considerable part of the railway properties, I should recommend as an alternative plan the formation of a private company to



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take over other operations of those properties, either as a whole or in groups. Even where a road does not earn its fixed charges, the government could profit in the long run by making the terms of an operating lease sufficiently attractive to induce private enterprise to undertake its management. The terms of the contracts would naturally depend upon the extent of the property and the prospect of earnings, but they could be so drawn as to prove attractive to private capital and at the same time relieve the government of the expense and embarrassment of government operation. Such contracts might be based upon a profit-sharing plan on a fair basis, which would leave the company a hope of reward commensurate with its efforts, and give the public also a share in the prosperity which they must help to create.

#### "Desperate Need of Equipment."

I should like to add one other thought. The railways of Canada are in desperate need of equipment. Whatever decision is made with reference to the railways, the transportation problem is now acute in so far as equipment is concerned. I would, therefore, recommend that the government undertake at once to provide an ample supply of freight cars and locomotives against immediate and imperative needs. These cars and engines may be had, if desired, under trust agreements. It will be a simple matter to turn these cars and engines over to the operating companies under lease or contract of purchase, which may be exercised when conditions are more nearly normal.

Concluding, I would be loath to suggest recourse to any radical changes in the domestic policy of the Dominion of Canada in this time of war and stress. Remedial measures are often more efficacious than revolutionary ones, and more equitable. I have been impressed by the seriousness of your transportation problem, and in sincerity express my belief that the problem can be successfully and satisfactorily remedied by just and mutual recognition of difficulties and full and free co-operation between the government and the railroads. Fair and broad treatment of the question will, I am convinced, bring capital and personal genius commensurate with the exigencies of the present situation, and capable of developing a happy solution. I believe that the best results hitherto have been obtained by the efficiency and economy of private initiative, energy, and capital. It is no longer assumed that the self-interest of the railroad investor and operator is antagonistic to the interest of the public; rather, we have all learned, governments and corporations alike, that the two are inseparably linked and must stand or fall together. Upon these fundamental truths I base my firm conviction that the brightest outlook for the future of your great Dominion can be assured through the extension of private railroad enterprises. The hope of honor and the reward of public approval must be open to human kind to get the best results from human endeavor.

#### Continue the Aid.

Facing the urgency of the need, considering the part which the government has taken and the responsibility which it shares, and keenly alive to the magnitude and the importance of the tasks now placed upon the railroads and the greater tasks which they will face, I see no safe alternative but the government shall continue, with discrimination and resort to all available safeguards, and under a policy of proper regulation and co-operation of effort, to aid the necessitous railroads of the Dominion until such time, which I hope and believe will not be far distant, when these will become self-supporting and the problem will be solved.

Discussing the matter of reorganization, Mr. Smith says:—

We are asked to make suggestions in regard to "the reorganization of any of the said railway systems or the acquisition thereof by the State; and in the latter case, the most effective system of operation, whether in conjunction with the Intercolonial Railway or otherwise."

The first practical question is, therefore, the need of reorganization of any of these three transcontinental systems; the second is whether they should be acquired by the State; and the third is whether the status of the Intercolonial can be changed; and, if so, can the road be advantageously grouped with either of the three systems.

In such suggestions as I shall make, I am influenced by consideration of the public policy as evidenced by past governmental acts. I further assume that the existence of these roads through the direct aid and sanction of government is conclusive evidence of the fact that the people really desire them. That they were built in advance of their need for ordi-

nary commercial uses—a fact which is emphasized by the present abnormal economic situation—does not appear to me a sufficient reason for condemning the policy of national development, or the wisdom and integrity of those who have built the roads under that policy. Neither do I think that there exists any condition to warrant taking up a new and untried public policy, which may lead to greater difficulties than those which are now faced.

The history and standing of the Canadian Pacific Railway, and its public service as a carrier to-day is sufficient assurance that it does not need reorganization. The scope of its business, extending to other lands by steamships and commercial connections, and the control of many thousand miles of railroads in the United States, would afford sufficient reasons, if none other existed, for dismissing the idea of its acquisition by the State.

So much of the Intercolonial as is serviceable to the Canadian Pacific appears to be now used by it, either as a local connection or through trackage rights. Moreover, the two have existed separately for many years as competitors, and no new reason appears why the relations of the Intercolonial and Canadian Pacific should be changed for the future, unless the people of Canada are satisfied that better results would be obtained for the territory served by the Intercolonial if it were in the hands of the Canadian Pacific.

#### Cannot Carry Obligations.

The Grand Trunk Railway Company has stated that it is beyond its power to assume and carry the obligations which would be imposed upon it if it should try to become such a transcontinental system as the plans of 1903 contemplated. The company has not attempted to bring about the organization of a system approximating that of the Canadian Pacific, or even the Canadian Northern, nor can it do so.

In view of the parent company's inability to carry out its original plans, and to discharge its obligation, the question is, what disposition is to be made of the various roads which were intended to be, but did not become, parts of one operating system?

My colleagues have recommended that the stockholders of the Grand Trunk Railway Company be paid an annuity, which is to be a "moderate but substantial portion of \$3,600,000, the average dividend payment for the last ten years." This recommendation is in spite of the facts noted in the report that there are arrears in maintenance which require the expenditure of twenty-one millions of dollars, and that the company has charged to capital items which should properly have been charged against income, these facts indicating that there have been some dividends paid which have not been earned. Considering this situation, and also the obligation of the company in the West, I am not impressed with the justice of paying an annuity to the stockholders in exchange for a surrender of this property. I also would be liberal to them, but I would allow them to keep their property and give them a chance to work out their own salvation. To that end, I would recommend that a settlement be effected between the government and the Grand Trunk Railway Company. The railway cannot carry out its part of the contracts, and it should be relieved of further embarrassment. On the other hand, the stockholders of the Grand Trunk Railway should be required to curtail or forego their dividends for the present, and the entire earnings be applied to the rehabilitation of the road through a term of years. The government thus gives up a present claim which the debtor cannot pay anyway; in turn, it will enjoy improved and extended service, which may be worth far more to the welfare of the people. I should also give the government some claim upon the future earnings of the Grand Trunk, so that it may share in any future prosperity which this action makes possible.

#### Put Itself Into Shape.

Reorganization of the Grand Trunk is desirable only in so far as it shall be required to put itself in shape to discharge efficiently its functions as a carrier. Whether it shall retain all of the subsidiaries which it has accumulated through the past fifty years depends in large measure on what they can contribute to the main property. Careful study of each of the subsidiaries will lead to definite conclusions from the standpoint of the Grand Trunk and its future welfare.

What the Grand Trunk needs most of all is to be relieved upon equitable terms of the embarrassment that it has incurred through the failure of the transcontinental scheme. The acquisition by the State of the Grand Trunk Railway proper presents much of the embarrassment that would obtain in the effort to acquire the Canadian Pacific, for here



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also, in addition to the question of equity involved, there is the problem of some two thousands miles of railroad owned in the United States; and the fact that the Grand Trunk's principal seaport is in the United States.

The investigation of the Canadian Northern by the Commission has disclosed evidence of skill in construction and efficiency in management, considering the means and equipment available. The company even now earns a large part of its fixed charges, although important parts of the system have been in operation for but a year. I think there is ample justification for confidence that the affairs of the company will improve with the return of normal conditions. I see no reason for a change of management or a reorganization, excepting as hereinafter suggested.

#### Relation of Intercolonial.

It may be well here to consider the relation of the Intercolonial to the other roads, and the possibility of operating it in conjunction with any of them. We have shown its relation to the Canadian Pacific. The main line of the Intercolonial is about 1,000 miles, from Montreal to Halifax. It has occupied the territory for fifty years and has become adapted to it. There are apparently no operating economies available by combining it with another system that are not available to it alone. Assuming proper regulation, there appears to be no traffic interchange that could be better assured by merger. I am informed that the Maritime Provinces consider the use of the Intercolonial as a right to which they are entitled. Moreover, the government has built the Transcontinental, a part of which was in compliance with plans of the Grand Trunk, while the rest of it is so placed that it ought to continue to be operated in conjunction with the Intercolonial. The present status of the Intercolonial and the eastern part of the Transcontinental should be continued as a government operation. The results of such operation should, however, be reported to the people of Canada in exactly the same form as is required from other railroads. And these roads should be subject to the same reasonable regulation as is exercised over all other railroads.

Mention might be made here of the railroad that the government is building from the Saskatchewan River to Hudson Bay. The object in the construction of this road has been stated to be that of obtaining a shorter haul from the western provinces to Europe. The bulk of the traffic to follow this route must necessarily be diverted from the roads extending from Winnipeg to the East, so that the project seems to be an instance of competitive construction, which cannot be justified in this case, even on the ground that it opens up new territory.

There are numerous local railway projects, within provincial limits, which at the moment seem to have little effect upon this general railroad problem. Disposition of these may well await developments as to their necessity and utility when they assume operation. There is little that can be said just now as to their probable relation to the existing means of transportation.

#### Natural Route to East.

The Great Lakes and the St. Lawrence River furnish a natural route from the western country to the East, and to the Atlantic ocean for a part of the year. Numerous steamship lines between Port Arthur and Georgian Bay or the lower lakes and St. Lawrence River ports afford adequate transportation under normal conditions, though somewhat affected by customs requirements and other factors. In view of the heavy movement of grain in the last three months of navigation, regulations governing shipping should be as favorable as practicable, for the hauling of grain over the long distances to the eastern seaboard by an all-rail route involves a problem in car supply and cost which renders such a haul unprofitable for rail lines.

The success of the Canadian Pacific steamship lines has led to the suggestion by some that the other railroads ought also to establish steamship lines. I do not believe that this success was primarily due to the railroad ownership of the ships. Temporarily, the war seems to have put a stop to plans for railroad-owned steamships. If, at the close of the war, it is to be tried again, it would seem advisable first to ascertain whether other ships cannot be induced to schedule sailings before railroads incur the responsibility of making additional investment in ships. There are ships running in regular postal routes with subventions. Perhaps the government might well require, in connection with its subventions, that ships give equal service to the railroads without discrimination among them, thus removing another cause for the employment of duplicate facilities.

In visiting the various ports, I was impressed with the facilities installed and being installed. At Halifax, particularly, important works were actively under way, necessitated I believe, by the overseas traffic for war purposes. It is likely that the future development of steamship terminals in connection with railroads will be difficult to fix until normal conditions resume. Meanwhile, the Atlantic seaports are so much involved in the emergencies of war as to place them beyond the scope of this inquiry. In any event, such works of harbor improvement and development as are the result of war measures will be there at the close of the war as a foundation for what the future may hold.

I am unable to join my colleagues in their recommendations. They propose that practically all of the railways in Canada, except the Canadian Pacific and the American lines shall be turned over to a corporation to be managed by a board of trustees appointed by government. They insist that this board is to be permanent and self-perpetuating. I do not know by what means one parliament can bind its successors to a given policy, especially in so simple a matter as changing the organization of a government board. My friends seek to avoid government ownership and operation, in fact, condemn it as inadvisable, but propose a plan which contains so many elements of danger in the direction which is sought to be avoided that I am unable to join them.

#### Billion Dollars to Debt.

Their plan would add about a billion dollars to the direct debt of Canada. The interest on this is about forty millions, adding very largely to government expenses. Judging from the experience Canada has had with its government railways, it is fair to assume that this would remain a permanent burden. Operated by private companies, this interest would ultimately be borne by the companies without recourse to the government funds, and at the same cost of service to railway patrons as would obtain under government operation.

Their plan also leaves out some of the railways. This is unfair to the investors whose property is to be subjected to government competition. It also discriminates in the method by which the respective properties are to be acquired. I cannot approve the proposed centralization of control. There are problems local to separate regions which often require prompt action and co-operation between the railroads and the people served. There is a need everywhere for that prompt and efficient service which can come only from a knowledge of local conditions and responsibility for meeting them. I cannot believe that centralization, remote responsibility and control, will ensure good service to the people of Canada.

#### Fundamental Defect of Plan.

The recommendation creates a Dominion Railways Company, owned by the Dominion government, to take over those roads. There are about 7,000 miles in the United States controlled by Canadian companies. The Canadian railways depend for no inconsiderable portion of their revenue on United States traffic. A fundamental defect of the plan, therefore, is in placing the government in the railroad business, not only in Canada, but also in operating railroads in the United States subject to both federal and state regulation.

Through private railway management, Canada has obtained about one mile of railroad for each \$30,000 of government aid of guarantees, which is but a fraction of the cost of government railroad undertakings. In some instances, a large proportion of the aid was in land, the value of which was produced by the building of the railroad and the settlement thereby made possible. Compared with the total outlay involved in producing railroads by the government for itself, as, for instance, the case of the Intercolonial or the Transcontinental, from three to six times that amount have been used to realize equal results. This shows distinctly the value of enlisting and retaining private enterprise.

Messrs. R. J. Salisbury, of the Saskatchewan Life, and A. R. Piper, of the North American Life, addressed the Moose Jaw Life Underwriters' Association on "Objections met with in canvassing for insurance."

The Kingston Shipbuilding Company, Kingston, Ont., has practically purchased the plant of the Kingston Foundry Company, adjoining its premises. It requires the additional plant and room for its war contracts. The Sydney Foundry and Construction Company, Sydney, N.S., have purchased a floating dry dock to take care of the smaller steamships and other vessels visiting that port.



**GOVERNMENT BOUNTIES ON OUTPUT**

**This and Restriction of Foreign Control of National Resources Has Official Attention**

Discussing certain more immediate and direct lines of action to stimulate production in the British Empire, the Dominions Royal Commission, in their final report, classify measures of this kind under the following principal heads:—

“The government of the Commonwealth of Australia has for several years granted bounties in order to encourage the manufacture and production of various articles in the Commonwealth. These, in the main, are agricultural products. For some time past a bounty has been given on the output of cane and beet sugar in Australia, whilst cotton, flax, and hemp, as well as dried fruits, have also received a bonus. Canada has for some years been paying a bounty on lead and crude petroleum and, as we have already mentioned, has now provided a bounty on the output of zinc, whilst the Ontario government has for some time paid a bounty on Cobalt oxide.

Government purchase at a minimum price is a means of stimulating production which can, in our opinion, be properly applied only to articles of which increased production is vitally necessary to the governments of the Empire, either individually or as a whole, or of which it is essential, in the national interests, to control the whole output.

**Restriction of Foreign Control.**

“We may mention here the ‘British character’ clauses contained in such legislation as the Canadian Crown lands regulations for the disposal of petroleum rights in Manitoba, Saskatchewan, Alberta, and other Dominion lands. These regulations contain the following provisions:—(a) Any company acquiring a lease shall at all times be and remain a British company, the majority of the directors shall be British subjects, and the company shall not be directly or indirectly controlled by foreigners or a foreign corporation. (b) The Dominion government may at any time take over, subject to compensation, the whole of the locations acquired under the regulations, with all the works, machinery, and plant.

“The New Zealand Mining Amendment Act of 1914 contains similar provision as to the taking over of oil-bearing property and works in time of war. These clauses might be applied more widely and by other governments of the Empire, not only to petroleum, but also to other minerals if there is reason to apprehend that effective control might pass into foreign hands. In particular we should be glad to see them applied to the oil-bearing shales of New Brunswick and to government leases of Crown lands to any company intending to produce wood-pulp or paper.

**Restriction of Government Purchases.**

“It is not perhaps generally realized to what extent, even in times of peace, government departments are purchasers of various classes of goods; thus, the Union of South Africa imports normally about £3,000,000 worth of railway materials and other merchandise on government account, whilst similar imports into India are even larger. In calling for tenders for the supply of merchandise and the execution of contracts, many government departments already accord preferential terms to British articles, and we consider that as a means of stimulating the output of essential materials within the Empire, this practice might be extended, especially in regard to such articles as might be scheduled by the suggested Imperial Board as requiring special treatment.

“In our view it should be left to the various governments of the Empire to continue or extend such measures as we have described under these four heads until the details of the numerous problems involved have been carefully worked out, with competent scientific advice, by the suggested Imperial Development Board. (This was recently outlined in *The Monetary Times*). The advice of such a board will enable the different governments to take such measures as are necessary with a wider outlook and fuller appreciation of the requirements of the Empire as a whole.”

The taxpayers of Tillsonburg, Ont., defeated two industrial by-laws, one to grant a loan of \$10,000 at 5 per cent. and a fixed assessment, to the Tillsonburg Foundry and Machine Company, the other to exempt the property of the Canadian Cereal and Flour Mills Company from ordinary taxation for five years.

**RAILWAYS TO INCREASE RATES**

**Application Made to Dominion Railway Board for Authority for 15 Per Cent. Raise**

The Canadian railways propose to make an increase of 15 per cent. in passenger fares and freight rates. Application has been made to the Dominion Railway Commission upon the ground that such advance is necessary and advisable for the security, defence, peace, order and welfare of Canada, within the meaning of said act. The applicants submit that at the present time, when the whole resources and energy of Canada are devoted to the prosecution of the war, it is essential to the utmost utilization of these resources and energies that the transportation facilities of the country should be maintained at the highest practicable state of efficiency.

It is represented that there has been, within the last few years, a general and heavy advance in the cost of labor and of materials used in the equipment, maintenance and operation of railways. They have submitted in support thereof comparative statements showing the cost of equipment and materials in 1915, 1916 and 1917.

**Increasing Equipment Costs.**

Some of the principal items are as follows: Canadian Pacific Railway Company—General purchases increase, \$3,701,135.46 or 45.9 per cent.; fuel purchases increase, \$9,494,416 or 69 per cent.; tie purchases increase, \$152,650 or 10.6 per cent.; stationery purchases increase, \$502,340 or 60.4 per cent. To this should be added a substantial increase in the cost of labor. It is impossible to now state what this is because of negotiations now going on with different labor organizations.

Grand Trunk Railway Company—Cost of equipment and material increase 1917 over 1916, \$4,333,533; compared with 1915 the increase is \$7,890,827. The following extract from their statements shows the increase in cost per unit:—

	1915.	1917.
40-ton box car .....	\$1,250.00	\$2,250.00
Rails, per ton .....	30.00	50.00
Track bolts, per cwt. ....	3.30	6.00
Spikes, per cwt. ....	2.60	4.25
Grey iron castings, per cwt. ....	2.50	3.75
Steel castings, per cwt. ....	4.60	9.29
Malleable castings, per cwt. ....	3.25	9.00
Increase cost of coal, 1917 over 1916, based on 1917 quantity .....		\$5,242,500
Increase cost of lumber .....		21,770
Increase cost of ties .....		161,100

Canadian Northern Railway Company—Increase in cost of material and supplies for year 1917 over 1916, \$5,190,945; coal is the largest item, being \$3,335,492. The other railways have filed similar information in support of the application.

**As a War Measure.**

It has been intimated that no serious objections will be offered to the proposition, provided it is treated as a war measure, in accordance with the application, and that it will only remain in force for a given period. The increase of 15 per cent. is intended to apply on passenger tolls and on all existing freight tariffs, class and commodity, with the exception of coal in the territory east of Fort William, on which an advance of 15 cents per ton is proposed.

**RAILWAY EARNINGS**

The following are the weekly earnings of Canada's trans-continental railways during May:—

	1917.	1916.	Increase.
<b>Canadian Pacific Railway.</b>			
May 7 .....	\$3,065,000	\$2,763,000	+ \$302,000
<b>Grand Trunk Railway.</b>			
May 7 .....	\$1,135,891	\$1,031,468	+ \$104,423
<b>Canadian Northern Railway.</b>			
May 7 .....	\$ 734,500	\$ 677,400	+ \$ 57,100



## FOOD CONTROL IMPRACTICABLE HERE

### Scantiness of Population in Relation to Area is Obstacle, Says Professor Mavor

An address of Professor Mavor, head of the department of economics, University of Toronto, to the members of the St. Andrew's Society in that city last week, seems to have been widely misquoted and misunderstood. The Toronto Globe, for example, describing Professor Mavor as "an inveterate disciple of the doctrine of laissez faire in its antiquated forms," and "an economist professing special and authoritative knowledge," who "has consistently given bad advice to the people of this country and the United Kingdom as well on questions of national importance to Canada," has published an editorial which misrepresents what Professor Mavor actually said. The editorial also makes the striking statement that in this year of the war "economic laws and theories do not count in the least," and in these days of absolute necessity, "no natural law can be recognized."

The following letter has been addressed by Professor Mavor to the editor of The Toronto Globe:—

"What I said to the St. Andrew's Society on this question was in effect this. Food control is possible and it may be necessary in a country subject to siege; but it is impracticable in Canada, and at the present time it is not necessary even to attempt it.

#### For Adequate Control.

"In order to effect food control adequate to the purpose for which it is instituted, all of the three following measures must be taken:—

"1. The production of food must be controlled and the proportions of different foodstuffs must be compulsorily administered under a system either of compulsory labor (otherwise slavery) or of voluntary labor induced by a return in certain employments larger than is customary—e.g., agricultural labor must be remunerated at least at the same rate as industrial labor, otherwise agriculture would remain as it is handicapped in respect to labor.

"2. The consumption of food must be regulated by a system of rationing.

"3. Prices must be determined arbitrarily, in the absence of competition, which under the system of regulation would be eliminated.

#### Plan is Impracticable.

"The adoption of these measures in a country like Canada is impracticable because of the scantiness of the population in relation to the area and because the system would require the services of a force of civil servants and police disproportionate to the total of the population. It appears to me that the cost of regulation under this system would not be compensated by the speeding up of industry and agriculture excepting by means of compulsory labor. Even then the compensation would be highly problematical and the social effects of the system would be disastrous.

"The three measures mentioned seem to me to be inseparable, therefore the adoption of the single measure of fixing the prices of food would be ineffectual. If the price of wheat—e.g., were fixed at a point lower than the market price at the moment when the regulating system began, there would be an inevitable tendency, on the one hand to discourage production, which of course would be uncontrolled, and to encourage consumption which would be uncontrolled also. In order to stimulate production the official price would have to be raised and the purpose of the control—viz., to keep down prices would, therefore, not be attained. Thus in the absence of contemporaneous regulation of production and consumption, official fixation of price would be futile.

"The administration of production by compulsory labor is clearly inexpedient and by voluntary labor under the required conditions impracticable. So also the adoption of a measure of rationing taken by itself would be futile because the checking of the demand which it would involve would react upon production (uncontrolled as it would be), and tend to diminish it.

"I pointed out that even in Germany where the police system is pervasive, it is known that hoarding of food has been occurring and although the official prices have been revised every month, the greatest difficulty has been experienced in distributing production. At times there has been a great

excess of certain products followed by want of them—precisely the consequences which occur in the absence of governmental regulation. Indeed these fluctuations may be aggravated by the regulative system if it is not perfectly applied.

"In short, it is true that in Canada, the *only* practicable method of inducing increase of production is to refrain from interfering with the advance of prices and the *only* method of inducing economy in consumption is to adopt the same course. Increase in wages, profits, interest and rent has resulted in increase in demand while production has been paralyzed by the absorption of labor and capital in the war. Thus a new scale of prices has arisen and this new scale has been rendered possible and has been enhanced by increase in the circulating media throughout the world.

#### Anticipation of Advances.

"It is true that when the margin between the total of production and the total of demand is small as it is now everywhere, there is a strong inducement to accumulate stores in anticipation of advance in price. This practice known long ago as *engrossing*, is against the law and the law may be enforced against those who practice it. But, it is also true that this very practice provides a store which may be drawn upon and that in the absence of it, prices might be low enough at certain moments to induce premature and wasteful exhaustion of the supply. The same considerations apply to legislation against speculation.

"When prices are rising, persons with fixed incomes suffer; they gain correspondingly while prices are falling. The transition periods, through one of which we are passing now, from one scale of prices to another, are very trying, and for those who suffer in them exceptional means of relief have frequently to be applied. The fall of prices between 1876 and 1886—e.g., produced a great deal of suffering through the check it imposed upon production and resulted in serious unemployment. The rise in prices increases production, stimulates employment and produces infinitely less serious problems than a fall in prices.

"The great strain upon this country in an economic sense is not occurring now, but must be regarded as likely to occur when the war is over. Then there must be a pause in the economic movement, a sharp fall in wages, reduction of demand, and much unemployment. This condition may not last long because reconstruction may induce fresh demand, but for the transition period we should prepare by storing up our surplus resources now. The mere fact of rising prices contributes to economy and thus automatically induces us to prepare for the future.

#### Must Apply Economic Reasoning.

"So far from impulsively discarding the assistance of economic reasoning in studying the complex situation produced by the war, it is only by applying this reasoning and by comparing the present period with other similar periods in economic history, that any understanding of the situation is possible. It is very difficult to obtain adequate data and very hard to reason from it, but it is only by means of such concrete studies that progress can be made.

"An uncritical attitude of mind on the part of newspapers and other guides of public opinion is, at the present time of rapid political and economic movement, extremely dangerous. Trifling with issues that involve the well-being of whole nations has a tragic significance. The situation in Russia affords a vivid example of the effects of disregard of consequences and commonsense and of neglect on the part of the extreme parties to profit by experience and knowledge."

The Pioneer Tractor Company, Limited, Calgary, have assigned to Mr. J. B. Watson, chartered accountant, Calgary. The company was incorporated and acquired the Canadian rights for the manufacture of a tractor from the Pioneer Tractor Manufacturing Company, of Winona, Minn., but owing to financial depression no progress was made in manufacturing. The company have been manufacturing shells for the Imperial Munitions Board. The assignee has been instructed to continue the making of shells and was empowered to borrow on the company's assets. Mr. Watson has since received the authority to borrow \$5,000. The company's liabilities are about \$45,000, and their assets, according to their books, about \$180,000, the latter consisting principally of buildings and plant.



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## DIVERSITY OF PATENT LAWS

### Even Without New Legislation Much Uniformity Could Be Obtained

Patent law in the British Empire is discussed in the financial report of the Dominions Royal Commission. In the United Kingdom anyone who imports an invention from abroad, provided that it is not in use in the United Kingdom, may obtain a patent, but any hardship that might arise from this provision is modified by the adherence of the United Kingdom to the International Convention for the protection of industrial property, under which an inventor in any country adhering to that convention is allowed priority over other applicants during a period of one year from the date of his foreign patent. Australia and New Zealand expressly refuse protection to imported inventions. The United Kingdom and most of the dominions admit to protection the assignee or legal representative of an inventor, but in Newfoundland only the assignee is given protection, and then subject to conditions.

The report says:—"There is divergence as to opposition to the grant of patents. Newfoundland provides no machinery for this. Canada allows opposition only in case of conflicting applications. In the United Kingdom, Australia, and the Union of South Africa, there are many and different grounds, and in New Zealand there are no limitations to the grounds of opposition.

#### Life of Patent.

"In Canada the life of a patent is 18 years, in the United Kingdom and all the other Dominions 14 years. The provisions for, and periods of, renewal differ widely.

"In the United Kingdom a patent may be revoked after four years for non-working. This provision was complained of in evidence before us in London, and the complaints were supported both in New Zealand and Australia. In Canada and Newfoundland a patent is void after two years if not worked, whilst Canada has also a provision under which a patent is voided if the patented article is imported into the Dominion by the patentee after the expiration of one year (subject to extension) from the date of its grant. In Australia and New Zealand, if working is not satisfactory, the court may by order allow a patent to be worked by others than the patentee but without revocation. In the Union of South Africa revocation in consequence of non-working is allowed after three years.

"The United Kingdom, Canada, Australia, New Zealand, and the Union of South Africa make provision for the grant of compulsory licenses by the patentee if the competent government authority is not satisfied with his working; Newfoundland makes no such provision.

#### As to Fees.

"Witnesses in the United Kingdom dwelt strongly on the question of fees and the heavy cost of full protection. This cost was set down in 1912 at £280 for the United Kingdom and all the Dominions, but has since been reduced to £166 by recent legislation in the Union of South Africa. Even so, the case is not so bad as these figures would make it appear, because the total sum is only payable when an inventor wishes to protect his invention throughout the self-governing parts of the Empire for the full life of the patent. What an inventor needs most is protection from the dangers of early publicity, and he can obtain provisional protection in the United Kingdom and all the Dominions for a much lower sum.

"The laws of Australia and New Zealand already resemble those of the mother country in essentials with regard both to provisional and complete specifications whilst the recent legislation of the Union of South Africa is also similar to that of the United Kingdom. Canada does not appear to contemplate provisional specifications, but allows the intending applicant for a patent who has not perfected his invention to file a description of his invention so far as it has proceeded and this filed document (called a 'caveat') gives him protection for one year. Newfoundland does not provide for provisional specification or caveat, but gives protection for six months from the date of delivery of specification.

"In view of the divergences between existing legislation, some of which, but by no means all, we have sketched above, and of the number of legislative authorities amongst whom agreement would need to be sought, immediate uniformity seems impossible. It has been suggested to us by witnesses that, if an invention has been patented in any of the self-

governing parts of the Empire, it should be patentable in all parts on payment of search fees, but the fees payable for full protection are now so low that there would be no practical gain in the adoption of this suggestion.

"In the United Kingdom the renewal fees are heavy, but, as was pointed out to us in evidence, it is only reasonable that a patentee should pay more heavily for the continued right to exploit a market of 45 million persons than for that of exploiting the smaller markets of the Dominions.

"We do not think that the question of fees is one in which reform is most urgently required. There are others on which action is more needed, and also immediately practicable. These we may classify as follows:—(1) The legislation now in force in Newfoundland is somewhat out of date and could be remodelled with advantage. We hope that the necessary steps may be taken. (2) Efforts should be made to arrive at uniformity in the United Kingdom and all the Dominions with regard to compulsory licenses and revocation for non-working.

"In our judgment the Australian and New Zealand system, which we have described above, is the most satisfactory. This system should be combined with clauses for compulsory licenses.

#### Uniformity Without New Legislation.

"(3) Even without new legislation it should be possible to secure complete uniformity in the mother country and the self-governing dominions in regard to:—(a) the forms that have to be filled in when a patent is applied for; (b) the declaration to be appended to those forms; (c) the specifications and drawings required; (d) the amount of protection obtained by acceptance of provisional specifications. Much useless expense and trouble would be saved by uniformity in these respects. (4) Legislation is desirable to secure uniform duration of patents.

## WALL STREET COMMENT ON RAILROAD REPORT

The Wall Street Journal says editorially:—"Further consideration of the majority report of the Royal Commission appointed to inquire into the railways and transportation of Canada does not make it convincing. It is clear enough that the commissioners acted in good faith and were free from that taint of politics which is often the bane of public affairs in Canada. President Smith of the New York Central makes a suggestion that may well come from one of the most brilliant operating railroad men in the country, who knows how the Canadian railroads should be run to work out their own salvation, and does not particularly know or care where the money to do it comes from. The lack of indicated capital supply is the weakest feature of his minority report.

"But the majority report, while sincerely disclaiming any attempt at government ownership, goes much further than government ownership. The idea is to take 25,000 miles of railroad out of politics and to do so by creating a self-perpetuating committee to handle the most staggering railroad proposition even this continent has ever seen.

"Canada went crazy over railroad development and is now reaping the consequences. The attempt to save something out of the mess is praiseworthy, but the suggestion of Sir Henry Drayton and Mr. Acworth that a non-political commission could manage the proposition is visionary. Either the commission suggested would become more autocratic than government ownership itself in its worst form, or it would become the tool of the political party in power, because the patronage of 25,000 miles of railroad could not fail to tempt the politician, and there is nothing in the history of Canada to show that the politician would fail to succumb to the temptation.

"Mr. Smith's plan involves financing to an extent which he probably does not entirely appreciate, but at least it is sound railroad ownership on a common-sense basis, where the stockholder could take his risks and lose his money or make his profits as fate might determine. The Drayton-Acworth plan disclaims government ownership, which it can well afford to do. It proposes to send good money after bad, and to deprive holders of stock with no earning capacity of the only thing that remains to them—their equity in the railroad future."

G. H. Randall Company, Limited, with Dominion charter, has decreased its capital stock from \$100,000 to \$45,000.

The Arctic Steamship Company, Limited, with Dominion charter, has increased its capital stock from \$20,000 to \$80,000.



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## RAILWAY NATIONALIZATION ONLY COURSE

### Says Sir Henry Drayton—Grand Trunk Acts Have Driven Country to Public Control

Shall the country again accept the estimates of the railroad companies and supply them with further fortunes, or shall the railway facilities of the country be co-ordinated to the fullest extent necessary to meet the exigencies of the situation and the wasteful duplication of lines and terminals at the country's expense cease? This was the question asked by Sir Henry Drayton, one of the government inquiry commissioners, who signed the majority report, recommending nationalization of the railroads, with the exception of the Canadian Pacific Railway. "Can the country afford in view of war obligations—in view of the necessity universally admitted of the strictest national economy—to supply all the money required for company expansion? To state the question gives the answer. Because the issue is so large and important, it is all the more necessary that it be faced boldly and with courage by the country. Every citizen ought to acquaint himself with the facts. I would like everyone to carefully read and consider the railway report of Mr. Smith's just as carefully and sympathetically as that signed by Mr. Acworth and myself.

"I plead for fair consideration for that and nothing else. My only interest is that the right conclusion be arrived at after full consideration and with a full knowledge of the matter by the people of this country. Among other matters, this surely means that all party and political bias be abandoned, and that the question of whether the Conservative party was wrong here or the Liberal wrong there can have nothing to do with the proper solution of our present difficulties.

#### What is Right?

"The whole issue is what is right. What is in the best interests of the country, not what is popular and the most easy to put into effect. Public opinion may, roughly, be divided into two classes: those who believe in public ownership and operation of all public utilities, and to the fullest extent, and those who believe that only proper results can be obtained by individual initiative and effort in the hope of individual gain, and who also believe that everything that the government takes in hand will be more or less muddled. In some sections of the country the one view is popular, and in others the other. We have made no attempt in our report to meet the views of either section. We deal with conditions and not theories. Our report leaves the Canadian Pacific standing as it is. This naturally affords the thorough-going public ownership advocate a ground of complaint, and also enables pro-corporation adherents an opportunity for attack. Let us for a moment consider what public necessity and right now insistently calls for.

"The most urgent necessity is better and more efficient transportation. The most pressing failures that have taken place are attributable to the Grand Trunk and to the Canadian Northern. It is common ground that both systems urgently require many more locomotives and many more freight cars. The conclusions we have arrived at are the logical results of existing conditions, not of the application of theories.

#### Position of Grand Trunk.

"The Grand Trunk itself says it is at the end of its tether. It is impossible for it to carry the burden of the Grand Trunk Pacific. The cost of that system as returned to the government, February, 1916, amounted to \$197,129,590, and of this sum 123,000,000 represents the commitments of the Grand Trunk proper—either cash or credits. The only other financial interest, ranking as it does for the most part in priority to all Grand Trunk claims, is that of the country. The application of public ownership is hardly in question. The country, in fact, owns the system already. Its position is, in effect, that of a first mortgagee, whose security is hopelessly in default, with no hope of a redemption. Shall the country assume the interest obligations and the responsibility for operating losses on this line, which, standing by itself, can yield no proper returns to the country—or shall the property be made valuable and useful by including with it the Grand Trunk, the necessary eastern connections? The original scheme certainly contemplated one system. Construction in the west to supplement the system in the east. Separated from the west, the Grand Trunk itself cannot discharge the

full measure of public service. The recognition of this fact caused Mr. Hays and his company to build their western system. Undoubtedly in the public interest the system which was intended to be one and complete must be so operated, and this the Grand Trunk itself says it cannot do. In view of essential public necessity you are driven by the acts of the Grand Trunk itself to public control.

#### Position of Canadian Northern.

"Then as to the Canadian Northern. The total amount of public assistance, direct and indirect, amounts to the sum of \$298,253,263. This sum is over \$12,000,000 more than the country's investment in the National Transcontinental, Intercolonial and Prince Edward Island Railways. Again, the country is in the position of the mortgagee, not only with securities in default, not only without any present hope of redemption, but faced with the fact that to put the system in working order experts reporting for the company report that new capital required for a minimum programme for three years amounts to \$54,000,000, and for their maximum programme for a five-year period, \$86,000,000. Parliament, in 1914, authorized the guarantee of the company's securities to the extent of \$45,000,000. The guarantee was secured by mortgage, and under the provisions of the act the governor-in-council has power, when authorized by parliament, to declare by order, if default is made by the company in payment of interest, that the equity of redemption of the company is absolutely barred and foreclosed, and thereupon the whole property becomes vested in the Dominion. Defaults have been made, defaults continue. Why should the company not be held to its obligations? Why should it, particularly at a time like the present, receive further bounty? Why should the country's money be expended in the construction of eastern lines and terminals, largely unnecessary if the system be operated in conjunction with the Grand Trunk?

"We all recognize the evils of political management of public undertakings. Under our plan these evils are entirely eliminated. We propose the application of business methods—the most approved company methods—to the transportation problem. It ought to be run on business lines. There ought to be no cabinet or parliamentary interference, there ought to be no political patronage. I am confident these results can be obtained. If they cannot, then the defects of our system of government must, indeed, be grave, our common honesty and fixity of purpose sadly lacking. I do not believe that one parliament will wrongly undo the work of another as is suggested. Our plan is termed by the opponents of the system fantastic. It is the plan adopted almost universally by the companies themselves in order to obtain a proper continuity of policy and efficient management. Company directors themselves nominate their successors for election by the shareholders. We simply adopt company methods, where tried and found effective, in carrying out the public business."

#### CANADIAN LIFE UNDERWRITERS' CONVENTION

The Life Underwriters of Canada are holding their annual convention in Winnipeg, on Wednesday, Thursday and Friday, August 22nd, 23rd, and 24th. The headquarters of this convention are the new Fort Garry Hotel.

#### NEW MANAGER FOR BRITISH CROWN

Mr. J. H. Riddel has been appointed manager for Canada of the British Crown Assurance Corporation, Limited, of Glasgow, Scotland. The company's registered office is in Glasgow, and the head office in London, England. The president is the Right Hon. J. Parker Smith, and Mr. D. W. MacLennan is general manager. The company was incorporated in 1907 and commenced to write fire insurance in Canada in 1911. Mr. Riddel is a Scotchman, alert and active, and his knowledge of insurance has been acquired in the company's service, first at Glasgow, then at London, and later as assistant manager of the company's Canadian office, Bank of Hamilton Building, Toronto. He is a good underwriter, and is taking the most active interest in the best welfare of the company's Canadian business.

Mr. E. C. G. Johnson, formerly superintendent of agencies, has been appointed assistant manager in Canada, a well deserved promotion.







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### STEEL NOT AVAILABLE FOR SHIPS

#### Views of Dominion Steel Company's President—All Ship Yards are Busy

Canada will not be in a position to build steel ships for at least two or three years. This was a statement of Mr. Mark Workman, president of the Dominion Steel Corporation, at Montreal. He added that scarcity of steel was the chief cause.

The entire output of steel from the Dominion Steel Corporation's plant had been contracted for by the Munitions Board up to the middle of 1918, and the chances were that this contract would run into 1919.

Some criticism has been directed at the officials of the corporation because of the sale of a ship plate mill some months ago to United States interests. Mr. Workman, when asked regarding this, explained that the plant sold was incomplete, and that it would be impossible to make ship plates from it.

#### No Raw Material.

He pointed out that he thought it had been purchased some seventeen years ago, had never been operated nor installed. He added that a plant properly equipped to manufacture ship plates would require an expenditure of something like \$2,500,000, and the plant sold had been purchased for \$70,000.

Going further into the prospects of steel shipbuilding here, Mr. Workman said that it would be an absolute impossibility for the Steel Corporation to operate a plate mill at the present time, even if they had one on the ground, because of their inability to secure raw materials. The corporation has a rail mill lying idle because sufficient ore cannot be obtained to operate it.

#### Extensions Cost \$5,000,000.

"The Canadian Government Railways, the Canadian Pacific and the Grand Trunk are all crying bitterly for rails, but we can do nothing to help them as shell requirements just about exhaust our product," he said.

To increase the steel output they would have to start at the ore output from the mines. Additional furnaces would have to be installed, as well as new coke ovens. Work is at present well advanced on these extensions, and the corporation is spending this year something like \$5,000,000 in extensions and improvements at Sydney, but this increased output is all provided for in contracts already made with the Munitions Board.

"These extensions will require a great deal of additional labor and it will be another question whether we can secure this or not," he concluded.

#### Shipyards are Busy.

Sir George Foster in a statement in parliament last week said:—

"Every shipyard in the Dominion of Canada which is able to build ships and is equipped therefor has not only the opportunity but has the actual contracts for building every ship and every vessel they can turn out, and today the building of vessels in this country for the specific purpose of warding off and fighting the submarine peril is being carried on in all the shipyards. And in regard to the building of wooden ships an arrangement has been completed and is being carried out whereby anybody or any company that can undertake to build wooden ships and complete them within a certain time will get an opportunity to do so and will be assured that over and above the cost of building the ships they will have a reasonable profit guaranteed to them."

### FORTY-SEVEN YEARS' FIRE WASTE

During the period 1869-1916 the fire insurance companies transacting business in Canada have collected premiums totalling \$450,669,016, and paid out \$272,250,777 in losses. The figures divided among British, Canadian, United States and other companies are:—

Companies.	Premiums.	Losses.
Canadian .....	\$ 95,966,646	\$ 59,780,750
British .....	267,317,523	163,375,561
United States and others.	87,384,847	49,094,466
	<u>\$450,669,016</u>	<u>\$272,250,777</u>





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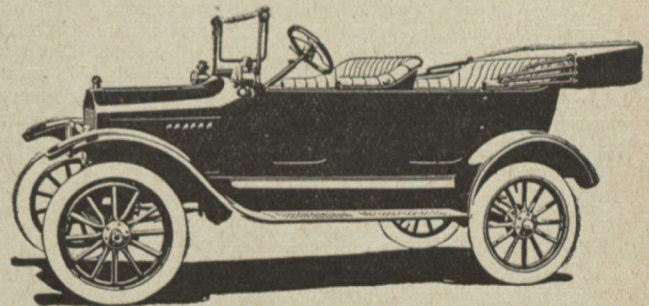
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## CANADIAN NORTHERN SHOULD GO TO C.P.R.

## Grand Trunk Pacific Should be Taken Over by National Transcontinental, Says Montreal Gazette

Another solution of the railroad problem is suggested by the Montreal Gazette. It says:—

"Let the Grand Trunk Pacific be linked up with the National Transcontinental line, forming one system under government control and permitting the experiment of government ownership to be fairly tried out. What as to the Canadian Northern? Is it not worth while giving some consideration to a plan by which the Canadian Pacific could be induced to take over the Canadian Northern system, maintaining it as a separate entity and operating it under its corporate name, assuming responsibility for all its present indebtedness and undertaking to provide such moneys as may be necessary in the future.

"By this process the financial burden imposed on the country would be cut in two, and the Dominion and provincial governments would be relieved from all responsibility in connection with their guarantees. A glance at the railway map of Canada will show that there are some features of this plan that should commend themselves to the Canadian Pacific, because long stretches of the present Canadian Northern line could be used as a second track by the Canadian Pacific, thus postponing indefinitely the necessity for large expenditures on double track work in these districts. If the Canadian Pacific and Canadian Northern were operated in close communion, vast capital outlays would be saved, because the additional terminal facilities and equipment required for the combined system would only be a fraction of the requirements if the two systems were operated separately.

"Should it be found feasible to have the Canadian Pacific assume responsibility for the Canadian Northern in this way, the government taking over the Grand Trunk Pacific as a portion of its through Transcontinental line, the parent Grand Trunk Company could then on some terms be relieved of its expenditures made and securities issued with reference to the Grand Trunk Pacific, thus placing the Grand Trunk in a position to secure funds to provide the requisite facilities to meet the traffic requirements of its system.

"The advantage of such a solution, if it could be brought about, is so obvious that he who runs can read. The liability pressing on the Dominion and the provinces will be greatly lessened, but above all, an efficient operation of the important Canadian Northern line will be assured. No monopoly would be created, since a government-owned road would offer competition in respect of through traffic and much local traffic, and the Railway Commission still stands sponsor for fair rates."

## SHELL ORDERS IN CANADA

Great Britain is no longer in need of so many 8-inch and 9.2-inch shells from Canada on account of the fact that national factories of England are now in a position with regard to these shells to meet all requirements. According to a statement made in Toronto this week by Mr. J. W. Flavelle, chairman of the Imperial Munitions Board, the munition business in Canada is now larger than it has been at any other time since the commencement of the war. Mr. Flavelle explained that the great majority of the Canadian factories had not yet reached their maximum production.

A plan has been suggested to the manufacturers making the 8 and 9.2-inch shells that they spread out the work so that if at a later period their help is required in the manufacture of these sizes they would still have their organizations in readiness for the acceptance of contracts. They are busy on the smaller shells.

Honorable T. W. McGarry, the Ontario provincial treasurer, states that the government has made arrangements with the Bankers' Association, through the Organization of Resources Committee, whereby farmers who need money to purchase seed may receive reasonable credit at the branches of all banks in Ontario. Arrangements are also being made to assure a supply of seed. It is hoped that a sufficient supply may be procured to enable farmers to sow as much land as they can manage to cultivate.

## MILLIONAIRE MANUFACTURER'S ESTATE

The late Sir Lyman Melvin Jones, Toronto, who died April 15th, left an estate valued at \$1,143,004, according to a statement of assets issued by the National Trust Company.

The assets of the estate are as follows: Cash in bank, \$917,95; household furniture, automobiles, pictures, etc., \$4,764; book debts and promissory notes, \$133,129.42.

His stock holdings represent a total value of \$765,225, made up as follows:—5,500 shares of the par value of \$100 each Massey-Harris Company, Limited, \$605,000; 1,350 common shares of the par value of \$100 each Canada Cement Company, Limited, \$84,375; 100 preferred shares of the par value of \$100 each Canada Cement Company, Limited, \$9,200; 100 preferred shares of the par value of \$100 each Steel Company of Canada, Limited, \$9,200; 250 shares of the par value of \$100 each Canadian Bank of Commerce, \$46,375; 15 shares of the par value of \$100 each National Trust Company, Limited, \$3,150; six shares of the par value of \$1,000 each Ontario Jockey Club, \$6,000; ten shares of the par value of \$25 each Toronto Hunt, Limited, \$250; one share Scarboro' Golf & Country Club, \$75; 25 preferred shares of the par value of \$100 each Diaphone Signal Company, Limited, \$1,500; 1,250 shares of the par value of \$1 each Victoria Skating & Curling Association, \$100.

He owned bonds to a total value of \$151,518, as follows: Toronto and Hamilton Highway debentures, \$51,130.14; Province of Ontario debentures, \$50,095.80; Province of Saskatchewan debentures, \$23,172.95; Dominion of Canada War Loan, \$24,047.95; York Club debentures, \$3,071.23; real estate, including "Llawhaden," the family residence on St. George Street, Toronto, \$82,450; life insurance policy in Confederation Life Association, \$5,000.

## FIFTY-THREE BILLIONS OF WAR LOANS

The following condensed statement showing approximate amounts of war loans raised by the principal belligerent countries since August 1st, 1914, has been compiled by the division of statistics of the Federal Reserve Board:—

United Kingdom (March 31, 1917).....	<sup>1</sup> \$18,805,000,000
France (February 28, 1917).....	10,500,000,000
Germany (December 31, 1916).....	<sup>2</sup> 11,226,000,000
Russia (December 31, 1916).....	7,896,000,000
Italy (December 31, 1916).....	<sup>3</sup> 2,520,000,000
Austria (December 31, 1916).....	<sup>4</sup> 5,880,000,000
Hungary (December 31, 1916).....	1,730,000,000
Total .....	<sup>5</sup> \$53,113,000,000

<sup>1</sup> Figures for the United Kingdom are apparently exclusive of \$704,120,000 of currency notes issued by the government and secured to the extent of 19.7 per cent. by gold.

<sup>2</sup> Subscriptions to the sixth German war loan have recently been completed. This loan is reported to have yielded over three billions of dollars. In addition to the funded debt, the government at the end of February, 1917, had outstanding over 80 million dollars of treasury notes, about 800 million dollars of war loan bank notes, and an unknown amount of treasury bills.

<sup>3</sup> Includes 154 millions of treasury notes secured to the extent of 12.8 per cent. by a metallic reserve held in the government treasury.

<sup>4</sup> A considerable proportion of the loans of the Austrian government was obtained in the shape of temporary advances from the Austro-Hungarian Bank at nominal rates of interest. The amount thus obtained is given on page 330 of the April Federal Reserve Bulletin as \$1,304,250,000.

<sup>5</sup> The total includes the advances made by the United Kingdom and France to the smaller belligerent countries allied with them. No figures are available showing the additional amounts received through domestic loans by the governments of the smaller countries, such as Roumania, Serbia, and Belgium on the one hand and Turkey and Bulgaria on the other. Figures shown for Germany and Austria are apparently exclusive of the advances made to Turkey and Bulgaria, regarding which no official information has been published. Neither do these figures include the considerable amounts raised through loans by the British dominions, and colonies; e.g., Canada, Australia, New Zealand, South Africa, and British India.





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 J. Gardner Thompson, Manager.  
 Lewis Laing, Assistant Manager.  
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**ROYAL EXCHANGE ASSURANCE**

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 Losses paid exceed \$235,000,000

HEAD OFFICE FOR CANADA  
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**HEAD OFFICE TORONTO**



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 Norwich, England

Founded 1797  
 FIRE INSURANCE

ACCIDENT AND SICKNESS EMPLOYERS' LIABILITY  
 PLATE GLASS AUTOMOBILE INSURANCE

HEAD OFFICE FOR CANADA  
**Norwich Union Building 12-14 Wellington St. East TORONTO**



Montreal and Toronto Stock Transactions

Stock Prices for Week ended May 16th, 1917, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacramento St., Montreal. Toronto quotations "and interest."

Montreal Stocks	High	Low	Sales
Ames-Holden.....com.	18	15	...
.....pref.	55	...	10
Asbestos.....	18	10	60
Bell Telephone.....	48	47	306
British Columbia Fishing & Packing.....	41	40	1711
Brompton.....	29	28	150
Brazilian.....	89	85	540
Canada Car.....com.	59	59	494
.....pref.	92	...	159
Canada Cement.....com.	59	59	494
.....pref.	92	...	159
Canada Cottons.....	...	...	50
.....pref.	...	...	175
Canadian General Electric.....	107	105	85
Canadian Locomotive.....	58	...	25
.....pref.	...	...	10
Canadian Pacific Railway.....	162	160	...
Canada Steamship Lines.....com.	39	38	170
.....pref.	87	86	355
.....(Voting Trust)	38	...	150
Carriage Factories.....	...	...	...
Civic Investment.....	77	77	2593
Cons. Mining and Smelting.....	26	26	275
Crown Reserve.....	5	...	1600
Detroit Railway.....	112	112	1921
Dominion Iron.....pref.	90	...	35
Dominion Steel Corporation.....com.	61	60	3585
Dominion Textile.....	86	85	385
.....pref.	...	102	3
Gould Manufacturing.....	...	100	...
.....pref.	...	100	...
Goodwins.....	45	...	...
Hillcrest.....	...	...	200
Illinois Traction.....pref.	50	...	...
Lake of Woods Milling.....pref.	...	126	...
Laurentide Co.....	...	173	...
Lyall Construction Co.....	70	...	50
Macdonald.....	...	...	...
Mackay.....com.	...	105	100
Maple Leaf.....	...	...	8
Montreal Cottons.....com.	...	...	50
.....pref.	102	...	...
Montreal Loan & Mortgage.....	...	105	...
Montreal Tram Debenture.....	...	...	6100
Nova Scotia Steel.....	93	92	657
.....pref.	2	...	...
Ogilvie Flour Mills.....	144	144	80
Ontario Steel Products.....	...	...	10
Ottawa Light, Heat and Power.....	...	...	...
Paton Manufacturing Co.....	...	...	...
Penmans.....	...	...	19
.....pref.	1	...	1
Riordan Paper.....	125	121	750
Quebec Railway, Light, Heat & Power.....	28	28	557
Shawinigan Water & Power.....	...	12	227
Sherwin-Williams.....	59	58	1
Smart Woods.....pref.	99	98	25
Spanish River.....com.	...	131	25
Steel Co. of Canada.....pref.	59	58	91
.....pref.	91	88	90
Tooke.....	...	91	1805
Toronto Railway.....pref.	...	19	...
Tucketts.....	81	80	87
Winnipeg Railway.....	...	30	...
Wayagamack.....	...	28	10
Bank of British North America.....	69	68	696
Bank of Commerce.....	...	184	33
Bank of Montreal.....	...	...	43
Bank of Ottawa.....	202	...	...
Bank of Toronto.....	...	...	2
Bank d'Hochelega.....	...	61	...
Banque Nationale.....	149	...	...
Bank of Nova Scotia.....	...	...	5
Dominion Bank.....	...	...	...
Merchants Bank.....	168	...	...
Molsons Bank.....	200	85	...
Quebec Bank.....	...	...	...
Royal Bank.....	31	212	16
Standard Bank.....com.	...	...	...
Union Bank.....	...	...	...
Montreal Bonds			
Ames-Holden.....	Last Sale	...	...
Asbestos.....	72	72	...
Bell Telephone.....	98	98	2000
Canada Cement.....	96	97	14000
Canada Cottons.....	83	82	78
Canada Car.....	...	...	...
Canada Com. Rubber.....	97	95	...
Cedars Rapids.....	90	...	2000
Dominion Canners.....	90	...	...
Dominion Coal.....	90	...	...
Dominion Cotton.....	94	91	500
Dominion Iron and Steel.....	90	...	4000
Dominion Textile.....	97	86	2000
.....A	97	98	...
.....B	97	98	...
.....C	97	98	1000
.....D	96	98	...
Lake of Woods Milling.....	103	113	...
Lyall Construction Co.....	83	...	...
Montreal Light, Heat & Power.....	101	91	...
Montreal Tramways.....	91	...	...
National Breweries.....	90	...	...
Nova Scotia Steel.....	90	84	...
Ogilvie.....	10	102	...
.....A	103	102	5000
.....B	103	102	...
.....C	103	102	...
Penmans.....	84	...	...

Montreal Bonds (Continued)

	Asked	Bid	Sales
Price Bros.....	83	84	83
Quebec Railway, Light and Power.....	67	66	...
Riordan.....	96	...	...
Steel Co. of Canada.....	99	97	...
First Dominion War Loan.....	98	96	64400
Second Dominion War Loan.....	98	95	17700
Winnipeg Street Railway.....	95	...	...
Wayagamack.....	84	86	84

Toronto Stocks

	Asked	Bid	Sales
Ames-Holden.....pref.	...	24	21
American Cynamid.....	...	59	55
Barcelona.....	11	11	10
Bell Telephone.....	142	140	35
Brazilian.....	40	40	1884
Canada Bread.....	...	81	80
.....pref.	...	29	28
Canadian Car & Foundry.....	...	67	65
.....pref.	...	...	3
Canadian Canners.....	107	106	100
Canadian General Electric.....cum. div. pref.	...	...	...
Canada Landed & National Investment.....	...	...	...
Canadian Life Insurance.....	...	...	...
Canadian Locomotive.....	58	...	27
.....pref.	89	88	20
Canadian Pacific Railway.....	110	159	6
Canada Permanent.....	170	...	95
Canadian Salt.....	135	130	...
Canada Steamship.....	39	38	150
.....pref.	87	86	296
Cement.....com.	59	59	1045
.....pref.	93	92	12
City Dairy.....	...	30	...
Colonial Loan.....	75	...	...
Confederation Life.....	375	350	...
Coniagas.....	...	350	...
Consumers Gas.....	...	165	6
Crown Reserve.....	...	...	...
Crow's Nest Pass.....	50	...	50
Detroit.....	112	110	75
Dome.....	13	12	680
Dominion Canners.....	5	23	...
Dominion Iron.....pref.	...	61	20
Dominion Steel Company.....	61	61	955
Duluth Sup.....	...	49	10
F. N. Burt.....	...	80	10
.....pref.	...	89	49
Hamilton Provident.....	...	141	...
Huron & Brie.....	210	208	...
La Rose.....	...	...	300
Landed B. & L.....	...	146	...
London & Canadian.....	130	129	...
Mackay Companies.....	83	82	671
Mackay Companies.....pref.	69	64	60
Maple Leaf Milling.....	109	104	311
Maple Leaf Milling.....pref.	94	...	12
Monarch.....	...	40	42
Nat. S. Car.....	...	5	15
.....pref.	...	21	...
National Trust.....	212	...	...
Nipissing.....	750	720	...
Nova Scotia Steel.....	94	93	50
Ogilvie.....	...	...	...
Pacific Burt.....pref.	40	38	10
.....pref.	...	80	...
Petroleum.....	13	12	425
Porto Rico.....	...	32	...
Quebec Light & Power.....	29	27	50
Riordan.....	120	117	85
Rogers.....com.	70	...	...
.....pref.	...	90	10
Russell Motor.....	...	105	112
.....pref.	12	...	...
Sawyer-Massey.....	...	...	...
Shredded Wheat.....	...	...	23
Spanish River.....	...	...	...
.....pref.	50	49	35
Smelters.....	26	26	355
Standard Chemical.....	16	13	...
Standard Chemical.....pref.	52	...	...
Steel Company of Canada.....	99	98	525
.....pref.	91	91	31
Toronto General Trust.....	212	...	...
Toronto Mortgage.....	...	138	...
Toronto Paper.....	88	88	145
Toronto Railway.....	81	79	75
Trethewey.....	...	...	...
Tucketts.....	19	17	...
.....pref.	79	77	...
Winnipeg Electric.....	...	50	...
Twin City.....	87	86	36
Bank of Commerce.....	...	183	56
Bank of Ottawa.....	202	...	14
Bank of Hamilton.....	194	188	13
Bank of Montreal.....	...	...	...
Bank of Nova Scotia.....	257	...	...
Bank of Toronto.....	207	...	...
Dominion Bank.....	194	...	...
Imperial Bank.....	...	183	37
Molsons Bank.....	213	...	...
Royal Bank.....	208	...	...
Standard Bank.....	142	141	13
Union Bank.....	...	...	...
Toronto Bonds			
Canada Bread.....	Last Sale	92	92
Canada Cement.....	95	...	...
Canada Locomotive.....	95	...	...
Penmans.....	89	86	...
Sao Paulo, 1929.....	84	83	80
Steel Company of Canada.....	96	58	...
First War Loan.....	98	97	964
Second War Loan.....	98	95	1700
Third War Loan.....	94	94	7750
Third Dom. War Loan (40% paid).....	94	94	700



**DEBENTURES FOR SALE****DEBENTURES FOR SALE**

Sealed tenders will be received by the undersigned up to 2 o'clock p.m. on the 30th day of May, 1917, for the purchase of Debentures of the Town of Simcoe, known as Public School Debentures, for \$39,447.79, bearing interest at 5½%, repayable in equal annual instalments of principal and interest extending over a period of 29 years from 28th March, 1917, and Local Improvement Debentures for \$4,840, bearing interest at 5½%, repayable in equal annual instalments of principal and interest extending over a period of 20 years from 30th December, A.D. 1916, the purchaser to pay accrued interest. The highest or any tender not necessarily accepted.

FRANK REID,  
Town Treasurer.

Simcoe, 14th May, 1917.

**CONDENSED ADVERTISEMENTS**

"Positions Wanted," 2c. per word; "Positions Vacant," "Agents or Agencies Wanted," 3c. per word; other condensed advertisements, 3c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance.

**GENERAL AGENCY**, covering Saskatchewan and Alberta plant of 700 agents, desires general agency connection for casualty company. Address Box 67, *Monetary Times*, Toronto.

**ADVERTISERS** with established financial connection will be pleased to hear from financial or other interests wishing to be represented in Winnipeg and the West. Apply Box 65, *Monetary Times*, Toronto.

**THE STORY OF A YOUNG FINANCIAL MAN'S SUCCESS.**—A financial man, thirty-three years of age, came to our office four years ago to take up a new line of business—a line against which he had been prejudiced, but which he knew carried great rewards for the successful. His average commissions this year will be over \$5,000.00, and he has built up a future income of over \$3,000.00 a year on business already written. We are enlarging our organization to prepare for an enormous expansion of business during the next few years. We have positions for two good men with successful records. This offer will be open during the next week. Only applicants of unquestioned integrity and with the highest references will be considered. W. A. Peace, Manager Toronto Branch, Imperial Life Assurance Company, 20 Victoria Street, Toronto.

Senator F. L. Béique, who was recently appointed a director of the Canadian Pacific Railway, was born in St. Mathias, Rouville county, Quebec. He was educated at the College de Ste. Marie de Monnoir, and chose law for his profession, and became an LL.D. of Laval University. He was called to the Bar in 1868, and made a King's Counsellor for the province of Quebec in 1885, and for the Dominion of Canada in 1889. From 1891 to 1893 he was Batonnier of the Bar in the district of Montreal. Senator Béique has been associated with numerous commercial enterprises. With the late Messrs. David Morrice and A. F. Gault he took a prominent part in guiding the destinies of the V. Hudon Cotton Company, the Hochelaga Cotton Company, the St. Ann's Cotton Company, the Canadian Colored Cotton Company (now the Canadian Cottons), the Dominion Cotton Mills Company. The Royal Electric Company, the Chambly Manufacturing Company and the Montreal Park and Island Railway Company are among other companies which Senator Béique assisted in developing. He is vice-president of the Bank of Hochelaga and of La Sauvegarde Insurance Company, and a director of several other companies.

**DIVIDENDS AND NOTICES****THE CANADIAN BANK OF COMMERCE****DIVIDEND NO. 121**

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 31st May next, together with a bonus of one per cent., and that the same will be payable at the Bank and its Branches on and after Friday, 1st June, 1917. The Transfer Books of the Bank will be closed from the 17th to the 31st of May next, both days inclusive.

By Order of the Board,  
JOHN AIRD,  
General Manager

Toronto, 20th April, 1917.

**UNION BANK OF CANADA****DIVIDEND NO. 121**

NOTICE is hereby given that a Dividend at the rate of eight per cent. per annum, upon the Paid-up Capital Stock of the UNION BANK OF CANADA, has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its Branches, on and after Friday, the 1st day of June, 1917, to Shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, 1917, both days inclusive.

By Order of the Board,  
H. B. SHAW,  
General Manager.

Winnipeg, April 19th, 1917.

**BANK OF MONTREAL**

Notice is hereby given that a Dividend of two-and-one-half per cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, also a Bonus of one per cent., both payable on and after Friday, the first day of June next, to Shareholders of record of 30th April, 1917.

By order of the Board,  
FREDERICK WILLIAMS-TAYLOR,  
General Manager.

Montreal, 24th April, 1917.

**THE ROYAL BANK OF CANADA****DIVIDEND NO. 119**

Notice is hereby given that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the Paid-up Capital Stock of this Bank, has been declared for the current quarter, and will be payable at the Bank and its Branches on and after Friday, the first day of June next, to Shareholders of record of 15th May.

By order of the Board,  
C. E. NEILL,  
General Manager.

Montreal, Que., April 17th, 1917.

**RAW SILK FROM ORIENT**

With a record consignment of raw silk cargo, the Osaka Shosen Kaisha liner "Hawaii Maru" docked last week at Victoria. The "Hawaii's" shipment consists of 5,215 bales, and is valued at approximately \$3,129,000, constituting the largest and richest cargo of this nature ever brought across the Pacific by vessels of this line. Her total cargo amounted to 10,799 tons, 5,721 tons of which are consigned to Tacoma, 4,778 tons to Seattle, and 300 tons to Victoria. The latter included rice, beans, antimony, peanuts, miso, soy, and sake and general merchandise. The through cargo was made up largely of rice, wood and bean oil, matting, dried and frozen eggs, hemp, rubber, porcelain and other goods.



# TRADE OF CANADA BY COUNTRIES (Figures of the Department of Trade and Commerce, Ottawa.)

COUNTRIES.	MONTH OF JANUARY				TEN MONTHS ENDING JANUARY			
	1916		1917		1916		1917	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
<b>British Empire.</b>								
United Kingdom.....	8,329,994	59,653,096	9,458,856	67,486,840	63,161,248	369,418,852	103,322,628	632,894,922
Australia.....	121,521	484,745	79,100	618,192	3,245,177	5,893,472	576,860	5,494,186
Bermuda.....	2.2	32,582	1,300	59,716	26,171	350,918	7,197	470,291
<b>British Africa:—</b>								
East.....		4,892		361	3,252	65,921	68	15,651
South.....		89,486		73,149	38,439	4,658,707	152,076	3,357,772
West.....		3,419		8,640	50	109,322		259,689
British East Indies.....	770,090	106,881	487,099	229,933	5,974,486	809,165	5,554,800	993,584
Guiana.....	1,070,968	115,208	800,251	214,886	4,894,842	835,041	4,438,497	1,318,318
Honduras.....	50,245	613	141,539	574,665	361,208	1,961	936,778	1,846
West Indies.....	163,559	324,852	290,216	32,669	5,195,874	3,145,293	12,636,882	4,211,268
Fiji.....		12,646			1,065,813	158,877	401,141	125,270
Gibraltar.....		974,290		21,664		1,417,719		2,808,554
Hong Kong.....	114,181	167,117	123,043	21,664	812,803	543,039	955,494	428,257
Malta.....		65	65		35	35	885	12,280
Newfoundland.....	84,105	380,400	155,876	689,757	1,453,170	1,399,548	1,588,692	6,341,823
New Zealand.....	238,358	204,199	97,512	314,216	3,445,325	2,658,609	2,041,021	2,763,098
Other British Empire.....	1,670	1,417	903	5,654	5,401	23,366	10,063	18,582
<b>Totals, British Empire.....</b>	<b>10,944,673</b>	<b>62,535,843</b>	<b>11,605,760</b>	<b>70,330,452</b>	<b>89,686,564</b>	<b>394,648,303</b>	<b>133,002,582</b>	<b>661,516,091</b>
<b>Foreign Countries.</b>								
Argentina Republic.....	469,139	287,295	414,837	130,076	3,315,881	2,039,8E2	1,682,688	1,346,189
Austria-Hungary.....	83		63		3,054		1,319	
Azores and Madeira Is.....	59		1,810		4,019		17,835	16,026
Belgium.....	4,736	9,490	894	26,143	49,776	294,920	13,478	381,764
Brazil.....	117,444	157,551	82,050	136,222	736,193	927,152	871,784	665,927
Central American States.....	3,397	3,649	6,027	4,396	83,443	42,152	331,107	65,117
China.....	164,796	5,111	159,955	8,583	751,977	494,855	922,587	191,602
Chile.....		1,776		4,616	90,315	66,695	134,153	479,980
Colombia.....	6,962	2,137	14,644	2,107	112,235	30,791	150,930	46,043
Cuba.....	238,311	202,381	39,164	490,751	1,438,979	1,082,577	481,132	2,272,722
Denmark.....	14,781	5,275	2,526	12,671	35,507	85,306	24,967	87,583
Dan. W. Indies.....		267		1,599	58,351	5,771	23	16,016
Dutch E. Indies.....	1,293	50,776	5,699	55,839	157,627	201,077	597,537	253,370
Dutch Guiana.....	75,229	4,960	819	8,340	285,201	39,291	4,649	48,145
Ecuador.....		332		56,088	4,990	37,388	11,011	127,923
Egypt.....	922	1,533	95	6,824,402	4,901,215	29,094,035	5,438,141	52,255,911
France.....	445,925	4,052,355	560,469	310	364	797	140	5,024
French Africa.....		3,690		5,324		68,241		173,088
French West Indies.....	1,820		175		79,158		12,143	
Germany.....	44,350		8,945		311,254		222,330	157,807
Greece.....	2,566	228	185	31,586	16,442	18,408	49,249	206,906
Hawaii.....				110		1,566		5,887
Hayti.....	79,421	229,049	93,834	616,694	732,935	9,679,186	1,023,455	10,790,638
Italy.....	555,451	142,468	619,832	128,725	3,221,959	611,099	6,926,898	987,729
Japan.....				30	45	605		106,850
Korea.....	45,078	1,862	27,244	2,018	539,931	77,181	527,538	29,793
Mexico.....	221	16,326	445	23,096	4,079	147,433	4,999	171,232
Miquelon and St. Pierre.....	61,266	92,053	162,893	12,994	875,838	2,486,389	1,067,433	1,539,931
Netherlands.....	6,219	55,724	22,884	33,518	234,334	270,026	256,977	873,971
Norway.....		12,929		3,881		128,420		250,103
Panama.....		783		729	777,719	46,527	1,488,959	237,218
Peru.....	188,566	23	153,955	515	12,154	7,323	34,289	8,416
Philippine Islands.....	84	23	10	59,701		516,780	5,388	549,140
Porto Rico.....	14,264	15,166	29,440	3,539	176,727	53,211	214,396	202,901
Portugal.....		1,487		1,396		58,146		6,770
Portuguese Africa.....								
Roumania.....	167	1,803,195	17	589,497	123,682	5,523,038	9,688	3,277,840
Russia.....		2,334		1,650	3,052,264	9,950	3,243,343	33,012
San Domingo.....		1,724		421	3,455	30,259	8,161	20,124
Siam.....	40,821	95,458	51,821	20,081	515,892	548,686	726,308	313,366
Spain.....	4,154		27,721		142,789	44,039	87,694	17,472
Sweden.....	314,788	1,025	301,867	20,119	2,757,909	976,229	3,770,854	671,376
Switzerland.....	166		162		42,021		243	
Turkey.....				22,992,740	310,014,457	283,119,564	537,329,601	436,303,577
United States.....	48,052,023	15,819,679	60,772,432	38,169	25,105	279,203	16,266	468,269
Alaska.....	1,258	7,256	4,495	5,465	210,050	31,161	65,681	38,963
Uruguay.....	3,783	11,307	26,354	4,088	89,002	54,383	35,017	204,323
Venezuela.....	287	50,883	5,640	3,127	10,258	104,077	38,040	97,948
Other foreign countries.....								
<b>Totals, foreign countries.....</b>	<b>50,942,640</b>	<b>23,023,939</b>	<b>63,645,592</b>	<b>32,365,103</b>	<b>336,026,075</b>	<b>339,572,456</b>	<b>567,884,667</b>	<b>515,881,357</b>
<b>Grand Totals.....</b>	<b>\$147,447,095</b>	<b>\$85,559,782</b>	<b>\$177,946,907</b>	<b>\$102,695,555</b>	<b>\$1,159,937,338</b>	<b>\$734,220,759</b>	<b>\$700,887,249</b>	<b>\$1,177,397,448</b>

## UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr. & Co., Toronto. (Week ended May 16th, 1917.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Pulp.....com.	55	60	Chapman Ball Bearings.....	31	40	Can. Rolling Mills.....com.	95		Northern Crown Bank.....		95
Anglo-French 5% bonds.....pref.	89	90	Continental Life.....	20	25	Imperial Oil.....	375	410	Trust & Guarantee.....	87	90
Atlantic Sugar.....com.	10	14	Cockshutt Plow Co.....pref.	65	60	Mutual Steamships, 6's.....	97.50		Toronto Paper, 6% bonds.....	89	
".....pref.	37	41.50	Carriage Factories.....pref.			Matthews-Blackwell.....com.	26		Tooke Bros.....pref.		78
Alberta Pac. Grain.....pref.		95	Crown Life.....	80	80	Maritime Coal & Rly.....com.	13	18	Univ. Steel & Tool.....com.		32
Anglo-French 5% bonds.....	93	93.50	Dom. Po'er & Trans.....com.	61	64	".....bonds		75	Northern Elec. 6's.....	95	
Belding Paul.....com.		16	".....pref.	97	100	Met. Shin. & Sid.....pref.		63	Wabasso Cotton.....com.	28	
Eastern Car.....pref.		75	Dom. Permanent Loan.....	70	73	Monarch Life Assur.....		10	Western Assur.....		6.75
Black Lake.....bonds	27	30	Crown Trust Co.....		95	Morrow Screw, 6's.....	85	90	Dom. Sugar.....com.	80	
Brompton Paper.....	45	46.50	Dunlop Tire.....pref.	90	97	North American Pulp.....	4.50	5	National Drug.....pref.		88
Dom. Glass.....com.	19	25	Dom. Steel & F'dry.....com.	142	150	Nova Scotia Stl. 6% deb.....		97	Steel & Radiation.....com.		30
Canada Machinery, 6's.....	71	80	".....pref.	90	95	Ont. Pulp Bonds.....	85.50		".....pref.		65
".....pref.	40	48	Can. Crock'r Wh'er.....pref.	90		Otis-Fenson Elev.....pref.	90	97	Volcanic Gas.....	125	135
Canada Fair, Morse.....pref.		98	Montreal Tram. Power.....	34.50	36	People's Loan & Savings.....	85	90	Crossen Car, 6's.....	98	
Provincial Paper.....pref.		84	Home Bank.....	64	66	Provincial Paper.....com.	51	52	Dominion Glass.....pref.		85
Canadian Mortgage.....	86	94	Howard Smith Pap.....pref.		80	Hydro Elec. Radiation.....	258	263	Frontenac Brewery, 6's.....	78	86
Canadian Oil.....com.	37.50	41	Imper. Steel & Wire.....pref.	4.50	6.50	Russian Life Assur.....		25	E. L. Ruddy.....pref.	89	92
".....pref.	89		".....com.	75	1.50	Standard Reliance Loan.....	45	48	".....	98	
Canadian Westinghouse.....	118	125	Interlake Steamships, 6's.....	96		Steel & Radiation.....bonds		68			90
Carter Crume.....pref.	67		London Loan & Savings.....	95	110						

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear on this page once a month as issued by the various Government departments.



**DISTRICT AGENT WANTED**—To take charge of productive territory in East Ontario. Liberal contract will be made with the right party. Excellent opportunity to build an organization. All inquiries confidential. Apply R. T. Faircloth, Manager E.O. Branch, Canada Life Assurance Company, Toronto.

## Why Not Reply to This Ad?

(or inquire about other territory)

### WHAT YOU NEED:

**FIRST**, an old, tried company, with abundant evidence of success; experienced in the business, and consistent in its record. Paying large dividends to policyholders, and safely and sanely planning the future. Issuing new and saleable policy plans.

**SECOND**, a company which treats its representatives as business men, free from red tape, sympathetic and in harmony with the aims of the field force. Unhampered in its regulations, and liberal in its interpretation of contracts. A company which it is a pleasure to work for and with which you can build up a permanent connection.

**CANADA LIFE ASSURANCE CO.**  
Head Office, Toronto

## ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

**Union Mutual Life Insurance Co.**  
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ARTHUR L. BATES, PRESIDENT. HENRI E. MORIN, SUPERVISOR  
For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.  
For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

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**Canada Security Assurance Company**  
HAIL DEPARTMENT  
CALGARY ALBERTA

Orders for the new issue of H. M. P. Eckardt's  
**Manual of Canadian Banking**  
are now being received - \$2.50  
Postpaid anywhere  
The Monetary Times Printing Company, Toronto, Ont.

## New Records

Results secured during the past year re-affirm the position of the Sun Life of Canada as the leading life assurance organization of the Dominion.

It leads all Canadian Companies in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Premium Income, Total Income and Payments to Policyholders.

Fair-dealing and progressive business methods are the foundations for the Company's phenomenal growth.

**SUN LIFE ASSURANCE COMPANY OF CANADA**  
HEAD OFFICE—MONTREAL

## BRITISH AMERICA ASSURANCE COMPANY

FIRE, HAIL, OCEAN MARINE and INLAND MARINE INSURANCE  
INCORPORATED 1833  
HEAD OFFICES: TORONTO  
W. R. BROCK, President. W. B. MEIKLE, Vice-Pres. and Gen. Mgr.  
JOHN SIME, Asst. Gen. Mgr. E. F. GARROW, Secretary.  
Assets, Over \$2,500,000.00  
Losses paid since organization over \$41,000,000.00.

## (FIRE) BRITISH CROWN ASSURANCE Corporation, Limited OF GLASGOW, SCOTLAND

The Right Hon. J. Parker Smith, Pres. D. W. MacLennan, Gen. Mgr.  
Head Office Canadian Branch—TRADERS BANK BLDG., TORONTO  
Liberal Contracts to Agents in Unrepresented Districts

## CALEDONIAN INSURANCE COMPANY

The Oldest Scottish Fire Office  
Head Office for Canada MONTREAL  
J. G. BORTHWICK, Manager  
**MUNTZ & BEATTY, Resident Agents**  
Temple Bldg., Bay St., TORONTO Telephone Main 66 & 67

## The Northern Assurance Company, Ltd. of London, Eng.

Accumulated Funds, 1914 ..... \$41,615,000  
E. P. PEARSON, District Agent, Toronto, Ont.  
Head Office for Canada, 88 Notre Dame Street West, Montreal  
G. E. MOBERLY, Manager



## MUNICIPAL BOND MARKET

## The Monetary Times' Weekly Register of Municipal Activities and Financing

**Toronto, Ont.**—In a statement to the city council this week, finance commissioner Bradshaw reviewed the financial situation and stated that Toronto's credit was the highest on the continent. He asked the council not to strain or impair the borrowing power of the city by proposing any expenditure that could not be compelled by law. The majority of the municipalities of the Dominion had reduced their expenditures by half since the war started, but Toronto had considerably increased its indebtedness. Since the United States had entered the war it would be very hard to find purchasers for their securities. They should aim to strengthen their financial condition so that they would be able to meet conditions after the war.

**Niagara-on-the-Lake, Ont.**—\$14,964 5½ per cent., 1926-37, to Messrs. C. H. Burgess and Company, Toronto.

**Hespeler, Ont.**—The by-law to issue bonds to the extent of \$14,000 to provide for extensions to the Hespeler waterworks system was carried.

**British Columbia.**—The following certificate has been issued by the municipal department of the province: Rossland, by-law No. 181 (School), \$30,000 20-years, interest 6 per cent., payable half-yearly.

**Saskatchewan.**—The following is a list of bond applications granted by the local government board:—

School Districts.—\*Lloyd, \$250, 5-years, not ex. 8 per cent. instalment. Secretary-treasurer, L. W. Nystron, Webb; \*Saltown, \$2,000, 10-years, not ex. 8 per cent. instalment. Geo. A. Stevens, Balcarres; Luce, \$1,000, 10-years, not ex. 8 per cent. annuity. C. C. Pederson, Robsart; Faulkner, \$1,200, 10-years, not ex. 8 per cent. instalment. J. H. Argue, Grenfell; \*Dunbrody, \$1,800, 10-years, not ex. 8 per cent. annuity. S. A. Dean, Richmond.

\*Being sold through the local government board.

Rural Telephone Companies.—Alpha, \$2,900, 15-years, not ex. 8 per cent. annuity. R. Swinton, Montmartre; Willmer, \$6,700, 15-years, not ex. 8 per cent. annuity. C. N. Hughes, Simpson; Dafoe North, \$4,700, 15-years, not ex. 8 per cent. annuity. W. F. Werner, Dafoe; Strongfield, \$5,000, 15-years, not ex. 8 per cent. annuity. R. Woodward, Strongfield; Lenora Lake, \$11,000, 15-years, 7 per cent. annuity. Geo. H. Gerionig, Muenster; Jansen, \$8,400, 15-years, not ex. 8 per cent. annuity. R. E. Valens, Jansen.

**Saskatchewan.**—The following is a list of bonds reported sold:—

School Districts.—Coal Creek, \$1,800. Kerr, Fleming and Company, Toronto; Middle Valley, \$1,800. Goldman and Company, Toronto.

Rural Telephone Companies.—Davin, \$2,400. H. O'Hara and Company, Toronto; Brownlee Faulkton, \$13,000. Somerville and Olson, Regina; Muenster, \$10,500. O. L. McQuay, Regina; Anaheim, \$11,000. H. O'Hara and Company, Toronto.

Village.—Engelfeld, \$400. W. L. McKinnon and Company, Toronto

**Edmonton, Alta.**—Mr. A. N. Mouat, C.A., city comptroller, in his annual report for 1916, states that, continuing the reform policy inaugurated early in 1915, which brought about a reduction of \$775,047 in the controllable expenditures of that year under those for 1914, further savings amounting to \$410,452 have been effected, making a total reduction in the past two years of \$1,185,500. The following comparative statement will show where the economies have been accomplished:—

## Central Administration:

	1914.	1915.	1916.
Administration .....	\$ 216,952	\$ 117,503	\$ 90,713
Assessment and tax collection	27,881	26,726	19,744
Charity grants and donations	132,022	78,771	47,788
Health and sanitation .....	331,653	201,812	170,655
Protection of life and property	442,905	347,172	305,518
Parks .....	49,931	16,183	9,903
Works and other properties ...	125,637	64,112	54,839
Miscellaneous and extraordinary	61,972	34,016	25,388

Total central administration \$1,388,956 \$ 886,297 \$724,551

	1914.	1915.	1916.
<b>Public Utilities:</b>			
Electric light and power .....	\$ 445,132	\$ 341,639	\$283,246
Power house .....	353,074	285,068	*153,130
Street railway .....	466,897	355,805	343,878
Telephone .....	59,226	45,447	42,076
Waterworks .....	188,133	212,115	169,040
	\$1,512,465	\$1,240,077	\$991,371

\*Six months only.

## Central Administration:

Reduction in 1915 .....	\$502,659
Reduction in 1916 .....	161,746
	\$ 664,405

## Public Utilities:

Reduction in 1915 .....	\$272,388
Reduction in 1916 .....	248,705
	521,094

\$1,185,500

Perhaps, adds the comptroller, the most conspicuous feature of the general balance sheet, and one of vital importance to the citizens, is the large amount of tax arrears outstanding—viz., \$5,250,257, as compared with \$1,082,743 in 1913. It is apparent, unless more satisfactory collections may be anticipated in the immediate future, that this item must inevitably become of still more alarming proportions.

The present situation may be taken as fairly indicative of the city's monetary obligations, and its ability to overtake these, as will enable a forecast being made, and after a careful survey, based on conditions similar to those existing, the accompanying statement is designed to give approximately the respective yearly demands over a period of five years, after taking into account all the available resources disclosed, in order to liquidate its indebtedness:—

1917 .....	\$1,700,000.00
1918 .....	3,200,000.00
1919 .....	2,000,000.00
1920 .....	1,400,000.00
1921 .....	3,000,000.00

Under such circumstances, therefore, the question of immediate financial requirements, and providing for these, is of supreme importance, and comptroller Mouat recommends that early attention be given to this matter.

## OPPOSES TAX ON LIFE INSURANCE POLICIES

Declaring that the proposed imposition of a United States federal tax of eight cents per hundred dollars on new life insurance policies is not justifiable, a brief has been filed at Washington on behalf of the Association of Life Insurance Presidents. This brief also urges that the objectionable provision be stricken from the new United States war revenue bill.

## QUEBEC CEMENT COMPANY, LIMITED

C. C. Lapierre, of Quebec, formerly a cement engineer with the Canada Cement Company, Limited, is organizing the Quebec Cement Company, Limited, with head office in Quebec. The draft prospectus of the company gives the authorized capital as \$1,250,000, divided into 12,500 shares of ordinary stock. It is not the intention of the company at present to issue any but ordinary shares.

The company will take over the property formerly owned by the Eastern Canada Portland Cement Company, Limited, at Neuville, P.Q., and will manufacture Portland cement, lime and other cement and lime products, as well as potash and other fertilizers. The plant is to be located on the St. Lawrence River, and can also be reached by the Canadian Northern and Transcontinental Railways, both of which pass the property. The completion of the Quebec Bridge will give the plant easy access to the Grand Trunk Railway. The Shawinigan Water and Power Company's transmission line crosses the property.

The company will construct a mill having a daily output of 1,500 barrels, but foundations, etc., are so arranged that this output can be doubled when advisable. This will be the only Portland cement plant in Canada east of Montreal. Mr. Lapierre will be the general manager and N. E. Rosseau will be secretary-treasurer.



**PUBLICATIONS RECEIVED**

**Bank Letter.**—Monthly financial letter. Issued by the National City Bank of Chicago.

**War and Finance.**—Weekly letter. Issued by Messrs. J. S. Bache and Company, New York.

**Edmonton, Alta.**—Annual report of the city's finances. Issued by City Comptroller A. N. Mouat.

**Export Trade of United States.**—The trade letter of the foreign department of the First National Bank of Boston.

**Philadelphia Bourse.**—Twenty-sixth annual report. Issued from the secretary's office, Bourse Building, Philadelphia.

**Union Trust Company.**—Annual report of the company in booklet form. Issued by Union Trust Company, Toronto.

**Ontario Crops.**—Crop bulletin No. 130. Issued by Mr. W. O. Galloway, secretary Ontario Bureau of Industries, Toronto.

**Business Conditions.**—The May letter of the Alexander Hamilton Institute, Astor Place, N.Y. In corresponding, mention *The Monetary Times*.

**St. John.**—Trade opportunities in this city and in the province of New Brunswick are outlined in the monthly Journal issued by the St. John board of trade.

**Dairy Cows and Swine.**—Special circulars 7 and 8 deal with feeding, rations, production, etc., of cows and pigs. Issued by the Department of Agriculture, Ottawa.

**Acceptances.**—A copyright pamphlet issued by the Guaranty Trust Company, of New York, 140 Broadway, New York. Applicants should mention *The Monetary Times*.

**Telegraph Statistics.**—Annual returns of all organizations under the jurisdiction of the Canadian government. Price, 5 cents. Issued by Department of Railways and Canals, Ottawa.

**Efficiency.**—A booklet dealing with office efficiency, cost accounting and industrial engineering. Issued by Messrs. J. H. Young and Company, 64 Wellington Street West, Toronto.

**Beans, Field Roots, Staple Vegetables.**—Special circulars Nos. 4, 9 and 10 deal with soil preparation, methods of planting, cultivation, etc. Issued by the Department of Agriculture, Ottawa.

**Monteith Demonstration Farm.**—The annual report of the Farm deals with agricultural progress and prospects of Northern Ontario. Issued by the Ontario Department of Agriculture, Toronto.

**Steamship Subsidies.**—Annual report dealing with subsidized steamship services and statistics showing traffic returns. Price, 20 cents. Issued by Department of Trade and Commerce, Ottawa.

**Canals.**—The annual report of Mr. J. L. Payne, comptroller of statistics on the operations of the Canals in Canada. Price, 5 cents. Issued by the Department of Railways and Canals, Ottawa.

**Women's Institutes.**—Part II. of the report on the work of the Ontario Women's Institutes gives a list of the meetings held and speakers, etc. Issued by the Ontario Department of Agriculture, Toronto.

**Ontario Field Crops.**—Results of competitions in standing field crops and prize-winning grain at winter fairs, the Canadian National and Central Canada exhibitions. Issued by the Ontario Department of Agriculture, Toronto.

**Express Companies.**—Eight express companies operate in Canada, and the government's annual report gives the statistics relating to their operations. Price, 5 cents. Issued by Department of Railways and Canals, Ottawa.

**West Indies and Canada.**—A reprint from an article in *The Queen's Quarterly* on "The Federal Union of the British West Indies and Commercial Union with Canada." By A. T. Drummond, LL.D., 292 Russell Hill Road, Toronto.

**United States War Finances.**—Suggestions as to how the United States can best help the Allies. The conditions under which a war loan will be floated. A letter issued by Messrs. Spencer, Trask and Company, 25 Broad Street, New York.

**Poultry, Horses and Crops.**—Three bulletins: (1) Produce more poultry products. (2) Preparing farm horses for summer crops. (3) Maximum crops. These are special circulars,

Nos. 6, 5, and 2. Issued by Department of Agriculture, Ottawa.

**What Peace Means to the Steel Trade.**—By S. A. Benner. A reprint from the *Iron Trade Review*, April 19th, 1917. Issued in pamphlet form by the American Steel Export Company, Woolworth Building, New York. Applicants should mention *The Monetary Times*.

**Farming in Prince Edward Island.**—Crop results of 1916 were satisfactory. The province can produce more live stock, according to the annual report of Hon. Murdoch McKinnon, commissioner. Issued by the Prince Edward Island Department of Agriculture, Charlottetown.

**Labor in Munition Factories.**—Hours, Fatigue, and Health in British Munition Factories. Reprints of the memoranda of the British Health of Munition Workers' Committee, United States Department of Labor, Bureau of Labor Statistics. Bulletin Whole No. 221. Issued by Government Printing Office, Washington, D.C. Price, 15 cents.

**War Finance.**—War Finance Primer, containing reproductions of British War Loan advances; articles on How to Finance the War; Financial Management of a War; Bonds and Taxation; and War Finance Act of the United States. Issued by the National Bank of Commerce in New York, New York city. Correspondents should mention *The Monetary Times*.

**Occupational Mortality Experience.**—Bulletin No. 207 of the United States Bureau of Labor Statistics, being No. 11 of the industrial accidents and hygiene series. An analysis of the occupational causes of death experience of the Metropolitan Life Insurance Company. By Louis I. Dublin, Ph.D. Price, 10 cents. Superintendent of Documents, Government Printing Office, Washington, D.C.

**Corporate Financing.**—An excellent volume, "Some Legal Phases of Financing, Reorganization and Regulation," has just been issued. The volume contains addresses delivered by specialists, at the instance of the Association of the Bar of the city of New York. They deal with "Preparation of Bonds, Mortgages, Collateral Trusts," etc., "Foreclosure of Railway Mortgages," "Public Service Commissions," "Reorganization of Corporations," "Sherman Law," etc. The work is of great value, especially to the lawyer, to the executives of incorporated companies, financial institutions and brokerage houses. Price, \$2.75. The Macmillan Company of Canada, St. Martin's House, Toronto.

**Alberta Legislation.**—Synopsis of important acts passed at the fifth session of the third legislature, Alberta, February 6th to April 5th, 1917. Prepared by John D. Hunt, B.A., clerk of the Executive Council, Edmonton, Alberta. The issue of this synopsis was inaugurated four years ago at the suggestion of Mr. Hunt, and the demand for copies has increased from year to year. This year the government is issuing 40,000 for free distribution. This is a very useful pamphlet. The Alberta government sets an example which might be followed by other provincial governments with advantage, both to the provincial authorities and to the public. Applicants should mention *The Monetary Times*.

**APRIL COBALT SHIPMENTS**

The following are the Cobalt ore shipments for the month of April, 1917:—

	Tons.
Aladdin Cobalt Mine .....	95
Beaver Mines .....	32
Coniagas Mine .....	43.8
Dominion Reduction Company .....	349
Hudson Bay Mine .....	62.7
Kerr Lake Mining Company .....	21.5
La Rose Mine .....	71.8
McKinley-Darragh-Savage Mines .....	125.7
O'Brien Mines .....	86
Temiskaming Mining Company .....	68
Total .....	956.8

**From South Porcupine—**  
 Slade and Forbes, Crude asbestos..... 70  
 Tommy Burns Mining Company, Gold ore.. 21.6  
**From Porquiss Junction—**Nickel ore ..... 372.9



## WIRE PRODUCTS PRICE AGREEMENT

### Justice Clute in Recent Judgment States That it was Contrary to Public Policy

What is meant by the term "Association Prices" becomes of first importance, says Justice Clute in his judgment, in the case Dominion Supply Company v. P. L. Robertson Manufacturing Company, Limited, tried at Toronto. The judgment, in part, is as follows:—

The action was brought to recover damages for the non-delivery of a balance of 15,000 kegs of nails purchased by plaintiff from the defendant in November, 1915.

The contract was by correspondence, and the nails were to be delivered as called for, the specifications to be in by May 1st, 1916. The defendant delivered some 2,581 kegs. The specifications were put in for some 7,500 kegs which were not delivered, and the defendant refused to deliver the same, and cancelled the contract upon the ground that the plaintiff had become disentitled to receive the further delivery, owing, as it is alleged, to his breach of the contract by selling under the association price. This is the principal defence raised by the defendant, and is thus pleaded:—

#### Subject to Condition.

"3. The defendants say that the alleged contract referred to in the plaintiffs' statement of claim provided, amongst other things, and the same was subject to a condition, that the plaintiffs would sell the nails to their customers at a price the same as the association prices, and not otherwise, but the plaintiffs notwithstanding the said provision or condition of the contract, and contrary to the same, sold the said nails to their customers at a price less than the association prices, and the defendants thereupon refused to deliver to the plaintiffs, or their customers, the nails specified by the plaintiffs and referred to in the fifth and sixth paragraphs of the plaintiffs' statement of claim."

There are other defences as to non-payment, but the real contest is under this defence.

#### Says Condition was Illegal.

To this the plaintiffs replied:—

"1a. The plaintiff, while denying that the contract contained any such condition requiring the plaintiff to sell the nails to his customers at association prices, as alleged in paragraphs 3 and 8 of the defendant's statement of defence and counter-claim, says that if there was any such condition, it was illegal and in contravention of section 498 of the criminal code of Canada and therefore not binding on the plaintiff."

The plaintiff admits that he sold under association prices and claims that he had a right to do so. He denies that there was any such limitation as claimed by the defendant in the contract, and claims that the earlier correspondence between the parties showing such limitation formed no part of the contract, and that subsequently the contract was made free from such limitations.

The contract between the parties included the agreement on the part of the plaintiff to "maintain association prices." It was because the plaintiff refused to be bound by this clause of the contract that the defendant repudiated and refused to make further deliveries.

#### Fifteen Firms Agree.

Some of the principal clauses of the agreement between some 15 firms, of which the defendant firm is one, provide:—

(1) That the said parties do hereby form themselves into an association to be called and known as the Canadian Wire Products Association.

(2) The object of the association shall be the promotion of friendly business relations between the manufacturers, their agents and the trade generally, also for the regulation and maintenance of fair prices and terms on the sale of wire products in order to prevent the injurious effect both to the producers and consumers of fluctuating prices and to provide for the production and distribution of said goods at fair prices and on equitable terms and to make profitable offers to attract customers and induce them to deal exclusively with one or more members of the association, and further for conference and mutual aid with reference to purchases of supplies and the like.

This agreement embraces all sales in the Dominion of Canada for consumption in the Dominion of Canada.

(3) The agreement remains in effect for five years from date, but any member may retire on giving three months' notice.

(7) (c) That the covenantors and their agents and others for whom they are respectively responsible will not quote, accept, or book orders for or agree to sell or sell the goods covered by the agreement at lower prices or on better terms and conditions than those fixed by the schedule of prices annexed to this agreement or fixed by any schedule of prices which may be adopted by any resolution of the association under article 6 or fixed in such a way as the association may direct.

#### Penalty of \$1,000.

(7) Part of subsection H And the parties hereto promise, bind and oblige themselves each in the penal sum of \$1,000 towards the others of them, to strictly adhere to, observe and fulfil all the above agreements and obligations and all rules and regulations, prices and discounts which may from time to time be resolved on or adopted by the association, and they further severally bind themselves to pay all penalties.

In concluding Justice Clute says:—

"In my opinion the contract between the parties, including as it does the limitations provided by the association agreement, is ex facie a breach of subsections (b) and (d) of section 498 of the code. Having regard to the scope of the association, including all Canada as it does, the fixing of the prices of the manufacturers, the wholesalers and the jobbers to retailers precludes competition in the trade of the entire product of manufactures of this industry in Canada, and it must therefore in my opinion unduly restrain and injure trade and commerce in relation to such articles, contrary to subsection (b), and unduly prevent or lessen competition in the purchase, barter and sale of the same.

#### Breach of Code.

"It is an agreement, in my opinion, contrary to public policy, and in breach of the code. The result is that the plaintiff is not entitled to enforce a breach of this contract against the defendant, and the defendant is not entitled to recover the \$1,000 agreed upon as the amount due under the contract.

"If it should be held elsewhere that the plaintiff is entitled to recover, I assess the damages for breach of the contract at one dollar per keg for the number specified in addition to the 2,500 delivered.

"In the view I take of the case the action and counter-claim are both dismissed, and as the parties are in pari delicto I make no order as to costs."

## PORT ARTHUR, A PAPER MAKING CENTRE

The Port Arthur Pulp & Paper Company are erecting a pulp and paper mill at Port Arthur, Ont., which is anticipated will be completed in November. The commencing capacity will be 60 tons of pulp daily; and it is intended some months later to build an addition either to increase the pulp capacity to 150 tons daily or to make paper at the rate of 75 tons per day. The bleached sulphite process will be used for the product, most of which will be sold in western Canada.

The city of Port Arthur has granted the company a tract of 100 acres within the city limits, about 2½ miles from the business centre. The site has excellent trackage facilities and frontage along Thunder Bay.

The controlling interest of the company is held by the Provincial Paper Mills Company, Limited, according to information given *The Monetary Times* by Mr. A. G. Pounsford, general manager of the company.

Mr. J. J. Carrick, who was the successful tenderer for two large Ontario pulpwood limits, is understood to be ready to erect a mill at Port Arthur, as soon as the contract for power is signed with the hydro-electric power commission.

Mr. Hector M. Forbes, assistant secretary at the head office of the Toronto General Trusts Corporation, has been appointed manager of the British Columbia branch office at Vancouver, a position made vacant by the death of Mr. Frank M. Pratt. Mr. Forbes was the recipient of two leather library chairs from the management and staff on leaving the Toronto head office.



**WESTERN** INCORPORATED 1851  
**Assurance Company**  
**FIRE, EXPLOSION, OCEAN MARINE & INLAND MARINE INSURANCE**

Assets ..... over \$5,000,000.00  
 Losses paid since organization " 68,000,000.00

**BOARD OF DIRECTORS:**


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ROBT. BICKERDIKE, M.P.	Z. A. LASH, K.C., LL.D.
W. R. BROCK, President	W. B. MEIKLE, Vice-President
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H. C. COX	Lt. COL. the Hon. FREDERIC NICHOLS
D. B. HANNA	BRIG. GEN. SIR HENRY PELLATT, C.V.O.
E. HAY	E. A. ROBERT (Montreal)
	E. R. WOOD

**Head Office: TORONTO, Ont.**

W. R. BROCK, President	W. B. MEIKLE, Vice-President and General Manager	C. C. FOSTER, Secretary
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**THE FIDELITY PHENIX**  
 FIRE INSURANCE COMPANY OF N.Y.

FIRE TORNADO  
 ASSETS EXCEED \$19,300,000  
 FIREPROOF ABSOLUTELY



**HEAD OFFICE FOR CANADA**  
 W. E. BALDWIN, MANAGER. MONTREAL J. ROWAT, ASST. MGR.

**Commercial Union Assurance Co.**  
 LIMITED, OF LONDON, ENGLAND

Total Annual Income Exceeds ..... \$ 47,250,000  
 Total Funds Exceed..... 142,000,000  
 Total Fire Losses Paid..... 183,366,690  
 Deposit with Dominion Government .. 1,225,467

**Head Office Canadian Branch:**  
**COMMERCIAL UNION BLDG. - MONTREAL**  
 JAS. MCGREGOR, MANAGER

**Toronto Office - 49 Wellington St. East**  
 GEO. R. HARGRAFT:  
 General Agent for Toronto and County of York.

**ATLAS**  
**Assurance Company Limited**  
 OF LONDON, ENGLAND

The Company commenced business in the REIGN OF GEORGE III. and the following figures show its record:-

At the Accession of	Income	Funds
KING GEORGE IV. ...	\$ 387,065 ...	\$ 800,605
KING WILLIAM IV. ...	657,115 ...	3,038,580
QUEEN VICTORIA ...	789,865 ...	4,575,410
KING EDWARD VII ...	3,500,670 ...	11,185,405
KING GEORGE V. ...	6,846,895 ...	15,186,090
and at 31st DECEMBER, 1916 ...	7,980,685 ...	20,730,010

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up).  
 Agents wanted in unrepresented districts.  
**Head Office for Canada, 260 St. James St., MONTREAL**  
 MATTHEW C. HINSHAW, Branch Manager

**THE DOMINION OF CANADA**  
**GUARANTEE & ACCIDENT INS. CO.**

Accident Insurance    Sickness Insurance    Plate Glass Insurance  
 Burglary Insurance    Automobile Insurance    Guarantee Bonds  
 The Oldest and Strongest Canadian Accident Insurance Company

**Toronto    Montreal    Winnipeg    Calgary    Vancouver**

**UNION**  
**ASSURANCE SOCIETY**  
 LIMITED  
 (FIRE INSURANCE SINCE A.D. 1714)

**Canada Branch    Montreal**  
 T. L. MORRISEY, Resident Manager

**North-West Branch    Winnipeg**  
 THOS. BRUCE, Branch Manager

MARTIN N. MERRY, General Agent    TORONTO  
 Agencies throughout the Dominion

**Waterloo Mutual Fire Insurance Company**  
 ESTABLISHED IN 1863  
**Head Office, Waterloo, Ont.**

Total Assets 31st December, 1915.....\$908,244.00  
 Policies in force in Western Ontario, over ..... 30,000.00

GEORGE DIEBEL, President.    ALLAN BOWMAN, Vice-President.  
 L. W. SHUH, Manager.    BYRON E. BECHTEL, Inspector.

**SUN FIRE**    FOUNDED A.D. 1710  
 THE OLDEST INSURANCE CO. IN THE WORLD

**Canadian Branch    Toronto**  
 LYMAN ROOT, Manager

**THE LAW UNION & ROCK INSURANCE CO., Limited**  
 OF LONDON    Founded in 1806

Assets exceed \$48,000,000.00    Over \$12,500,000.00 invested in Canada  
 FIRE and ACCIDENT RISKS Accepted  
 Canadian Head Office: 57 Beaver Hall, Montreal  
 Agents wanted in unrepresented towns in Canada.

W. D. Aiken, Superintendent    J. E. E. DICKSON,  
 Accident Department    Canadian-Manager

**Economical Mutual Fire Ins. Co. of Berlin**  
**HEAD OFFICE    BERLIN, ONTARIO**  
 CASH AND MUTUAL SYSTEMS

TOTAL ASSETS, \$725,000    AMOUNT OF RISK, \$27,000,000  
 GOVERNMENT DEPOSIT, \$50,000

JOHN FENNELL,    GEO. G. H. LANG,    W. H. SCHMALZ,  
 President    Vice-President    Mgr.-Secretary

**The LONDON ASSURANCE**  
 Head Office, Canada Branch, MONTREAL

**Total Funds    \$20,000,000**

Established A.D. 1720.    FIRE RISKS accepted at current rates  
 Toronto Agents    S. Bruce Harman, 19 Wellington St. East



## NICKEL COMPANIES' ACTIVITIES

### International's New Plant at Port Colborne—British America Corporation's Enterprise

Considering the bad weather, much progress has been made on the new plant of the International Nickel Company at Port Colborne. On April 20th it was reported that with the exception of the power plant, the foundations were practically all in, the steel work on the main building was nearly completed, three of the smaller brick buildings were almost complete and with good weather and no labor troubles it is expected that the first nickel will be turned out in December of this year. The estimated cost of the completed refinery will be about \$4,000,000.

The plant is situated east of the entrance to the Welland Canal and consists of 350 acres, with a frontage of about one mile on Lake Erie. Transportation facilities are good, connection being established with the Grand Trunk and the Welland Canal may be utilized for the transportation of materials if necessary.

The entire construction is in the hands of the Foundation Company, Limited, Montreal, with whom the operating and engineering departments of the nickel company are co-operating, who have employed four hundred men during the winter and have made preparation to enlarge this number to one thousand this spring.

The initial output of the refinery will be 15,000,000 pounds of refined nickel a year, but provision has been made so that the capacity can be increased to two or even four times this amount, if necessary. The operating force will be about four hundred men. The two main stacks will be 350 feet high and 12 feet across the top, the whole resting on heavy concrete bases 40 feet square. Most of the supplies for the construction have been purchased in Canada, very little being imported.

In operation, the plant will consume 100,000 tons annually of bituminous coal, coke, cordwood, fuel oil, nitre cake, charcoal, silica, rock salt, soda ash, soda nitrate, sulphuric acid, fire clay and fire brick, in addition to the copper-nickel matte which will be supplied from the company's mines at Sudbury.

#### British America Nickel Corporation.

That every stage of nickel production should be carried out in Canada from the quarrying of the ore to the chemical and mechanical processes involved in making the scientific appliances and metal products which nickel alone can supply, is now the general conviction. This conviction is founded on the fact that roughly speaking eighty per cent. or more of the world's nickel is mined in Canada and the percentage is increasing rather than diminishing.

The establishment of a nickel industry which shall be Canadian from the ground up is the plan upon which the recently incorporated British America Nickel Corporation is working. This company, whose headquarters are in the Royal Bank Building, Toronto, have acquired 17,000 acres of nickel lands in the Sudbury district, and have planned an extensive smelter and refinery plant at a location on the celebrated Murray mine about four and a half miles from the town of Sudbury. Here a small village has already sprung up and one hundred and twenty-five hands are employed clearing the ground and laying foundations for the various structures. There will be direct connections with the Algoma Eastern Railway and the Canadian Pacific. Arrangements have been made for obtaining electric power through the Hydro Electric Commission from a power dam about twenty-five miles distant, and 15,000 horse power has already been arranged for.

An interesting feature of these important works is that a process new in nickel refining methods in America will be introduced, that is, the Hybinette process, named after one of the discoverers and tested in practice for some years at Kristiansand, Norway. By the Hybinette process nickel has been refined to a degree of purity of 98.7 per cent. and at an operating cost in Norway of about 13 cents per pound. It will require about a year to complete the first units of the works.

The British America Nickel Corporation has ample capital for its extensive works, having in fact the financial assistance of the Imperial Government. The chief executive officers of the company are: J. H. Dunn, president; W. A. Carlyle, vice-president; E. P. Mathewson, general manager; F. J. Brule, chief engineer, and W. H. Coade, secretary.

## FALL WHEAT, 626,400 ACRES

### Government's First Crop Report Shows Winter Killing Averaged 23 Per Cent.

The first crop report of the present season has been issued by the Census and Statistics Office, Ottawa, and relates to the area and condition of the fall wheat crop, the condition of hay and clover meadows at the end of the winter and the progress of spring seeding, as reported by correspondents at the end of April.

The area estimated to be sown to winter wheat last fall is 813,400 acres of which 656,500 acres are in Ontario, 105,700 acres in Saskatchewan, 38,000 acres in Alberta, 8,000 acres in Manitoba, and 6,200 acres in British Columbia.

#### Winter Killing and Condition of Fall Wheat.

In Ontario, the proportion of the area reported to be winter-killed is 25 per cent.; in Manitoba, 14 per cent.; in Alberta, 15 per cent.; and in British Columbia, 8 per cent. No reports on the winter-killing of fall wheat are available for Saskatchewan, but, as the proportions in the two neighboring provinces of Manitoba and Alberta are 14 and 15 per cent., respectively, it is assumed that the proportion of 15 per cent. also applies to Saskatchewan.

The result is a total estimated destruction through winter-killing of 187,000 acres of fall-sown wheat, or 23 per cent. This proportion is larger than in any of the two previous years, when, however, the amount of winter-killing was exceptionally low, being not more than about 6 per cent. in each year. After deduction of the areas estimated to be winter-killed, the area to be harvested of fall wheat is 626,400 acres. The condition of fall wheat on April 30th is reported as 67 per cent. of the standard representing a full crop in Ontario, 65 per cent. in Manitoba, 88 per cent. in Alberta, and 85 per cent. in British Columbia, making the figure for all Canada (Saskatchewan excepted) to be 69 per cent. This is a lower percentage representing condition than any previously recorded at the same date since 1909, and reflects the exceptional severity of the past winter.

#### Hay and Clover Meadows.

Owing to the lateness of the spring this year, it was rather too early on April 30th to judge of the extent to which hay and clover meadows have suffered from the effects of the past winter; but the indications are that something like 9 per cent. of the area under these crops has been winter-killed. Their condition in percentage of the standard is for the whole of Canada 86 as compared with 92 last year, the range by provinces this year being between 82 and 96 per cent. of the standard.

#### Progress of Spring Seeding.

For the three Atlantic provinces it was too soon on April 30th to report as to spring seeding. In the other six provinces the spring is reported as being very late—even later than last year, and only about 14 per cent. of the total seeding was accomplished on April 30th. This is the lowest proportion sown on April 30th since the records began in 1910. Last year the proportion was only 18 per cent., but in 1915, when the spring was exceptionally early and conditions were highly favorable, the proportion was as high as 63 per cent. For wheat, the proportion of seeding completed on April 30th is 13 per cent., as against 27 per cent. last year and 94 per cent. in 1915; for oats, the proportion is 12 per cent., against 8 per cent. last year and 45 per cent. in 1915; and for barley it is 9 per cent., as against 3 per cent. in 1916 and 38 per cent. in 1915. The provinces most advanced in the seeding of spring wheat are: Ontario, 28 per cent., as compared with 4 per cent. last year and 73 per cent. in 1915; Alberta, 27 per cent., compared with 80 per cent. and 91 per cent.; and British Columbia, 20 per cent., compared with 66 per cent. and 89 per cent. In Saskatchewan only 5 per cent. had been seeded of the area to be devoted to spring wheat, as against 36 per cent. and 94 per cent. on the corresponding dates of 1916 and 1915.

The first launching of a steel steamship in British Columbia was on Thursday, when the British steamer *War Dog* was launched at Wallace Shipyards No. 2.

After having declared no dividend for two years, it is announced by the directors of the Northern Crown Bank that a dividend at the rate of 5 per cent. will be paid for the half-year ending May 31st. The preceding rate was 6 per cent.







## NEW INCORPORATIONS

## Two Companies With Capital of \$10,000,000—Fifty-three Charters Granted

Canada's new companies incorporated this week number 53. The head offices of these companies are located in six provinces. The total capitalization amounts to \$30,660,500.

The largest companies are:—

The Barrymore Cloth Company, Limited	\$ 1,000,000
Canadian Coal Fields, Limited	10,000,000
British-Canadian Life Accident Insurance Company	1,000,000
Cream of Rice Company, Limited	1,000,000
McGinley-Teck Gold Mines, Limited	2,000,000
The National Potash Corporation	1,500,000
Whalen Pulp and Paper Mills, Limited	10,102,500

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

Province.	No. of companies.	Capitalization.
Ontario	20	\$16,900,000
Quebec	18	2,424,000
British Columbia	9	10,277,500
Manitoba	2	105,000
Alberta	2	\$90,000
New Brunswick	2	64,000
	53	\$30,660,500

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

- Levis, Que.**—Jos. Gosselin, Limitée, \$250,000. J. Gosselin, L. P. Cantin, C. E. Taschereau.
- St. John, N.B.**—Pacific Dairies, Limited, \$40,000. P. Lacoste, A. Lacoste, A. G. Lajoie.
- St. Johns, Que.**—Canada Club, Limited, \$1,000. J. H. Racicot, F. Camaraine, C. Rousseau.
- Ottawa, Ont.**—Ledy-McFarlane, Limited, \$40,000. T. A. Beament, Katie Howe, Mona Devine.
- Brantford, Ont.**—Russell's, Limited, \$40,000. R. T. Stillman, M. M. Stillman, W. A. Russell.
- Sault Ste. Marie, Ont.**—The Hub Store, Limited, \$40,000. J. Steinberg, F. Phinney, Edna Marshall.
- Brampton, Ont.**—Dextrine Products, Limited, \$40,000. W. Unsworth, W. J. Hood, E. R. Colbert.
- Cap de la Madeleine, Que.**—Roy Shoe, Limited, \$100,000. R. A. Perreault, A. Bernard, H. H. Beaulieu.
- Kamloops, B.C.**—Kamloops Sawmills, Limited, \$50,000. J. C. Shields, J. L. Broadfoot, W. J. Baird.
- Haileybury, Ont.**—McGinley-Teck Gold Mines, Limited, \$2,000,000. P. McGinley, J. W. Hamilton, G. G. Taylor.
- Newcastle Bridge, N.B.**—The Ridge Coal Company, Limited, \$24,000. R. M. McCarthy, A. Sinclair, H. H. Brewer.
- Saint Theophile-du-Lac, Que.**—Impervious Fabric Company, Limited, \$20,000. E. Dallaire, O. Courteau, J. E. Paquet.
- Windsor, Ont.**—Burroughs Adding Machine of Canada, Limited, \$250,000. C. G. Chapman, G. W. Evans, E. T. Clarke.
- Merlin, Ont.**—The Merlin Oil and Gas Company, Limited, \$40,000. W. S. Hallatt, H. Gosnell, J. Flaherty, G. McPherson.
- Fort William, Ont.**—The Northwestern Elevator Company, Limited, \$250,000. W. F. Langworthy, A. J. McComber, G. A. McTeigue.
- Quebec, Que.**—Bernier Company, Limited, \$5,000. W. Bernier, J. W. Bernier, E. Bernier; La Compagnie Hubert Moisan Assurance Funeraire de Quebec, \$150,000. H. Moisan, R. Moisan, T. Moisan.
- Winnipeg, Man.**—Kor-Ker Sales Company, Limited, \$5,000. A. L. Bates, W. F. Yeo, J. W. Yeo; Prairie Chemical

Company, Canada, Limited, \$100,000. W. C. Graham, D. R. O'Neil, H. E. Buchan.

**Calgary, Alta.**—Eldridge Motors Company, Limited, \$40,000. A. S. Eldridge, J. G. Fenton, F. J. Koch; the Parsnip River Gold Dredging Company, Limited, \$850,000. W. A. Matson, J. C. Worth, J. H. Mercer.

**Vancouver, B.C.**—Irwin and Billing Packing Company, Limited, \$20,000; Acme Timber Mills, Limited, \$25,000; Engyick, Limited, \$10,000; J. S. Anderson and Company, Limited, \$25,000; Whalen Pulp and Paper Mills, Limited, \$10,102,500; Acme Shingle Company, Limited, \$20,000; Canada Witch Company, Limited, \$20,000; Vancouver-Royal Hotel Company, Limited, \$5,000.

**Toronto, Ont.**—Union Fruit and Produce, Limited, \$40,000. S. Hisey, T. H. Delemere, W. G. Smith; West Point Assembly Hall Company, Limited, \$40,000. G. Ironside, G. E. James, D. A. MacKenzie; Canadian Overalls, Limited, \$40,000. W. H. Irving, H. H. Davis, E. H. Brower; Standish Phonograph Company, Limited, \$40,000. A. B. Crosby, W. F. Hayes, W. T. Standish; Wilton Estates, Limited, \$300,000. H. A. Hall, Ruby T. McGill, Iva Hyndman; the National Potash Corporation, Limited, \$1,500,000. T. A. Gillen, S. Grand, F. C. Lee; Brown's Bread, Limited, \$150,000. L. Brown, F. H. Brown, L. A. Brown; Cream of Rice Company, Limited, \$1,000,000. E. F. Balch, T. C. Frederick, F. O. Balch; Canadian Coal Fields, Limited, \$10,000,000. F. H. Phippen, A. J. Reid, R. H. M. Temple; Hazelton Gold, Silver and Lead Mining Company, Limited, \$40,000. A. L. Malone, A. Mearns, H. S. Sprague; Dress Fabrics, Limited, \$50,000. E. Smily, M. Macdonald, B. Williams; the Barrymore Cloth Company, Limited, \$1,000,000. Emma P. King, Eva Levitt, H. G. Keen.

**Montreal, Que.**—National Pickling and Preserving Company, Limited, \$19,500. W. H. Watier, E. Archambault, R. Lapointe; the British-Canadian Life and Accident Insurance Company, \$1,000,000. F. H. Daigneault, N. Seguin, J. E. Robert; Bienfond, Limited, \$20,000. J. P. Lefebvre, J. T. Poirier, H. Deschamps; St. Roch Hospital Incorporated, \$20,000. L. P. Dorval, A. Cheval, P. Adam; Societe de Placements de Montreal, Limitée, \$90,000. F. P. Vanier, J. G. Mousseau, P. Coussineau; Colonial Security Company, Limited, \$49,500. J. MacNaughton, M. Tetreau, J. A. Bibaud; the Windsor Athletic Club Incorporated, \$20,000. G. W. Kendall, L. Prince, J. Cloutier; Delisle Lumber Company, \$20,000. J. O. Delisle, F. Demers, J. H. Delisle; the Canada Newfoundland Lumber Company, Limited, \$300,000. J. A. Bilodeau, C. E. Beaulieu, J. Beaulieu; Port aux Quilles Lumber Company, Limited, \$100,000. G. G. Hyde, H. Driver, R. C. Grant; C. Hudon Beaulieu, Limited, \$50,000. J. E. Marier, J. E. Cadotte, G. L. L'Heureux; Canadian Reduction and Mining Company, Limited, \$200,000. L. A. David, L. P. Crepeau, S. H. R. Bush.

## CANADIAN PACIFIC'S FINANCING FOR BRITISH GOVERNMENT


The proposed Canadian Pacific Railway financing, to assist the British government in the establishment of credits in America, was recently postponed, but may yet be negotiated. On account of the financial situation which developed by reason of the entry of the United States into the war it was found inadvisable to proceed. No such issue is in immediate contemplation, but the British government has asked the company to proceed with the legislation, in order that it may be available if required.

The necessary legislation was introduced in the House at Ottawa on Monday by Sir Thomas White, finance minister. The immediate purpose of the British government in taking over these securities is to make them available for raising money on this side of the Atlantic, thereby assisting the exchange situation, which for a considerable time has been adverse to Britain. "In order that the British government may have securities which can be sold on this side of the Atlantic," said the finance minister, "it has requested the Canadian Pacific Railway Company to issue collateral trust bonds of the company payable in United States currency. These collateral trust bonds are to be exchanged by the company, if and when requested by the British Government, for the consolidated debenture stock and other securities of the company, payable in sterling, which shall have been acquired by the British government in London."



**The Standard Life Assurance Co. of Edinburgh**  
 Established 1825. Head Office for Canada: MONTREAL, Que.  
 Invested Funds.....\$ 66,500,000 Investments under Canadian Branch, over...\$ 16,000,000  
 Deposited with Canadian Government and Revenue, over..... 7,900,000  
 Government Trustees, over..... 7,000,000 Bonus declared..... 40,850,000  
 Claims paid..... 151,000,000  
 D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

**A Pension for Life for Yourself and Wife**  
 Under a Life Rate Endowment Policy of the  
**London Life Insurance Co.**  
 POLICIES "GOOD AS GOLD." 5



**L'UNION**  
 Fire Insurance Company, Limited, of PARIS, FRANCE  
 Capital fully subscribed, 25% paid up .....\$ 2,000,000.00  
 Fire Reserve Fund ..... 4,919,000.00  
 Available Balance from Profit and Loss Account 206,459.00  
 Total Losses paid to 31st December, 1913..... 90,120,000.00  
 Net premium income in 1913 ..... 5,561,441.00  
 Canadian Branch, 17 St. John Street, Montreal; Manager for Canada, MAURICE FERRAND. Toronto Office, 18 Wellington St. East J. H. EWART, Chief Agent.

**DISTRICT MANAGER WANTED**  
 For the County of Brant, Ont., with headquarters and up-to-date Branch Office in the Royal Bank Building, in the City of Brantford. Apply, stating experience and full particulars to H. A. KENTY, Superintendent of Agencies.  
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First British Insurance Company established in Canada, A.D. 1804  
**Phoenix Assurance Company, Limited**  
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 Founded 1792  
 Total resources over..... \$ 90,000,000  
 Fire losses paid ..... 425,000,000  
 Deposit with Federal Government and Investment in Canada for security of Canadian policy holders only exceed..... 2,500,000  
 Agents wanted in both branches. Apply to  
 R. MACD. PATERSON, } Managers  
 J. B. PATERSON, }  
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 All with profit policies affected prior to the 31st December will rank for a full year's reversionary bonus at that date.

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**British Colonial FIRE INSURANCE COMPANY**  
**2 PLACE D'ARMES, MONTREAL**  
 Authorized Capital - \$2,000,000  
 Subscribed Capital - \$1,000,000  
*Agents Wanted in Unrepresented Districts*

**Are You The Man?**  
 If you are a man of character, honesty and ability, who can organize men and entuse them, making them produce, we have an A1 proposition to make to you. Get your letter off to us to-day for full particulars.  
**THE WESTERN LIFE ASSURANCE COMPANY**  
 Head Office .. WINNIPEG

**INSTALMENT POLICIES** Paying an income during beneficiary's lifetime  
 ARE ISSUED AT LOWEST RATES BY  
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 First Scientific Life Company in Canada  
 Head Office: Bank of Nova Scotia Building - WINNIPEG  
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\$100,000	Dominion of Canada 5's	1 March, 1937

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ETC., FOR  
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