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New Security Issues.

Although not equal to the amount offered for subscription to end of September in years 1900, 1901, 1902, the total of 1905 largely exceeds that of 1903 and 1904. The aggregate for 9 months this year is \$529,116,000, as compared with \$399,078,000 in 1904, and \$461,378 in 1903. In 1902 the total offered for subscription was \$638,329,000, so this year is only \$9,213,000 below that figure. In 1901 the amount was \$690,153,000, and in 1902, \$662,720,000, so the sum this year is rapidly rising to rank with the large ones of a few years ago.

Stealing and Forging as a Joke.

One of the most amazing incidents in banking history took place recently in New York. A young clerk, who is well spoken of by his employer, having seen a package of securities handed out by a New York bank to a youthful messenger, who had presented a cheque to release them, conceived the idea of securing a batch of securities by a forged cheque in order, he declares, to prove how easy it is to rob a New York bank. He found it only too easy. He forged a cheque for a sum between \$300,000 and \$400,000, had this presented at a certain bank by a mere boy to whom was handed a bundle of securities representing a very large amount. He then returned the larger portion of them and has confessed that he committed this double and very heinous crime in sport—to show how easily a bank could be defrauded!

Certainly it was far too easy to do this. The bank officials who released a batch of securities under such circumstances are highly blameable. Granting the necessity for such arrangements as permit the rapid pledging and rapid redemption of securities, especially in a city like New York, where enormous transactions, involving millions, are conducted "on the jump" with a looseness that would stagger an old-time banker, it is quite obvious that,

for the protection alike of bankers, bank officials, their customers and the clerks of private firms, the honouring of cheques either for cash or for securities ought to be made less readily the means of committing crime.

The enterprising clerk who made this demonstration may think himself exceedingly fortunate if he escapes a long term in a penitentiary.

New Zealand and British Fire Offices.

One of the dangers incident to a Government undertaking fire insurance business is being exhibited in New Zealand where a bitter feud has broken out between the Government and the British fire offices. The Premier has denounced the companies in violent terms. They are charged with having transferred their cable business from the Pacific Cable Company, with refusing to renew the policies of firms who are partly insured with the Government and practically prohibiting their employers from patronizing the State Accident Department.

This shows that when a Government is competing with a private company it is likely to exercise its authority as a Government in efforts to damage its private competitor. The situation in New Zealand can be better understood by imagining Sir Wilfrid Laurier, in his place in Parliament, denouncing the proceedings of certain fire insurance companies as "monstrous and immoral," because they chose to place their telegraph business with a company not in favour with the Laurier Government. The Government of New Zealand, so far reduced rates both of fire and accident business as to render it difficult to effect reinsurances. The State Department resorted to Lloyds when the British companies declined to reinsure Government risks and now Lloyds are dissatisfied, all of which accounts for the virulent attack on British fire offices made by the Premier of New Zealand.

**Winnipeg Fire
Protection and
C.P.R.**

One of the concessions made to the promoters of the Canadian Pacific Railway was freedom from municipal taxes in certain locations. At Winnipeg the railway pays no local taxes, consequently objection is being raised in the City Council to the property of the railway enjoying fire protection. The proposal to withdraw fire protection from the railway's property, is, very naturally, resented by the company.

The exemption from local taxes enjoyed by the C.P.R., was granted by law, however much then the railway company's freedom from taxes may be a hardship to Winnipeg it has no reasonable grievance against the company, the wrong, if any, was committed by the Parliament of Canada.

To withhold fire protection from the railway properties would be both rash and unjust. The destruction of the railway buildings would be a serious blow to business interests. Fire of such magnitude might do enormous damage to other properties. The Winnipeg City Council will surely be too sensible to withdraw fire protection from the railway by which it was built up and upon the services of which the city's trade is largely dependent.

**The Late
Lt.-Col. Tully.**

We much regret having to record the death of Lt.-Col. Tully, with whom our relations for a length of time had been most cordial.

Colonel Tully began business life as a bank officer. From this occupation he drifted into insurance when appointed actuary to the company now known as the National Mutual Life. In 1869 he founded "The Review," of which he remained proprietor and editor to the close of his life. His views were always expressed frankly, without prejudice or bias, with such intelligence and practical insight into the business of insurance as gave weight to his journal, not in Great Britain only, but on this continent and in Australia.

Colonel Tully was an enthusiastic member of the Volunteer Force for 44 years. He was on duty when Queen Alexandra made her entry into London in 1864. He occupied a number of honorary positions in connection with the volunteers. His organizing talent, energy and earnest devotion to whatever task he undertook, combined with a most genial manner caused him to be in great demand as an organizer and director of many benevolent movements of a military nature and others.

On the 12th August last, an official notice stated that the King had bestowed the Royal Victorian Order upon Lt.-Col. Thomas Tully, V.D., commanding 4th V. B. East Surrey Regiment. On the following day he passed away, on hearing which the King expressed his personal regret.

To his bereaved widow we respectfully tender our condolences.

INSPIRING ADDRESS BY PRESIDENT MORTON.

OUTLINING THE POLICY OF THE NEW MANAGEMENT OF THE EQUITABLE LIFE ASSURANCE SOCIETY. DELIVERED BEFORE THE CONVENTION OF EQUITABLE AGENTS, HELD AT MANHATTAN BEACH, SEPTEMBER, 11, 12 AND 13, 1905.

The task which has devolved upon Mr. Paul Morton as president of the Equitable Life Assurance Society is one of such responsibility as entitles him to generous sympathy and support.

He will hardly repeat the bitter words of Hamlet when he pronounced, "the time is out of joint," for he has evidently entered on his office full of optimistic determination to "put things right" as quickly, as affectively as possible.

He struck a very powerful note by opening his address to the agents with the words:

"It is going to be much easier to work for the Equitable Society hereafter than it has ever been before. There is not the slightest doubt about the solidity and the solvency of the institution. Even the most far-famed and most advertised fortification never had such assaults and never could withstand such attacks as the Equitable has been through this summer."

Those are the words of a commander who has set his heart and mind upon inspiring his associated officers with sanguine confidence. Such a spirit is infectious, it will spread throughout the entire corps of agents, it will not only encourage them to renewed efforts, but have also a wholesome influence over the policy-holders. The agents were told:

"There is not any nobler work than to be able to put good names on the list of the society's policy-holders and I do know that you cannot in any way serve mankind and humanity better than by enabling people to take care of themselves in their old age and of their families when they are gone.

"You are hereafter to work and to solicit for an institution which you can do with complete satisfaction to yourselves and to your clients."

President Morton after these stirring words dwelt upon the unprecedented prosperity now prevailing, which, he said, is the right condition "for all you agents to break your own records in writing policies hereafter."

He then referred as follows to the new administration:

"There is not going to be any attempt to make it dazzling, or brilliant. Our effort will be to make it honest, conservative and courageous. There will be the greatest consideration all along the line shown for policy-holders and at every point their interests will be protected. Businesslike methods will prevail and retrenchment will be the order of the day. The more economies of the right kind we can institute, the more we can perform—not promise—to the policy-holders.

"Investments will be made of the highest charac-

ter. The society will not be run as an adjunct of one or many banking houses. We will buy the best bonds and the best securities that we can find and pay as little for them as possible. The cheaper we can administer the society the more we can do for the policy-holders, and the easier it will be for our agents to sell insurance."

The foregoing has the ring of true metal, it appeals strongly to the sound, business sense of the public and policy-holders, it will inspire a revival of trust in the management, and confirm, what we do not believe has been shaken, which is, the confidence of policy-holders and of the financial world in the absolute solidity and solvency of the Equitable Life Assurance Society.

Another wise statement made by President Morton reads:

"I would like to see the insurance business divorced, as much as possible, from politics. I hope it will never be necessary for the society to be in politics and I likewise pray that it will never be necessary to the politicians to be into the society. It will be the intention of this society, if attacked viciously by legislatures, or in any other way, to call on its agents and its policy-holders to defend what is right, let us lead all insurance companies in trying to do the right thing."

President Morton passed on to refer to the examination being made by chartered accountants. Everything so far as regards securities, real estate, had been found all right. He promised that "there will be no system of book-keeping to conceal how badly, or how well the society is doing, there will be no attempt to deceive anybody, not even ourselves."

He announced a saving already in the administration amounting to about \$600,000 per annum, equal to 4 per cent. on \$15,000,000. The address was closed with a humorous but earnest appeal to the agents to pull together in the confident certainty that, the Equitable Life Assurance Society is the strongest, safest, most conservative life insurance institution in the world.

ONTARIO ACCIDENT INSURANCE COMPANY.

At a meeting of the directors of the Ontario Accident Insurance Company held at Toronto on 2nd inst., Mr. A. L. Eastmure, vice-president, was elected president of the company in succession to the late Dr. Larratt W. Smith, K.C. Mr. W. H. Pearson, manager of the Consumers Gas Company, was elected vice-president, and J. F. Smith, K.C., of Messrs. Smith, Dae & Greer, a member of the executive committee. Mr. W. R. Brock, ex-M.P., president of the W. R. Brock Co., Ltd., has accepted the vacant seat on the board.

THE PRESIDENT OF THE NEW YORK LIFE'S STATEMENT ON POLITICAL SUBSCRIPTIONS.

The Hon. John A. McCall, president, has addressed a forcible letter "To the Agents of the New York Life Insurance Company" in defence and explanation of the contribution made out of the company's funds to the campaign funds of the Republican party. He quotes his own sworn testimony given before the investigating committee as follows:

"I was a Democrat up to the nomination of Bryan when he adopted the free silver platform of 1898. I made up my mind I would do all in my power to defeat that candidate and that platform, and I did it with my heart and soul. I had no idea in my mind about politics at all, but I had a duty and a trust regarding New York Life policy-holders, and I felt that if free silver coinage was going to prevail and Bryan was going to be elected president of the United States, that we might put up our shutters on the New York Life doors. Knowing that and believing it in 1896, I consented to a payment to defeat free silver, not to defeat the Democratic Party, but to defeat the free silver platform, and I thank God that I did it."

Mr. McCall then goes on to say:

"In other portions of my testimony I stated the contribution of 1900 was made for the same reason, and that the contribution of 1904 was made because the convention which nominated the candidate of one of the parties refused, by a vote of two to one, to incorporate in its platform a gold plank, while the opposition party adopted a gold plank.

"My testimony shows further that this company has never, within my knowledge, except in the three instances named and for the reasons and purposes stated, contributed a dollar to any campaign fund of any party in any election, general or local.

"It goes without saying that the business of this company is not politics under any guise. The policy-holders represent all political parties, the agents of the company are drawn from all political organizations, the officers and Home Office employes represent all shades of political belief; and, aside from all that, neither the policy-holders, nor agents, nor officers, nor employes, are associated together for any political purpose.

"The contributions made in the years in question had no reference whatsoever to politics. (They were made to meet a danger that arose in a great crisis in the economic development of the country.) They were made to help kill free silver, which, if adopted, meant the destruction of property belonging to the policy-holders of this company. The contributions were made equally for the protection of Republicans and Democrats, equally for the protection of the policy-holders in Canada, Mexico, Europe, South America and other parts of the

world. Answering a question by the Investigating Committee I said: "If you ask me whether I think it is right to take insurance moneys and devote them to political campaigns; I answer 'No, a thousand times, no!'"

"Now, as to the future:

"The gold standard has been irrevocably adopted.

"Therefore, the question of similar contributions cannot arise again during this or any subsequent administration of the New York Life.

"However, in order definitely to express and fix the company's position I shall ask the Board of Trustees, at its next regular meeting, to pass a resolution which will make it clear to every policy-holder and to the public that the New York Life will never contribute money to any political organization for any purpose whatever."

The universal and most emphatic disapproval which has been expressed by presidents, directors and managers of insurance companies, in concert with the Press and policy-holders, of contributions of insurance money to political party purposes, will be effective in preventing the recurrence of this evil.

THE UNITED STATES CURRENCY SYSTEM.

"THE BEST IN THE WORLD BUT NEEDS IMPROVEMENT,"
SAYS THE SECRETARY OF THE TREASURY.

At the Convention of the Ohio Banker's Association the secretary of the treasury delivered an address in which he said:

"The fact, and I think it is a fact, that the United States has the best currency system in the world, does not imply that the currency system of the United States is perfect or that it cannot be improved. It is as safe as any system in the world because it is established on the only safe basis known to man—the gold standard. It is the most convenient system in the world because it is constructed on the decimal or metric system. It is not necessary to carry a lightning calculator in order to make change."

Had he said, "The United States currency system is one of the worst ever-invented," he would have been nearer the truth. Its defects are manifold and serious. The secretary of the treasury gave himself away when he admitted that:

"The United States currency system is not perfect largely because it is non-elastic. It fails to respond in volume to the changing needs of seasons and of localities."

This notorious lack of capacity to respond to the changing needs of seasons and localities is so serious a defect as to rank it as a very bad system. It is as though a city provision market were so organized as to be incapable of expanding and contracting in response to the conditions and needs of different seasons, so that there would be no correspondence between supply and demand. Such an arbitrary condition would cause prices of provisions

to rise and fall in the most eccentric manner, just as money rates do in the United States for lack of a currency system having correspondence with the demand for money.

The secretary of the treasury thinks:

"There will be no further currency legislation until we shall have experienced a panic, occasioned by this want of elasticity, I am convinced. The country does not appreciate the danger, and until the danger is fully understood no remedy will be applied. We came nearer such a panic September 30, 1902, than most people appreciate. The fact that we then escaped does not raise a presumption that we will always escape it."

That a currency system may by its defects create a panic, yet must be regarded as "the best system in the world," is a glaring contradiction in terms. He describes the situation created by this "best system" as follows:

"Annually we have an excess of money during the spring and summer months. Annually we pass through a period of anxiety as we approach the period of crop moving, for annually the volume of money is relatively insufficient to meet this sudden increase of business. We do not need and must not have inflation. The average amount of money is, in my judgment, abundant. The difficulty lies in the fact that the volume remains stationary."

Under the Canadian system we have no anxiety as we approach the period of crop moving, but regard the extra demand with complacency as the increased supply of currency is proportionate to the enlarged demand.

He asks, "What shall be the remedy, shall it be asset currency, I answer, No. Shall it be emergency currency? I answer, No." He then protests against the use of Clearing House certificates in connection with the currency, also against the free coinage of silver, the threat of both of which he considers contributes to that distrust which prevents foreign bankers from keeping their international balances in America. His favourite remedy is,

"A method which involves the right of national banks to increase their circulation in any amount, perhaps equal to 50 p.c. of their outstanding volume of Government bonds secured circulation, on which the bank should pay a tax of 5 or 6 p.c. during the time it is maintained, and the Government in consideration of this tax should guarantee its redemption."

"You may call this, if you please, an emergency provision. So it is, but it injects into our circulation no new form of money as an element of alarm. By eliminating the one statement on the present bank note, 'This note is secured by bonds of the United States,' the additional currency could be made identical with that based on Government bonds. *The Comptroller of the Currency and the bank issuing the currency would alone know of its existence.* It would not advertise its existence or our extremity, and I can scarcely conceive of conditions under which it would remain out sixty days."

This extraordinary plea of secrecy will not meet with the approval of bankers in this country, or in the old land, nor is it likely to be sanctioned by leading bankers and financiers in the United States.

Were the financial situation to be such as to be an "extremity" and were relief to any extent to come from an issue of currency under the plan outlined by the secretary of the treasury, the fact of such relief being so caused would "advertize" itself and the assumed secrecy of the issue of such currency would be like a child playing bogey to frighten its parents—no one would be really deceived.

A currency system that deliberately conceals the extent of the note issues is highly objectionable as it legalizes deception in regard to the supply of money.

Another defensive plea is that such assumed secret issues of currency would only continue for a limited period. The secretary says: "I can scarcely conceive of conditions under which it would remain out sixty days."

If a currency has a sound basis why should it be apologised for on the ground of the notes being out only sixty days? If their basis is not sound sixty minutes is too long for notes to be out, but, if their basis is sound the longer the currency is discharging the invaluable, the essential services of a note issue the better it is for all interested. Voluminous as is currency literature, abounding as it does in eccentric, impracticable, fantastic and dangerous plans and theories, no one of these is less reasonable than the defence of a currency system on the grounds that, the notes issued under its provisions would only be out sixty days, and that the existence of a section of such issues would be a secret known only to the comptroller of the currency and the bank issuing such, assumed, secret currency.

If any system of currency deserves to be styled "the best in the world" it is the Canadian. It works as regularly, as noiselessly, as economically as a fine chronometer and is not disturbed by any temporary conditions of demand. Hence our system is not perpetually being treated by currency quack doctors, like the American system.

What are the main features of the Canadian currency system? Each chartered bank is authorized to issue notes up to the amount of its paid-up capital. The notes are a first charge on the issuing bank's assets. As an average the present assets of a chartered bank in Canada are more than ten times the amount of its note issue, or, what is called its "circulation." Should a Canadian bank become insolvent and should the assets be insufficient to redeem its notes a call could be made on the stockholders up to the amount already paid up. So that the security for the redemption of the notes is in the ratio of \$20 to each \$1. Were then 19 20ths of a Canadian bank's present and collectable assets

to be lost or become unavailable there would still be left enough to reduce its notes.

These provisions are so very greatly in excess of what is needed to protect the note issues that we need not refer to a supplementary arrangement under which each bank is required to place 5 p.c. of its circulation in the hands of the Government as a further protection of the bank notes issued.

The danger of over-issue beyond the legal limit is also efficiently guarded against. The next question is, does the circulation expand and contract as readily as the mercury in a barometer in response to the needs of the country? To that a most satisfactory reply is given by the monthly return sent to the Government by each bank. One who has regularly observed these returns can almost tell the month by seeing the amount of the circulation. When the time of harvest comes the circulation begins to rise and goes on swelling in volume until the crops are gathered and put on their way to market. Then the notes steadily flow back and the whole movement from minimum to maximum and back to minimum goes on yearly almost without being noticed outside the banks, so quietly is it all conducted. The excitement, the worry, the anxiety, the speculation, the efforts to secure funds from abroad, incident every season to the supply of harvest money in the States, are unknown in Canada save in so far as our money market is influenced by the more feverish one of the United States.

The bankers, financiers, public men of the United States should study the Canadian currency system in which they will find an example they might follow with infinite advantage to their mercantile and financial interests.

THE HAZARD OF FIRE INSURANCE.

No. Iv.

In dealing with factories, we have so wide a subject, we can only afford time and space for a short general survey taking those features which for the most part are applicable to the entire class. We may, however, draw attention to points which simply appertain to a particular branch of factories.

Factories, in addition to what are known as such, viz., boot and shoe, cabinet and furniture, cotton and woollen mills, also include flour mills, machine shops and metal workers, foundries, in short, all risks driven by steam, water or electric power.

It may be remarked at starting that a factory (when possible) should be isolated and unendangered by outside exposure. When this is the case and the factory or mill equipped with standard automatic sprinklers having two sources of supply—a tank above roof and an underwriter's pump with outside hydrants in connection therewith—is then eligible to be taken at the lowest rate by the

stock companies or the mutuals, but a similar risk in the heart of a city would be rated considerably higher on account of conflagration hazard which more than balances the city fire protection.

This has been proved by the long experience of the mill mutuals, and loath as they were at first to learn the lesson, the stock companies have at last accepted the same, and altered their rates accordingly.

The new schedule of rates for factories and mills is an elaboration of the former schedule. Of course, there are certain features common to all risks from a mill down to a dwelling, such as construction, area, exposure, height, lighting and heating. We believe for factories a mill constructed building, as it is called, is the best adapted for the purpose. The walls must be parapetted above the roof all round and measuring 12 inches at the top storey increasing 4 inches each lower storey. The supporting columns and beams must be solid seasoned wood with double $3\frac{1}{2}$ inch floors laid crossways. The elevators, closets and stairways must be in brick tower extending above the roof of the factory and communicating by fire-proof doors, only to the latter on each flat. No joists are allowed for ceiling or roof. The boiler house whether for power or drying must be in a separate brick building having no direct communication with the factory as also must the picker building for cotton or woollen mills. As regards area not more than 5,000 square feet undivided is desirable and for height the lower, i.e., the fewer floors there are to the building the better, as water loses its force and consequently its fighting powers the higher the stream ascends. With a factory on the foregoing lines, an automatic sprinkler equipment is the only step which can bring about a material reduction in rate.

There are doubtless some dangers which are only applicable to a certain class of factory or mill among which we may name the use and disposal of rubber cement in a boot and shoe factory, malt mills in breweries, dry kilns in woodworking risks, cleaning in a flour mill, japanning in metal workers, bark mills in tanneries, etc. Finally for all factories cleanliness is absolutely essential to make the risk satisfactory to a careful inspector. The subject of factories and their hazard would require a good sized volume to deal with it thoroughly, and we could not do more than place before our readers a few of the leading factors to be calculated in rating a factory or mill. We presume it will be understood that when the building is not of mill construction, when the boiler, stairs, etc., are not cut off there will be charges for these deficiencies, therefore, those intending to erect a factory would do well to obtain a list of the requirements which will bring their rate of insurance to the lowest point handing the same to their architect or contractor. By doing this they will save themselves much vexation and expense in the long run for which they will have no one blame but themselves.

DUMMY DIRECTORS AND DUMMY BORROWERS

In the early stages of the investigation into life insurance matters in the United States a good deal of critical comment was levelled against the "Dummy Director." As most readers of THE CHRONICLE know, a dummy director is a man who sits at a corporation board by virtue of stock lent him by somebody else. Of the gentlemen who comprised the directorate of the Equitable, a large number owned no Equitable stock. Young Mr. Hyde, who had plenty, lent them enough to qualify; and they were, henceforth, nominally invested with with authority to play a part in controlling the affairs of the society.

This practice of using "dummy" directors is too common a practice. A number of important corporations have men serving on their boards who have no stake, or investment in them, men who hold their seats at the will, or through the courtesy of others. One of the chief objections urged against the custom is, that it deceives the public. People very often buy a corporation's stock, or entrust their funds to its control, because it has what is called a "strong board," i.e., because the board of directors is composed largely of men whose names inspire confidence.

The line of argument pursued is apt to be something like this "Well, if So-and-So, who is renowned for his wealth and his judgment, risks his money there, and has a voice in the control and the management, it is safe for me to go in." As a matter of fact, it may be that So-and-So has put no money in, and that he takes no interest in the management.

When a man does accept a seat at a corporation board as a gift from some one else, the general supposition is that he will, if he takes any interest at all, use his vote and influence in such a manner as will prove agreeable to the rightful owner of the stock that stands in his name. He is regarded as a mere creature of the other man. Sometimes that is not the case. It may be that the directors of a company wish to have the services of some man of eminence who has a special knowledge of, and experience in, the line of business carried on by the company. The man in question may be unwilling or he may not find it convenient to invest his money in the stock. To get over the difficulty, one of the directors loans him enough to qualify him. He is elected, and takes his place at the board table. Although this man holds his place by virtue of stock lent him by some one else, he is not a "dummy director" in the sense that the public understands the term. In his voting and conduct at the meetings he is apt to be quite independent. Although the stock by which he qualifies is loaned to him, he is under no obligations to the lender. When he accepts the place and allows his name to be printed in the list of directors, he feels that a certain re-

sponsibility rests upon him as to the rightful conduct of the concern's affairs, and it is to be expected that he would oppose schemes hurtful to the company even if they should be calculated to be of advantage to the directors personally. Of course, all "dummies" are not so honourable, if they were we would not be hearing so much to-day about life insurance affairs.

Another curious point has been brought out at the investigation, in connection with the loans negotiated by one of the big life companies in New York. The company had certain stocks which it wished to have taken off its books by a certain date. It was not feasible to sell them, so the thing was managed by way of a loan. A couple of notes were drawn for large amounts—over a million dollars. They were signed by two of the company's clerks, neither of whom possessed any property of consequence, the company took the notes to a prominent banking house, and handing in the stock as collateral, received from the bankers a loan amounting to 80 p.c. of the value of the collateral. The proceeds of the loan were then treated in the books of the insurance company as if they had been proceeds of a sale.

It is not so much with the book-keeping methods that we are here interested as with the use of the clerks' names as promissors on the notes. It was no affair of theirs, and they were not possessed of any property, they might be called "dummy borrowers." The cross-examination brought out the fact that the practice of using "dummies" or figure-heads, such as these is quite common in the financial district. It happens many times that big men having occasion to borrow large sums wish to conceal their movements. If they gave their own notes the fact might become known where they did not wish it known. Accordingly a "dummy" is used. It is said that banks themselves borrow in this way. The bank does not sign the note, but one of its clerks does. Of course, in every case securities are lodged, of sufficient value to cover the loan and a reasonable margin. The lenders advance their money against the securities, they do not look to the borrower at all and, therefore, he does not count.

This is one of the noticeable features about financial banking. The bankers grant their credits on the basis of solid, concrete assets, to be held in their keeping. They do not concern themselves about the personality of their borrower, about his ability, or about his chances of success or failure in the deal he is asking them to finance, they give their attention instead to the security that is offered. What is its value? Is this man's title to it clear? No matter how wealthy a man may be, no matter how high his credit, he does not try to get banking credits without pledging specific securities. As a matter of fact, a wealthy man's credit with his bank-

ers is enhanced by his offering high class and unimpeachable securities.

There is quite a difference between this sort of banking and what is known as commercial banking. The bulk of the business done by our banks in Canada is commercial banking. In making loans to merchants and other men "in trade" the banks give a great deal of attention to the borrower himself. Often they do not get specific security to cover the advances they make, and it is, therefore, necessary that they see to it that the borrower is honorable and trustworthy, that he has a good business head on him. His record is looked at. Has he made a success of his business? He is asked for particulars of the deal in which he proposes to embark. When he gives these, the banker reflects on whether the proposed enterprise is liable to turn out well or ill.

Very often the merchant or the manufacturer feels himself aggrieved at having, in some instances, to put up specific security. He does not look at the matter in the same way as the wealthy financial borrower looks at it, but is often apt to consider that his giving solid security is a reflection on his credit. Competition between the banks is largely responsible for this. When banks offer to lend money without security to men who have been in the habit of giving security they are making the work of future bankers more difficult and dangerous.

MR. BYRON E. WALKER, ON RECIPROCITY.

A dinner was given on 29th ult., at the King Edward Hotel, Toronto, to visitors representing the American Association of Agricultural Implement makers. There were 300 present.

The question of reciprocity having been raised Mr. Byron E. Walker, general manager of the Bank of Commerce, in reference to this proposal said, addressing the United States visitors:

"You must get ideas of political relations out of your head, I do not wish you to gather that we are not to remain here, a separate country, working out our own destiny. None of you will ever live to see any change in our political allegiance. Take that for granted. Realize that there is another nation on this continent that will regard you as friends, but keep its own self-respect, that will trade with you, but not in the old jug-handled way. Then we will grow in amity and friendship and exchange these delightful reciprocities, which take place so often. If you once get political relations out of your mind our commercial and social relations will quickly widen and strengthen."

He went on to affirm that the time had come when the United States manufacturer had to look to Canada for his raw material, either importing it or coming over here and establishing a branch fac-

tory. What Canada wanted was that he should come here and manufacture; she was willing that he should take away the dividends if he left her the price of the labor. Mr. Walker warned his hearers that no change in Canada's political relationships could be expected, and expressed perfect confidence that the Western settlers coming from across the line would be as loyal to the new land and the British flag as the native-born.

UNION MUTUAL LIFE INSURANCE COMPANY.

The volume of new insurance written last month by the Union Mutual Life Insurance Company, was greater by \$400,000 than for the corresponding month of 1904, while the aggregate new insurance for the nine months of the year is larger by over \$1,200,000 than for the same period last year.

The results may be attributed to at least two general causes; the necessity of the agents having all applications for Tontine and combination policies at the head office, by the 30th September, after which date no forms of insurance providing for Tontine or deferred dividend investigation of the methods of management of some of the largest institutions inclining the public to look with greater favour on the smaller, but equally strong and more easily comprehended companies.

LAKE OF THE WOODS MILLING COMPANY.

The annual meeting of this company took place on the 4th inst., when a very satisfactory statement was presented to the shareholders.

The report showed liabilities aggregating \$4,731,428.07 consisting of:—Capital stock, common, \$2,500,000; less held in treasury, \$500,000; leaving outstanding, \$2,000,000; preferred stock, \$1,500,000; bonds, \$1,000,000, making a total capitalization at present outstanding of \$3,500,000 and \$1,000,000 of bonds.

The other items consist of accrued interest and accounts payable, and amount to \$231,428.07, while the total assets are given at \$5,322,520.86. This leaves a surplus of assets \$591,091.89.

The surplus brought forward from the year 1904, less deductions, amounted to \$507,075.70, while the profits for the year 1905 were \$369,016.19, out of which was paid interest and dividends amounting to \$285,000. Out of the surplus of \$591,091.89 the sum of \$200,000 was written off to depreciation account, leaving the net surplus balance carried forward \$391,091.89.

From this surplus the directors have laid aside bond-interest of \$60,000, and divided on preferred stock \$105,000, for the year ending August 31, 1906. In other words the bond-interest and pre-

ferred stock dividend for the coming year have already been laid aside.

The Lake of the Woods Company commences the current year's operations under most favourable auspices, for the statement shows that it has on hand liquid assets amounting to \$1,188,500, while its accounts payable are \$110,179, so that it has over \$1,000,000 of liquid assets to start the new year's operations.

The following directors were elected for the ensuing year: Robert Meighen, Hon. Senator Mackay, James Crathern, F. H. Mathewson, Robert Reford, James W. Pyke, W. W. Hutchison, R. M. Ballantyne, and Abner Kingman.

At a subsequent meeting of the Board, Mr. Robert Meighen was re-elected president, and the Hon. Senator Mackay vice-president.

The prospects of the enterprise are excellent, and its affairs are in the hands of conservative business men, they are conducted on sound and progressive principles, and in its President, Mr. Robert Meighen, the company has a man peculiarly gifted in connection with milling business.

CANADIAN FIRE UNDERWRITERS' ASSOCIATION

At a meeting of the above Association held in Montreal, this week, the following western managers were present: Messrs. J. J. Kenny (Western), P. H. Sims (British America), H. M. Blackburn (Sun), and J. B. Laidlaw (Norwich Union). The business was of no public interest.

ROYAL INSURANCE COMPANY.

The following changes have recently been effected in the above company. Mr. C. McStinson, local manager at Toronto, has resigned that position to become general agent for the company at Toronto. Mr. Percy J. Quinn, assistant local manager, at Winnipeg, has been appointed local manager at Toronto, with Mr. Arthur O. White, of the Toronto office, as assistant local manager.

Mr. G. O. Blachford, chief clerk at the head office for Canada, has been appointed assistant local manager to Mr. John Hogan, at Winnipeg.

All the above named gentlemen have been in the service of the Royal for many years, where they received their training in the business of fire insurance.

MONTREAL CLEARING HOUSE.—Total for week ending October 5, 1905—Clearings, \$30,130,539; corresponding week 1904, \$24,184,164; corresponding week 1903, \$23,374,185.

OTTAWA CLEARING HOUSE.—Total for week ending 21st September, 1905—Clearings, \$3,066,259; corresponding week last year, \$2,297,543. Total for week ending 28th September, 1905, 2,415,230; corresponding week last year, \$1,736,701.

QUERIES' COLUMN.

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

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

1484.—D. T. N., Oshawa, Ont.—If you have the stocks you mention fully paid up, or even well margined, we think you would be fairly safe in continuing to hold them for higher prices. They are all standard dividend payers and will likely recover promptly from any market reaction that may occur.

1485.—A. F. Q., Woodstock, Ont.—(1) We cannot attempt to guess the immediate action of the stock you mention, at the best it is of a very speculative character. (2) We should be inclined to advise you holding your United States Steel common. If the present activity continues in the iron and steel trade the stock is likely to advance considerably within the next twelve months.

1486.—B. S. W. S., Hamilton, Ont.—This stock is not listed and the officers decline to give any information on the position of the company. We should prefer leaving it severely alone unless prepared to lose all the money put into the shares. The company's business is speculative.

PROMINENT TOPICS.

CANADIAN PACIFIC ANNUAL MEETING.—The 24th annual meeting of the Canadian Pacific Railway Company took place on 4th inst., in this city. The retiring directors were re-elected. The report presented, which we gave with comments in a recent issue, was received with much satisfaction. Authority was given for further capital expenditure of \$7,500,000 when required for new rolling stock. The several resolutions authorizing purchases and extensions as detailed in the printed report were adopted. These chiefly apply to British Columbia and are largely on Vancouver Island, where the railway transportation service will be practically in the hands of the C.P.R. New steamships for both the Atlantic and Pacific service are to be constructed. Altogether it seems quite evident that the C.P.R. is determined to have its equipment and facilities up to date. In the course of his remarks Sir Thomas Shaughnessy stated that the Grand Trunk Pacific would not be likely to interfere with the business of the C.P.R. We concur in this view believing that the great development now in progress will provide business for both these great railways, not only so but for all other branches and projected extensions. This is an era of great progress of which the chief factor is transportation.

GRAND TRUNK RAILWAY. THE REPORT FOR LAST-HALF YEAR of this company gives the gross receipts for half-year ended 30th June last, as \$13,645,000, against \$12,796,000 for same term in 1904. The net revenue is stated to be \$4,538,000. After deducting interest on debentures, and other charges there was a surplus of \$1,245,000, with \$1,458,000 brought forward from previous year, which provided for dividends and left \$37,115 to be carried forward.

The directors report that the surveys for Grand Trunk Pacific are being pressed forward, and a contract let for 275 miles west of Winnipeg.

THE PROVINCIAL TAX ON STOCK, ETC., TRANSFERS.—There is some degree of relief anticipated from the oppression of the provincial stamp tax. But nothing short of its absolute withdrawal will give the relief to which the brokers and all who buy or sell securities are entitled. The stamp tax is a most unjust impost as it is liable to be collected from the same property quite frequently in the course of the same year. If A. sells a block of shares to B., the transfer is taxed, if B. sells these shares to C., the same shares are again taxed; if C. sells them to D., the tax is imposed on the same stock a third time, and if D. sells them to E., and E. to F. and so on, as is no infrequent experience when the market is lively the very same shares are taxed over and over and over again. Inevitably the effect is to seriously hamper business and to depreciate all securities being dealt in.

TAX THE BROKERS, BUT DO NOT DAMAGE THEIR BUSINESS.—It would be at least a legal impost, which the stamp tax has been declared not to be, if a tax in the form of license were levied on the brokers, which might be arranged, to some extent, to be proportional to their business transactions and collectable through the Stock Exchange itself. Such an individual business tax might bear heavily on some members, but it would leave their business free from the stamp tax obstruction and be the least objectionable and most profitable way for the Provincial Government to get out of the difficulty created by an impost on security transfers.

BANK OF MONTREAL AND BANK OF NEW BRUNSWICK.—The positive reports published last week relative to the absorption of the Bank of New Brunswick by the Bank of Montreal are announced to be premature. The Bank of New Brunswick is one of the oldest in Canada having been established in 1820. For many years the paid-up capital was \$1,000,000, but it was reduced to \$500,000 some time after 1880, the sum of \$500,000 with the large reserve fund being found sufficient for the business. The reserve fund is now \$800,000, which exceeds the capital by \$300,000. The deposits amount to

\$3,800,000, the current loans \$3,525,000, and call loans \$467,800. There appears to have developed a local opposition against this old and very strong bank being absorbed by a great institution like the Bank of Montreal. The change would have wounded the very natural and commendable pride of New Brunswickers in their favourite bank.

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PROPOSAL TO MAKE CANADIAN PORTS FREE.—Mr. J. H. Ashdown, of the Transportation Commission, who is so honourably associated with the growth of Winnipeg, of which he is one of the most enterprising merchants, has suggested a scheme for enlarging the commerce of Canada. He proposes that, the ports of Victoria, Vancouver, St. John, Halifax and Montreal, be taken over by the Dominion Government, to be administered by government officers, and all expenses paid out of the general revenue of the country so as to make each of those ports free to shipping.

Mr. Ashdown, as a large importer, who is intimately in touch with the largest shipping firms engaged in ocean transportation, is a very good judge of such a large question. He is confident that an enormous development of shipping trade would result from making our ports free. Certainly the National port of Canada should be made as free and attractive as possible.

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THE VERY UNSATISFACTORY CONDITION of the Harbour affairs of this port, where the largest share of the shipping business of Canada is transacted, and the very urgent need which exists for extensions and improvements that call for Government aid, combined with the known obstruction caused by imposts placed on vessels entering and clearing this port, constitute a strong argument in favour of Mr. Ashdown's proposal.

It is most reasonable that what is a national port should be controlled and administered by the national government.

Montreal is the national port of Canada, its needs and affairs are too extensive, too bound up with national interests to be properly controlled by a local body. It will be in the interests of the trade of all Canada for this national port to be free of local dues and managed in the nation's interest.

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A SET BACK TO MUNICIPAL OWNERSHIP.—Professor Mavor, of the University of Toronto, has been studying the municipal ownership problem as it is presented by the experience of British cities. He is an authority on this subject having made a thorough study two years ago of the same question in the United States.

He reports that owing to over development this system has received a severe check, as money cannot be borrowed for municipal schemes. The credit of many cities and towns has been seriously impaired

owing to the high rates imposed to meet the charges involved in the ownership and operation of civic trading enterprises. Bankers and financiers highly disapprove of some of the enterprises engaged in and further borrowing is restrained.

Prof. Mavor, a Scotchman let it be noted, thinks the City of Glasgow has lost heavily by its civic telephones, and he considers the large temporary loans of the city are liable to prove embarrassing if called in.

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A VERY SERIOUS FEATURE of this question is quite new and is pointed out by Prof. Mavor for the first time. He finds that, owing to the onerous duties and responsibilities now imposed on alderman, owing to civic works requiring so much attention, the better class of business men have withdrawn from municipal life in Great Britain and civic councils have deteriorated in respect of character and business capacity.

Municipal ownership is evidently being found wanting when tried in the scales of experience.

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PROFITS FROM NORTHWEST CROPS.—An official of the Canadian Pacific has given out his estimate of the gross yield of the wheat crop this year in Manitoba and the Northwest as about \$65,000,000, the cost of production \$30,000,000, leaving \$35,000,000, as net profit to be derived by the farmers on this year's wheat crop. Even if this is over-estimated by 25 per cent., the result will add over 25 millions of dollars to the income of the Northwest from the wheat crop alone, and the other cereals and roots, with profits from cattle raising and dairying will fall not far short of the net yield of the wheat crop. There are now 129 firms licensed to transact business as buyers of wheat in Manitoba, 89 being established at Winnipeg and 40 scattered over the province.

The wheat marketed on the C.P.R., up to 4th inst., was close upon 8 millions of bushels.

The Winnipeg clearings last month were \$28,733,399, against \$20,415,666 in September, 1904, and \$18,560,258 in 1903, the increase being attributable to the prosperous trade conditions now existing in the Northwest.

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STREET NOMENCLATURE.—We quite agree with a morning contemporary that the action taken by the City Council in changing the name of Craig St. to St. Antoine St., ought to be reconsidered. The old title, "Craig St." is probably one of the best known street names in this city. To replace so long familiar a name of a street on which are a large number of extensive mercantile establishments by the name of a very much less known street, will cause endless confusion, which will not be in the slightest degree compensated for by any benefits that can be ever derived from the change.

THE HARBOUR BOARD.—The president of the *Chambre de Commerce* has issued a brochure in which he scores the Harbour Commissioners. While we regard the Harbour Board as deserving of a scoring or scorching, at the same time, we believe that, when the worthy president has had more experience as a Commissioner, his views on Harbour matters will be considerably modified.

It is well recognized in business circles that small committees are the most desirable in the administration of corporate affairs. It is the fault of members of the Harbour Board if, when committees bring in their reports, they do not thoroughly acquaint themselves with the subject under consideration, which has, in all probability, been placed before them in a concise and well digested form in the committee's report.

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WERE THE WRITER A MEMBER OF THE HARBOUR BOARD he would endeavour to place the president of the *Chambre de Commerce* on every one of its committees in order to give him an opportunity of learning all the details of its administration.

The chief engineer of the Board is a most capable and efficient officer. It would be very difficult to find any one who knows as much about Harbour engineering, and such of its affairs generally as come under his official cognizance, as the chief engineer of the Montreal Harbour Board. It is inevitable for some degree of friction and misunderstanding occasionally to arise when the professional knowledge of an experienced official is so much beyond what can be expected to have been acquired by a body of lay Commissioners, however great their ability in their own sphere.

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GAYNOR & GREENE.—At last, after two years litigation, the warrant required for extraditing Messrs. Gaynor & Greene has been signed. They came here to escape facing a charge of robbing the American Government. It would have saved enormous expense to that Government and been in harmony with the friendly spirit which ought to exist between neighbouring powers—the spirit, happily, which does prevail between Canada and the United States—had the writ of extradition been more promptly issued.

Great reluctance seems to have been shown to part with these fugitives from justice, who spent a fortune to avoid being put on their defence before a jury of their fellow country men.

The law of extradition needs amending, it is too elaborate. The fact of an accused man absconding should be regarded as almost a confession of guilt. It is no credit to a country to be a refuge for those who are afraid of meeting a criminal charge in their own land.

A nation is, however, ennobled by providing an unassailable asylum for those who are sought to be made the victims of political tyranny.

THE NEW YORK LIFE INSURANCE COMPANY has had its license revoked by the Insurance Commissioner of Nevada, U.S. The assigned reason for this arbitrary action is an opinion formed by the Commissioner adverse to the president, and Vice-President Perkins, of the New York Life respecting the investigation now in progress.

The Commissioner has given judgment very summarily before hearing the whole of the evidence and before hearing the defence or explanation of the officials whom he has condemned unheard. It is very deplorable that a State official in so responsible an office as insurance commissioner should have taken such an arbitrary, autocratic and wholly unfair a course. Incidents of this nature strengthen the argument in support of the Federal Supervision of Insurance, which would protect companies from the eccentricities of some officials who lack breadth of mind and a judicial temper.

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THE PROPOSED SNOW BY-LAW.—The by-law under which the task of clearing snow from sidewalks would be undertaken by this city, and the cost thereof levied on tenants and proprietors of buildings abutting on the street, seems likely to come into force. This is the right plan, it is the only way to ensure clear pathways and to avoid such conditions as involve the city in damages for accidents.

The details, however, require very great care in arranging, especially as regards levying the cost on tenants, etc., and keeping records of the operations of the brigade of snow-cleaners. There is an opening in these matters for numberless disputes with citizens.

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GROWTH OF INSURANCE IN CANADA.—In a prospectus recently issued by a new fire office, the growth of the premium income of fire companies is given, but two most important facts relating to the business are omitted, which it is only fair, should be made known to prospective subscribers for stock. The total premiums in 36 years was \$201,580,555, and losses paid \$140,309,830. If to the loss total is added 33⅓ p.c. of premiums, which is needed for expenses, the result will show that for each \$100 received \$102 was paid out.

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INSURANCE IS ON BETTER FOOTING.—We hope to-day, as the rates have been raised to be more adequate for meeting the losses that thus the business will be more in accordance with what experience has proved to be necessary.

We have no desire to make comparisons between home and foreign companies, but this must be said, without the foreign fire companies the commerce of Canada would be paralyzed. With a few exceptions the experience of Canadian fire companies has

been very unfortunate, and a long list could be given of companies that have retired or gone under. We would welcome another strong Canadian fire office, but it is only right that intending subscribers for the stock should have before them reliable data for their guidance.

THE LIGHT QUESTION.—The suggestions thrown out on this journal as to what might be a reasonable solution of the light question have been endorsed generally by those interested in civic affairs as well as those of the company.

The city authorities and the company might confer on these suggestions, which according to the views of many financial and commercial men are on the right lines.

THE NORTHERN BANK.—Harvest results have favoured this enterprise. On 31st inst., the shareholders will meet to determine the date when the annual meetings are to be held, to elect directors, to consider the advisability of changing the name to the Bank of Winnipeg, and to take other steps to complete organization and prepare for opening. The change in nomenclature would be desirable.

CITY FIRES IN SEPTEMBER.—There were 60 fires in this city last month, as against 45 in same month 1904. Fires, however, from the loss standpoint are not to be judged numerically. The three worst fires were at Corneil's printing office, Craig St., the St. Lawrence Iron Works, and the Canada Box Co's factory, none of them of any magnitude. Every fire, however, which occurs in a business district emphasizes the urgency of having the wires placed in conduits as the fire brigade is hampered in its work by the obstructions caused by telegraph and telephone groups of wires. The delay thus occasioned leads to a destruction of property that, in the aggregate, for a whole year, or series of years, amounts to a very considerable sum.

We commend the conduit system for electric wires to the early and most earnest attention of our civic rulers.

INSURANCE HUMOUR.—Insurance is not a highly humorous subject in any aspect, but like some other serious affairs it is fruitful of discussions of the most amusing nature. Journals which allow themselves to be carried away by the prevailing craze for sensational reading occasionally publish disquisitions on fire and life insurance which are most amusing to those who have some knowledge of the business. Their amusement, however, is tempered by a fear that such crude ideas as are published may do harm to either, or both classes of business by exciting anxiety that is really quite groundless.

Notes and Items.

AT HOME AND ABROAD.

SELF-INFLICTED PUNISHMENT.—The burning of the American Linseed Oil Co. plant, at Omaha, recalls that this plant was charged with turning out the adulterated oil recently under the investigation at the Underwriters' Laboratories in Chicago. The National Board companies were warned against this adulterant, which included a large amount of inflammable material, all the samples obtained having come from the Omaha plant.

THE CO-INSURANCE CLAUSE.—A striking illustration of the value of the 80 per cent. co-insurance clause was shown in the proofs of loss served on the companies interested in a loss in the Wing piano factory, 659 to 667 Hudson Street, in this Borough. The value was so much in excess of the required 80 per cent. that the loss of \$23,197.20 was reduced to \$17,915 by the terms of the policies. The insured suffered in this case for his folly in carrying less insurance than the agreement called for.—"The Insurance Monitor."

THE EQUITABLE LIFE ASSURANCE SOCIETY has brought out an annual dividend policy and a five-year dividend policy with guaranteed values. Each form of policy is issued in three styles, ordinary life, limited payment life and endowment. The contract phraseology is practically the same in each case as in the standard policies which the Equitable has long been issuing. Practically the new policies are distinguished from the old deferred dividend contracts only in the provisions for annual dividends at periods of five years.

THE AVERAGE GAS LEAKAGE.—Companies supplying manufactured gas anticipate that one-sixth of all the gas they force into their mains will be lost through leaks, the cost of such a loss being less than the cost of finding, uncovering and stopping the leakage.

How much greater loss would a natural gas company stand rather than go to the expense of tearing up streets? Under paved streets and under those of mud when frozen, leaked gas has no avenue of escape except along the loosely filled-in earth beside the service pipes into the cellars of buildings. Being lighter than air this gas rises between the joists and if the amount be large it can also be found next the ceilings of the rooms above.

HOW THE MONEY WENT.—With all thy getting get money, is the modern creed, and yet there is no passion which more often deprives itself of its object, nor on which the present exercises so much power to the prejudice of the future. The following case, reported by The "Scottish Critic," will be of much interest to many in Canada. A melancholy example of this was furnished recently when Mr. Martin D. Rucker, late general manager of Humbers, Limited, appeared in the London Bankruptcy Court for public examination. He was jointly interested with Mr. Hooley in the promotion of the Dunlop Tyre Company, Limited, and received as his share \$2,375,000, the major portion of which, it was averred, was lost in various investments, the purchase of land, race horses, and the upkeep of kennels. The bankrupt stated that he owed \$60,000, and had no available assets. Shareholders who have dropped two or three millions sterling in the Dunlop Tyre Company have here some details of the squandering of their money, and investors in general have an object lesson which should be taken to heart. The arm of the law cannot too speedily be lengthened to deal with persons of the Rucker and Hooley type.

THE PHENOMENON OF LIGHTNING.—The best theory of lightning, best because it satisfactorily explains the greatest number of facts, is, that lightning is produced by the passing of electricity from cloud to cloud, or from a cloud to the earth as a result of the difference in potential of the electric charges in the two bodies being sufficient to fracture the air between them. The heat produced makes the air momentarily incandescent along the line of fracture.

Any object extending high in the air makes a weak point in the resting medium, therefore steeples, smoke-stacks, high buildings and trees are most likely to be struck.

THE WAY TO FIND LOST GAS.—Unfortunately, the only way in which gas can be found is by exploding it, for in filtering through the earth about the service pipe it loses its odor. The striking of a match, the entrance of a flying spark or the taking of a lamp into the cellar may ignite it. Ninety-four such explosions occurred in Ohio during last year.

An eminent expert in gas leakage, James C. Baylis, M. E. Ph. D., whose experience covers two continents, in speaking of the presence in houses of gas from defective mains, in "Insurance Engineering," said: "That most dangerous characteristic of this filtered gas is that it has little or no odour. None of the gases composing it carries any smell of its own. It is a rattlesnake which has lost its rattle; its power and disposition to strike remain unabated, but it is incapable of giving any warning of its presence or purpose. In buildings fronting on asphalted streets it is rarely looked for in vain."

THE COST OF LIGHTNING.—More barn fires result from lightning than from any other two causes. The exhalation from hay lessens the resistance of the atmosphere to electricity and it is true, too, that the emanation from rain-wet cattle has the same effect. So, stock attracts lightning strokes from the clouds directly, and by way of the barbed wire fence.

Insurance statistics show that 11½ per cent. of the fire loss in the country and 1 per cent. in the cities is from lightning. And they also show that claims for fire losses are rare in buildings perfectly rodded. Lightning seldom causes losses in buildings having water pipe, or metal roofs and well grounded metal leaders.

Strokes of lightning are as common in urban as in rural districts, they being in proportion to sky area.

Telephone managers state that no house has ever been fired by lightning coming in over a telephone wire. Telephones are protected by a ground wire which serves as a lightning rod. Grounding of wire fences would lessen the loss of cattle by lightning more than half.

PERSONALS.

MR. F. G. SHERMAN, manager of the Royal Bank of Canada, at Havana, is in the city, conferring with the president and general manager.

MR. PERCY J. QUINN, who for the past three years has been assistant local manager in Winnipeg for the Royal Insurance Co., was in Montreal for a few days this week. His sojourn in the North west appears to have impressed him considerably with the enormous progress being made, and the prospects of a great future being before that country.

MR. WILLIAM MACKAY, manager for Canada of the Royal Insurance Co., is at present enjoying a well earned holiday.

MR. CHARLES H. NEELY, manager for Canada, of the Ocean Accident & Guarantee Corporation arrived in Montreal on the 1st inst. per S. S. Bavarian from England, where he had been visiting the head office.

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

NEW YORK INSURANCE LETTER.

New York, Oct. 4, 1905.

Not the least interesting of matters uppermost in the minds of fire underwriters in this city, is the proposed new adjustment bureau in which the fire companies will co-operate towards the common end of reducing adjustment expenses. The stock of the new company has already been far over subscribed, showing the popularity of the movement. For many years the companies have been over-ridden with an army of adjusters employed by themselves individually, a large number of whom would frequently gather to settle an insignificant loss at a great deal of unnecessary expense, as the work could have been done just as well by two or three men. In fact, very few of the army surrounding the loss problem ever had any hand in final settlements. This will go far towards reducing expenses in this particular feature of fire underwriting.

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A circular addressed to all the companies by Hon. John F. Dryden, President of the Prudential Insurance Company, and United States Senator from the State of New Jersey, urging the desirability of federal supervision of insurance, has recently brought the matter definitely to the attention of individual companies. Not many have yet committed themselves, but at a meeting of the National Board recently held, the sentiment seemed to be rather opposed to the undertaking. It is not the theory of federal supervision which is objected to, but the practical difficulties in the way are found to be very great. It is feared that the result might be merely to add one more to the official nuisances which have so long vexed insurance in this country.

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The legislative investigation of life insurance is, of course, the most talked of of all insurance matters at the present time. The impressions gathered by the public from the headlines in the daily papers are that some great sensation has been evolved, or that some extensive fraud has been perpetrated. No such thing has been proven, however, and nothing but lack of judgment in some possible cases has been shown, as in the instance of the New York Life which has been the particular company under fire. It is too early to judge of the probable outcome of this investigative movement.

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NOTES.

This city (New York) learns with interest of the organization of the Sovereign Fire Assurance Company now being promoted in Toronto. Its prospectus advertisements are attractive to the eye, but they are lacking in that they do not give the results of Canadian fire insurance business.

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It has been rumored that the Liverpool and London and Globe Insurance Company might engage in liability business, but no decision has as yet been arrived at.

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President E. G. Snow, of the Home Insurance Company left recently for the Pacific Coast, to return to this city about November 1.

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President Henry Evans, of the Continental, is expected home from Europe the latter part of this week.

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A recent visitor in New York was William S. Warren, Resident Secretary in Chicago of the Liverpool and London and Globe Insurance Company.

Manager A. G. Mellwaine of the London and Lancashire, has just sailed to Europe for a visit to the Home Office.

A new arrival in New York is Mr. M. T. Price, General Manager of the North British and Mercantile Insurance Company, at the Home Office.

QUERIST.

LONDON LETTER.

London, England, 22nd Sep., 1905.
FINANCE

The "bears" who have been out of the Grand Trunk market here and in Glasgow are beginning to feel their way back by degrees. Directly the ordinary stock touched 27, which it did momentarily last week, short selling began, smartly and aggressively. The stock had risen with few set-backs from 19 a few months ago and all the professional crowd had been systematically bullish. The first raid on the price knocked it down in the course of a few days from 27 to 25½. Ur sine covering and the absence of any increase in the Bank Rate this week has brought about a recovering to about 26.

The question of an expected increase in the bank rate must dominate markets for some time to come. On Sept. 7, after we had had a 2½ rate for fully six months, the Bank of England rate was raised to 3%. At any time now a further ½ might be added as a protective measure in view of persistent withdrawals of gold. Only one national bank rate in Europe is lower than the English at the moment and that is the 2½ ruling for the Netherlands.

In France, Germany and Belgium the ruling rate is like our own, 3%. Austria and Switzerland quote 3½%, Denmark 4%, Spain, Sweden and Norway 4½%, Italy and Roumania 5%, Russia and Portugal 5½%, Servia 6%, Greece 6½%, and Bulgaria 8%.

Well-informed students of money are of the opinion that currency stringency, should it eventuate at all, will be of very brief duration here. The permanent forces of the international money market make for a resumption of ease—and a prolonged resumption at that.

One side feature of the revived activity in dealing in South African shares, and especially Rhodesian ones, is the impetus which is being given to the movement towards colonising Rhodesia with good British yeomen. Passages and land transfers are being arranged on easy terms and the United Kingdom agriculturalists are bidden to the feast in their hosts. How far they will listen to the sirens remains to be seen, but for a time it looks as though Canada is going to have a strong competitor in the race for the bigger shares of surplus Britain.

The valiant efforts to boom Egypt and the Soudan as outlets for British capital show no cessation. Sir Ernest Cassel, who is a fervent believer in the destinies of the Nile, is shortly issuing, here and in Cairo, a \$25,000,000 company for Egyptian exploration. In Egypt the natives and the Egypto-Europeans are great gamblers in shares now-a-days. They are quite forsaking their old favourites, the produce exchanges.

INSURANCE.

A good many little insurance companies floated across here during the last few years are getting used up rapidly in the furnace of voluntary liquidation. Some are making strenuous endeavours to get on their feet, and one or two are after re-insurance business in America. There are obvious limits to the powers and potentialities of a couple of thousand dollars.

The feature of recent developments of the campaign against American insurance companies is the attack upon the New York Life in connection with the alleged absence of cash surrender values until the expiration of the accumulation period. Mr. Seton Lindsay, who apparently thought it good policy to reply personally to one of the attacks, pointed out, however, that after premiums have been paid in cash for three full years the insured person may obtain a substantial cash loan on the sole security of the policy upon written request if the policy is then in force. There is, he asserts, no clause

binding the insured to pay interest beyond the one year, unless his policy be kept in force. If the policy is not kept in force the loan then operates as a surrender value.

This plain statement does not prevent the company having a full share of the harsh treatment and misrepresentation which is now being poured out pretty regularly for the alleged benefit of the British policy-holders.

STOCK EXCHANGE NOTES.

Wednesday p.m., October 4th, 1905.

Activity in Dominion Iron securities continued this week and held strong on a good volume of business. The Preferred stock was especially buoyant and gained over 5 points. The advance in Montreal Power continued and was the third most active stock this week. It is considered likely that the Company will conclude some satisfactory arrangement of the light question with the city. Were this accomplished the stock should be an attractive investment. Montreal Street Railway, which has continued inactive for some months past, jumped into prominence this week and advanced over 14 points. The Company's fiscal year, which is just concluded, has shown satisfactory returns, and from the general position of the Company, its stock should be cheap at 250, at which price it returns 4% on the investment.

The annual meetings of the C.P.R. Company and the Lake of the Woods Milling Company were held to-day, and are both referred to more fully in another column.

While it is not likely that money will become unduly stringent this fall, the advance of the Berlin bank rate to 5% following on the advance in the rate of the Bank of England, has had a somewhat unsettling effect in the foreign money markets, the disturbance being reflected in New York by the somewhat higher rates there. Locally, money supply continues unchanged, but the rate has been advanced to 5%. In New York the call rate to-day was 5½%, while in London call loans were made at 3%.

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

	Market.	Bank.
Paris.....	2½	3
Berlin.....	3½	5
Amsterdam.....	2½	2½
Brussels.....	2½	3
Vienna.....	3½	3½

C.P.R. advanced on Monday to 176, but has reacted from this and closed with 173½ bid, a net loss of ½ of a point for the week. The stock was inactive in this market, and only 286 shares in all came out during the week. The earnings for the last nine days of September show an increase of \$329,000.

The Grand Trunk Railway Company's earnings for the last nine days of September show an increase of \$40,500. The stock quotations as compared with a week ago are as follows:—

	A week ago.	To-day
First Preference.....	115	114½
Second Preference.....	106½	106½
Third Preference.....	62	61½

Montreal Street became quite active this week and was traded in to the extent of 5,611 shares. Under the impulse of the buying the price advanced sharply to 240½, reacting this afternoon to 236, a net gain of 10 full points on quotation for the week, but a reaction of 4½ points from the highest. The earnings for the week ending 30th ult., show an increase of \$5,718.90 as follows:—

		Increase.
Sunday.....	\$6,904.09	\$1,223.87
Monday.....	8,152.92	600.97
Tuesday.....	7,984.83	531.77
Wednesday.....	7,560.10	283.56
Thursday.....	8,235.03	1,623.86
Friday.....	8,003.47	493.13
Saturday.....	8,944.32	871.74

Toronto Railway advanced to 109, reacting to 108½ bid at the close, a net gain of ½ of a point for the week and 615 shares were dealt in. The earnings for the week ending 30th ult., show an increase of \$5,804.20, as follows:—

		Increase.
Sunday	\$4,693.29	\$485.94
Monday	7,599.61	274.22
Tuesday	7,282.82	639.12
Wednesday	7,641.39	965.65
Thursday	7,635.21	846.77
Friday	7,773.21	999.60
Saturday	10,004.28	1,592.90

Twin City in company with the other tractions advanced and sold up to 119½ reacting to 118½ bid at the close, a net gain of 1½ points for the week. The trading was moderate and 697 shares changed hands during the week. The earnings for the third week of September show an increase of \$14,398.30.

Detroit Railway remained firm around 94, and closed with 93½ bid, a reaction on quotation of ½ point from last week's closing bid. The trading involved 1,520 shares. The earnings for the third week of September show an increase of \$12,901.

Halifax Tram closed with 107½ bid, a gain of ¾ of a point over last week's closing bid. There was only one transaction, 25 shares changing hands at 107½.

Toledo Railway shows a gain of ¼ of a point, closing with 35½ bid, and 530 shares figured in the week's business.

Havana Common closed unchanged from a week ago with 23½ bid, and 250 shares were traded in. The Preferred stock sales involved 50 shares which changed hands at 71½.

Mackay Common was active, and 2,625 shares changed hands during the week, the stock advancing to 47 and closing with 47 bid, a net gain of 2½ points for the week. The Preferred stock closed unchanged from a week ago with 74 bid, and 93 shares were dealt in.

R. & O. closed with 74½ bid, a decline of ¼ point for the week and 1½ points from this week's highest of 76½, and 515 shares changed hands during the week.

Montreal Power sold up to 95, and closed with 94½ bid, a gain of 1½ points for the week on sales of 4,622 shares.

Dominion Iron Common was the most active stock in this week's trading, and 6,832 shares were dealt in. The stock sold up to 24 and closed with 23½ bid, a gain of ¼ of a point for the week. The Preferred stock sold up to 79, and closed with 76½ bid, a gain of 5 full points on total transactions of 2,537 shares. The Bonds were firmer and closed with 85½ bid, a gain of 1½ points over last week's close, and \$110,000 changed hands.

Nova Scotia Steel Common closed with 65½ bid, a gain of ¼ of a point for the week on sales of 525 shares. The Preferred stock was dealt in to the extent of 28 shares, and closed with 113 bid. There were no transactions in the Bonds.

Dominion Coal Common advanced to 80, and closed with 79½ bid, a gain of 2½ points for the week, and 230 shares were dealt in. The Preferred Stock was dealt in to the extent

of 76 shares, the last sales being made at 114½. There was no transactions in the Bonds.

The trading in Montreal Cotton brought out 112 shares, and the stock closed offered at 125 with 122½ bid.

Lake of the Woods Common was dealt in to the extent of 75 shares, all the sales being made at 97½. The stock closed with 93 bid. The Preferred Stock was traded in to the extent of 185 shares, and closed with 113 bid. There were no transactions in the Bonds, which closed offered at 112 with 111 bid.

The Dominion Textile Company has declared a dividend for the three-quarters ending Sept. 30, to holders of record on Oct. 6th, at the rate of 7% per annum, the stock is therefore ex-dividend of 5¼ to-morrow.

	Per cent.
Call money in Montreal	4½
Call money in New York	5½
Call money in London	3
Bank of England rate	4
Consols	88½
Demand Sterling	9½
60 days' Sight Sterling	8½

Thursday, p.m., October 5th, 1905.

The market opened slightly easier this morning, but prices recovered, and this afternoon's closing was firm. Montreal Street Railway sold at 237 and advanced to 239½. Montreal Power opened at 94½ and recovered to 94½. Textile Preferred Stock, which is to-day selling Ex-Dividend of 5¼%, sold in the afternoon at 95½ X.D. equivalent to 100½. A complete list of the day's sales will be found below.

MONTREAL STOCK EXCHANGE SALES

THURSDAY, OCTOBER 5, 1905.

MORNING BOARD.

No. of Shares.	Price	No. of Shares.	Price
424 Street	237	25 Iron Com. Pfd....	76½
25 "	237½	75 " "	76½
4 "	239	25 " "	76½
20 "	238	100 Mackay Com	46½
100 Power	94½	5 "	47
10 "	94½	25 Havana Pfd.	71
2 "	94½	25 "	71½
50 "	94½	85 Detroit	94
10 Mackay Pfd	75	100 Toledo	35
25 "	74½	6 Bk of Nova Scotia	266½
10 "	75	29 Hochelaga Bank...	141
60 Laurentide	90	2 Union Bank	145½
50 Iron Com.	23½	\$110 Textile Pfd.	98½
10 " Pfd	77	100 "	94½
25 " "	76½	\$16,000 " B'ds. (C)	90½

AFTERNOON BOARD.

5 Soo Com	139	300 Iron Pfd	76½
25 "	139½	25 Toronto Ry.	108½
25 "	140	175 Power	94½
25 "	140½	75 Scotia Com	65½
100 Street	239	75 R & O	73
175 "	239½	19 Textile Pfd.	94½
150 Mackay Com.	46½	52 "	95
10 Toledo	35½	100 "	95½
2 Ontario Bank	134½	\$1,750 "	B'ds. 90 (A)
25 Lk. of Woods Pfd. .	113½	100 "	" 90 (A)
50 Iron Com.	23½	7,500 "	" 90½ (C)
50 "	23½	250 "	" 90½ (C)
25 Detroit	94	10,000 "	" 90½ (A)
50 "	93½		

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

GRAND TRUNK RAILWAY.				
Year to date.	1903.	1904.	1905.	Increase
Aug. 31.....	\$23,146,621	\$21,631,375	\$22,744,413	1,113,038
Week ending.	1903.	1904.	1905.	Increase
Sept. 7.....	787,031	739,837	814,313	74,476
14.....	761,984	724,700	795,918	71,918
21.....	735,730	742,985	781,941	38,956

CANADIAN PACIFIC RAILWAY.				
Year to date.	1903.	1904.	1905.	Increase
Aug. 31.....	\$29,165,000	\$30,083,000	\$32,395,000	\$2,312,000
GROSS TRAFFIC EARNINGS				
Week ending	1903.	1904.	1905.	Increase
Sept. 7.....	892,000	990,000	1,056,000	66,000
14.....	876,000	933,000	1,044,000	112,000
21.....	888,000	971,000	1,109,000	138,000
30.....	1,216,000	1,277,000	1,600,000	329,000

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

Total 15,708,709 13,689,804

CANADIAN NORTHERN RAILWAY.				
GROSS TRAFFIC EARNINGS.				
July 1st, 1903 to	July 1st, 1904 to	Increase		
June 30, 1904	June 30, 1905	\$747,000		
\$3,121,800	\$3,871,800			
Week ending.	1904.	1905.	Increase	
Sept. 7.....	62,600	73,400	10,800	
14.....	63,400	78,200	14,800	
21.....	65,600	88,700	23,100	
30.....	101,100	138,200	37,100	

DULUTH, SOUTH SHORE & ATLANTIC.				
Week ending.	1903.	1904.	1905.	Increase
Sept. 7.....	\$56,562	\$51,243	\$57,401	\$5,160
14.....	54,312	52,867	62,447	9,550
21.....	53,492	53,005	56,672	3,667

MONTREAL STREET RAILWAY.				
Month.	1903.	1904.	1905.	Increase
January...	\$ 168,883	\$ 182,386	\$ 201,096	18,710
February...	130,065	167,023	184,132	17,109
March.....	168,987	183,689	206,725	23,036
April.....	170,050	184,905	200,910	16,005
May.....	170,773*	217,341	232,999	15,658
June.....	205,454	229,505	244,136	14,871
July.....	212,337	223,137	254,097	30,960
August....	208,586	226,764	257,493	30,699
September..	212,156	216,295	244,585	28,290
October....	204,452	219,633	.....	.....
November..	187,930	201,147	.....	.....
December..	187,780	208,428	.....	.....
Week ending.	1903.	1904.	1905.	Increase
Sept. 7.....	51,470	51,388	56,247	4,859
14.....	50,008	50,799	59,885	8,480
21.....	49,784	50,684	55,602	5,218
30.....	60,092	63,424	73,148	9,724

TORONTO STREET RAILWAY.				
Month.	1903.	1904.	1905.	Increase
January...	\$ 161,918	\$ 179,360	\$ 196,970	\$ 17,610
February...	146,630	168,904	175,377	16,473
March....	159,943	83,643	207,014	23,371

TORONTO STREET RAILWAY.				
Month	1903.	1904.	1905.	Increase
April.....	\$162,276	183,763	\$201,317	\$17,554
May.....	174,519	198,337	225,768	27,431
June.....	177,593	207,482	231,140	23,658
July.....	192,629	211,356	238,895	27,539
August....	185,822	217,887	250,880	32,943
September.	237,010	246,862	.....	.....
October....	183,810	202,344	.....	.....
November.	174,039	198,150	.....	.....
December.	199,115	213,662	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Sept. 7.....	68,699	71,352	91,438	20,886
14.....	71,698	68,308	66,100	Dec. 2,708
21.....	43,581	46,753	54,252	7,469
30.....	53,132	60,419	70,782	10,363

TWIN CITY RAPID TRANSIT COMPANY.				
Month.	1903.	1904.	1905.	Inc.
January..	\$310,084	\$329,354	\$349,469	20,111
February..	289,947	310,180	319,811	9,634
March.....	317,839	338,580	359,884	21,304
April.....	315,465	332,615	357,729	20,114
May.....	337,699	358,344	387,645	29,301
June.....	346,018	365,897	399,120	33,229
July.....	362,792	381,224	432,239	49,015
August....	363,579	386,629	420,231	33,602
September.	370,349	371,476	.....	.....
October...	346,673	365,938	.....	.....
November.	333,424	352,433	.....	.....
December.	357,452	374,738	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Sept. 7.....	116,404	109,123	125,937	16,814
14.....	76,300	81,552	112,572	31,000
21.....	80,442	79,792	94,160	14,368

HALIFAX ELECTRIC TRAMWAY CO., LTD.				
Railway Receipts.				
Month.	1903.	1904.	1905.	Inc.
January..	\$10,867	10,677	\$10,256	Dec. 421
February..	9,322	9,894	7,186	" 2,705
March....	10,195	11,152	9,322	" 1,830
April.....	10,533	11,145	10,516	" 629
May.....	10,768	12,074	.....	.....
June.....	11,844	14,051	12,796	" 1,255
July.....	15,942	17,528	17,284	" 244
August....	16,786	17,402	17,754	" 352
September.	18,494	17,862	.....	.....
October...	12,055	12,434	.....	.....
November.	11,220	11,685	.....	.....
December.	12,160	12,163	.....	.....
Week ending.	1903.	1904.	1905.	Inc.
Sept. 7.....	3,706	\$3,913	\$3,619	Dec. 294
14.....	5,915	6,595*	4,113	" 2,482
21.....	4,825	3,647	6,624*	2,977

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

DETROIT UNITED RAILWAY.				
Week ending	1904	1905	Increase	
Sept. 7.....	\$100,794	111,376	10,582	
14.....	98,654	119,433	20,779	
21.....	90,904	103,805	12,901	

HAVANA ELECTRIC RAILWAY CO.				
Week ending	1904	1905	Increase	
Sept. 12.....	\$35,310	\$40,395	\$5,085	
19.....	33,489	39,665	6,176	
26.....	32,096	36,870	4,774	

* Spanish Silver.

* Provincial Exhibition.

STOCK LIST

Reported for THE CHRONICLE by R. Wilson-Smith & Co., 160 St. James Street, Montreal.

Corrected to October 4th, 1905, P. M.

BANKS.	Closing prices or Last sale.		Par value of One share.	Revenue per cent. on investment at present prices.	Capital subscribed \$	Capital paid up \$	Reserve Fund \$	Per centage of Real to paid up Capital.	Dividend for last half year	When Dividend payable.
	Asked.	Bid.								
British North America	43	43	100	4.866,666	4,866,666	2,044,000	42.00	3	April	November
Canadian Bank of Commerce	168	50	100	9,812,350	9,778,770	3,931,522	40.23	3 1/2	June	December
Crown Bank of Canada	100	100	100	781,300	782,288	782,288	119.66	2 1/2	Jan. April July October	July
Dominion	50	50	100	3,000,000	3,000,000	3,500,000	60.00	4	January	July
Eastern Townships	100	100	100	2,500,000	2,500,000	1,500,000	60.00	4	Jan. April July October	July
Hamilton	100	100	100	2,436,000	2,355,750	2,355,250	100.00	5	June	December
Hoteliers	115	142	100	2,000,000	2,000,000	1,200,000	60.00	3 1/2	June	December
Imperial	100	100	100	3,616,616	3,460,835	3,460,835	100.00	5	June	December
La Banque Nationale	30	30	100	1,500,000	1,500,000	500,000	33.33	3	May	November
Merchants Bank of P. E. I.	32	44	100	344,073	344,073	296,000	86.02	4	January	July
Merchants Bank of Canada	163 1/2	100	100	6,000,000	6,000,000	3,400,000	56.66	3 1/2	June	December
Metropolitan Bank	100	100	100	1,000,000	1,000,000	1,000,000	100.00	4	June	December
Mt. Jones	2 0	225	1 0	3,000,000	3,000,000	3,000,000	100.00	5	April	October
Montreal	255	100	100	14,401,000	14,400,000	10,000,000	71.42	5	June	December
New Brunswick	100	100	100	500,000	500,000	800,000	16.00	6	January	July
Nova Scotia	268	263	100	2,337,500	2,318,200	3,709,120	160.00	5	February	August
Ontario	100	100	100	1,000,000	1,000,000	650,000	65.00	3	June	December
P. E. I.	100	100	100	2,500,000	2,500,000	2,500,000	100.00	4 1/2	June	December
People's Bank of N. B.	150	100	100	180,000	180,000	175,000	97.22	4	January	July
Provincial Bank of Canada	100	100	100	845,537	823,317	1,050,000	124.55	14	June	December
Quebec	135	100	100	2,500,000	2,500,000	1,050,000	42.50	3 1/2	June	December
Royal	216	100	100	3,000,000	3,000,000	3,000,000	100.00	4	February	August
Foreign Bank	100	100	100	1,624,330	1,592,626	473,156	32.50	1 1/2	February	August
Standard	50	50	100	1,000,000	1,000,000	1,000,000	100.00	5	June	December
S. Stephens	100	100	100	200,000	200,000	45,000	22.50	2 1/2	April	October
S. Havelth	100	100	100	504,000	339,815	75,000	22.76	3	February	August
St. Johns	100	100	100	500,000	297,971	10,000	3.60	3	June	December
Toronto	250	238 1/2	100	3,435,830	3,386,290	3,386,290	111.00	5	June	December
Traders	100	100	100	3,001,300	3,001,000	1,100,000	37.66	3 1/2	June	December
Union Bank of Halifax	50	50	100	1,336,150	1,336,150	970,000	74.17	3 1/2	February	August
Union Bank of Canada	146	145	100	2,500,000	2,500,000	1,100,000	40.66	3 1/2	February	August
Western	100	100	100	551,000	550,000	550,000	100.00	3 1/2	April	October
MISCELLANEOUS STOCKS.										
Bell Telephone	157 1/2	155	100	7,975,100	7,916,950	135,607	25.53	2 1/2	Jan. April July October	October
Can. Colored Cotton Mills Co.	100	100	100	2,700,000	2,700,000	265,000	55.56	5	January	July
Canada General Electric	174	173 1/2	100	1,475,000	1,475,000	265,000	55.56	5	Jan. April October	October
Canadian Pacific	100	100	100	101,400,000	94,020,000	4,923,122	34.75	1 1/2 & 1 1/2	Jan. April July October	March June Sept. Dec.
Commercial Cable	94	93	100	15,000,000	15,000,000	4,923,122	34.75	1 1/2 & 1 1/2	Jan. April July October	March June Sept. Dec.
Detroit Electric St.	100	100	100	12,500,000	12,500,000	.....	.....	1 1/2	.....	.....
Dominion Coal Preferred	100	100	100	3,000,000	3,000,000	.....	.....	3 1/2	January	July
do do Common	80	79 1/2	100	15,000,000	15,000,000	.....	.....	.....	.....	.....
Dominion Textile Co. Com.	100	100	100	7,500,000	5,000,000	.....	.....	.....	.....	.....
do do Pfd.	99 1/2	89	100	2,500,000	1,941,000	.....	.....	.....	.....	.....
Dom. Iron & Steel Com.	24	23 1/2	100	20,000,000	20,000,000	.....	.....	.....	.....	.....
do do Pfd.	77 1/2	76 1/2	100	5,000,000	5,000,000	.....	.....	.....	.....	.....
Duluth, S. & Atlantic	100	100	100	12,000,000	12,000,000	.....	.....	.....	.....	.....
do do Pfd.	100	100	100	10,000,000	10,000,000	.....	.....	.....	.....	.....
Halifax Tramway Co.	109	107 1/2	100	1,350,000	1,350,000	.....	.....	.....	.....	.....
Hamilton Electric St. Com.	100	100	100	1,700,000	1,700,000	.....	.....	.....	.....	.....
do do Pfd.	100	100	100	2,278,000	2,278,000	.....	.....	.....	.....	.....
International Coal Co.	100	100	100	500,000	500,000	190,474	38.09	.....	.....	.....
do do Preferred	100	100	100	19,730	219,750	.....	12.06	7 1/2	January	August
Lauriat Paper Co.	100	100	100	1,000,000	1,000,000	.....	.....	.....	.....	.....
Lauriat Paper, Pfd.	106	100	100	1,200,000	1,200,000	.....	.....	.....	.....	.....
Lake of the Woods Mill Co. Com.	99	97	100	2,000,000	2,000,000	.....	.....	.....	.....	.....
do do Pfd.	113 1/2	113	100	1,500,000	1,500,000	.....	.....	.....	.....	.....
Marconi Wireless Telegraph Co.	5	5	100	5,000,000	5,000,000	.....	.....	.....	.....	.....
Mackay Companies Com.	47 1/2	47	100	50,000,000	41,380,400	.....	.....	.....	.....	.....
do do Pfd.	74 1/2	74	100	60,000,000	35,308,700	.....	.....	.....	.....	.....
Min. St. Paul & S.S.M.	1 1/2	1 1/2	100	11,000,000	14,000,000	.....	.....	.....	.....	.....
do do Pfd.	100	100	100	7,000,000	7,000,000	.....	.....	.....	.....	.....
Montreal Cotton Co.	125 1/2	122 1/2	100	3,000,000	3,000,000	.....	.....	.....	.....	.....
Montreal Light, Ht. & Power Co.	94 1/2	94 1/2	100	17,000,000	17,000,000	.....	.....	.....	.....	.....
Montreal Steel Work, Pfd.	100	100	100	800,000	800,000	.....	.....	.....	.....	.....
do do Com.	100	100	100	700,000	400,000	.....	.....	.....	.....	.....
Montreal Street Railway	237 1/2	236	50	7,000,000	7,000,000	698,376	13.31	2 1/2	Feb. May August Nov	.....
Montreal Telegraph X.D.	167 1/2	164 1/2	40	2,000,000	2,000,000	.....	.....	.....	.....	.....
National Salt Com.	100	100	100	7,000,000	7,000,000	.....	.....	.....	.....	.....
do do Pfd.	100	100	100	5,000,000	5,000,000	.....	.....	.....	.....	.....
North-West Land, Com.	370	25	100	1,467,681	1,467,681	.....	.....	.....	.....	.....
do do Pfd.	100	100	100	3,690,675	3,690,675	.....	.....	.....	.....	.....
S. Scotia Steel & Coal Co. Com.	66	65 1/2	100	4,200,000	5,000,000	750,000	15.00	6 1/2	March	.....
do do Pfd.	100	100	100	1,030,000	1,030,000	.....	.....	.....	.....	.....
Ogden Flour Mills Co.	100	100	100	1,250,000	1,250,000	.....	.....	.....	.....	.....
do do Pfd.	130	128	100	2,000,000	2,000,000	.....	.....	.....	.....	.....
Orkney & Out. Nav. Co.	75	74 1/2	100	3,132,000	3,132,000	.....	.....	.....	.....	.....
St. John Street Railway	115	100	100	757,800	757,800	13,101	7.92	3	Nov. Dec. 1st	December
Toronto Ry & Light Co.	354	351	100	12,445,000	12,600,000	.....	.....	.....	.....	.....
Toronto Street Railway	168 1/2	168 1/2	100	6,000,000	6,000,000	1,444,130	8.10	1 1/2	Jan. April July October	.....
United Electric Ry	4 80	4 80	100	1,200,000	1,022,000	.....	.....	.....	.....	.....
Winnipeg Rapid Transit Co.	129	118 1/2	100	16,100,000	16,100,000	2,105,007	14.41	1 1/2	Feb. May August Nov	.....
do do Preferred	100	100	100	3,600,000	3,600,000	.....	.....	.....	.....	.....
Winnipeg Hotel	100	100	100	600,000	600,000	.....	.....	.....	.....	.....
Winnipeg Electric Railway Co.	100	100	100	4,000,000	4,000,000	.....	.....	.....	.....	.....

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

STOCK LIST—Continued.

BONDS.	Label quotations.	Rate of interest per annum	Amount outstanding	When interest due	Where interest payable	Date of Redemption.	REMARKS
Commercial Cable Coupon	96	4	\$18,000,000	1 Jan. 1 Apl.	New York or London	1 Jan., 1907.	
Registered	96	4		1 July 1 Oct.			
Can. Colored Cotton Co.	98	5	2,000,000	2 Apl. 2 Oct.	Bank of Montreal, Montreal	2 Apl., 1902	
Canada Paper Co.		5	200,000	1 May 1 Nov.	Merchants Bank of Can., Montreal	1 May, 1917	
Bell Telephone Co.		5	2,090,000	1 Apl. 1 Oct.	Bank of Montreal, Montreal	1 Apl., 1915.	Redeemable at 110
Dominion Coal Co.	102	5	2,433,000	1 Mch. 1 Sep.	Bank of Montreal, Montreal	1 Mch., 1913.	Redeemable at 110
Dominion Cotton Co.		4 1/2	\$ 398,200	1 Jan. 1 July		1 Jan., 1916.	Redeemable at 110
Dominion Textile Co.	Series A	89 1/2	758,500				Redeemable at 110
do	do B	90	1,167,000				do 105 after 5 yrs
do	do C	89 1/2	1,090,000				Redeemable at 110
do	do D	92	450,000				Redeemable at 110
Dominion Iron & Steel Co.	84 1/2	5	\$ 7,875,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 July, 1929.	& accrued interest Redeemable at 110
Edmonton Tramway Co.		5	\$ 400,000	1 Jan. 1 July	Bk. of N. Scotia, Hal. or Montreal	1 Jan., 1916.	Redeemable at 110
Intercolonial Coal Co.	106 1/2	5	144,000	1 Apl. 1 Oct.		1 Apl., 1918.	
Laurentide Pulp	108	5	1,112 00				
Montgomery Cotton		5	1,000 00				
Montreal Gas Co.		4	480,674	1 Jan. 1 July	Company's Office, Montreal	1 July, 1921.	
Montreal Light, Heat and Power	102 1/2	4 1/2	7,500,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 July, 1932.	Redeemable at 110
Montreal Street Ry.		5	292,000	1 Mch. 1 Sep.	Bank of Montreal, London Eng.	1 Mch., 1908.	after Jan. 1st, 1911
do		4 1/2	941,833	1 Feb. 1 Aug.	" " Montreal	1 Aug., 1922.	
do		4 1/2	1,500,000	1 May 1 Nov.	" " Montreal	1 May, 1922.	
Nova Scotia Steel & Coal Co.	107	5	2,500,000	1 Jan. 1 July	Union Bank, Halifax or Bank of Nova Scotia, Mont'l or Toronto	1 July, 1931.	Redeemable at 110
Ogilvie Flour Mill Co.	116	5	1,000,000	1 June 1 Dec.	Bank of Montreal, Montreal	1 June, 1932.	Redeemable at 110 after June
Rehellen & Ont. Nav. Co.	103	5	471,580	1 Mch. 1 Sep.	Montreal and London	1 Mch., 1915.	Redeemable at 110
Royal Electric Co.		4 1/2	\$ 130,900	1 Apl. 1 Oct.	Bk. of Montreal, Mont'l or London	1 Oct., 1914.	Redeemable at 110
St. John Railway		5	\$ 675,000	1 May 1 Nov.	Bank of Montreal, St. John, N.H.	1 May, 1925.	5 p.c. redeemable yearly after 1909
Toronto Railway		4 1/2	890,000	1 Jan. 1 July	Bank of Scotland, London	1 July, 1914.	
do	106 1/2	4 1/2	2,509,953	28 Feb. 31 Aug.		31 Aug., 1921.	
Windsor Hotel		4 1/2	340,000	1 Jan. 1 July	Windsor Hotel, Montreal	2 July, 1912.	
Windsor Elec. Street Railway	107	5	3,000,000	1 Jan. 1 July	Bank of Montreal, Montreal	1 Jan., 1927.	
Toledo Ry. & Light Co.		5	700,000	1 Jan. 1 July		1 July, 1912.	
do		5	5,185,000	1 Jan. 1 July		1 July, 1905.	
do		5	4,000,000	1 Jan. 1 July		1 July, 1909.	

[FIRE]

German American
Insurance Company
New York

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

AGENCIES THROUGHOUT CANADA.