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Trade Review and Insurance Chronicle
of Canada

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TORONTO, MARCH 24, 1916

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1867

Topics of the Week

What the nine provinces could subscribe to a domestic war loan, Page 9. How we pay for breakfast foods, Page 10. The careless handling of the seed grain lien affair, Page 9. Farms, banks and commerce. **Page 9**

New Federal Loan

A New York message says that three maturities of the \$75,000,000 loan will be offered for subscription at prices averaging 97 $\frac{1}{4}$. Some figures showing how the Dominion's borrowing powers stand at present. **Page 24**

Last Year's New York Loan

In the House at Ottawa last week, the finance minister defended the terms of the \$45,000,000 loan in New York. A five or ten year loan was then impossible. The issue was useful in view of the exchange situation. **Page 36**

Paper Currency Issue

Mr. W. F. Maclean, M.P., suggests the borrowing of \$250,000,000 as a 25 per cent. reserve against a possible issue of national currency up to one billion. Sir Thomas White points out why this cannot properly be done. **Page 34**

Stocks v. Bonds

Record of the fourteen years, 1900-13, shows that capital value of an investment of \$100 in Canadian industrial stocks in 1900 has risen to \$143.20, with dividends of \$86.70 and "rights" estimated at \$25, a total of \$254.90. **Page 5**

Domestic Loan Later

Sir Thomas White hints at possibility of a domestic loan "towards the end of the year." Credit of £30,000,000 has been arranged with the Imperial government, but it will be relied upon only when necessity demands. **Page 38**

Mining and Taxes

The finance minister states that there is no proper reason for the exemption of the mining industry from the new tax on business. There will be a percentage allowance, however, for the exhaustion of ore reserves. **Page 22**

Insurance, Fire and Life

Deputation sees the insurance superintendent regarding new tax on business—How United States companies stand, Page 7. *The Monetary Times'* weekly record (the best in Canada) of fire losses and insurance, **Page 42**

WEEKLY STATISTICAL RECORD—Pages 44, 46, 48, 50, 52.

DEBENTURES FOR SALE—Page 45.

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ANNUAL REPORTS—Pages 27-41

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Relative Profitableness of Stocks and Bonds

IN his discussion of security prices, printed in the federal report on the cost of living, Mr. R. H. Coats, Dominion statistician, has furnished some valuable tables. Several were published in *The Monetary Times* last week, dealing particularly with common and preferred stocks. Dealing with industrial bond prices, Mr. Coats says that, as in the case of preferred stocks, a record is difficult to obtain. For 13 industrial bonds, however, fairly complete data have been secured. The average annual prices are shown in the table below. A table of index numbers based in the usual way upon these average prices, is also given. It shows that the almost constant tendency of industrial bond prices since 1900 has been to sag—where they have not remained stationary on or about the original level. This method of illustrating bond prices is, however, says Mr. Coats, open to objection. A bond

has a fixed date for redemption and its price from year to year is affected by that fact. In other words, the bond changes character as it progresses to maturity, and quotations from year to year are not on the same basis. By way of meeting this objection the device was employed of regarding the net earnings of bonds as the real indicator of price. A table of these earnings is printed below. Thus, in the case of Commercial Cable first mortgage 4 per cent., the index number 100 was given for the year 1900 when the net rate at the prevailing price of 102.4 was 3.9 per cent. In 1902 the net rate on this bond at the prevailing price of 96.5 was 4.1 per cent. This rate, however, under the same conditions as prevailed in 1900 would represent a capital investment of \$95.1. This last, therefore, was regarded as the true price of the bond. The final index numbers obtained in this way follow:—

	1900.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.	1909.	1910.	1911.	1912.	1913.
Bonds	100	99.8	100.7	96.5	94.5	98.9	99.6	95.6	94.1	98.4	98.5	98.3	97.6	95.5

It will be seen that the above shows a greater tendency to decline than the index number and this is probably a more accurate reflection of the fact.

Average Prices of Industrial Bonds.

	1900.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.	1909.	1910.	1911.	1912.	1913.
Canadian Col. Cotton.....	99.7	99.1	100.8	98.0	91.0	91.8	97.1	95.4	95.4	98.9	100.0	99.8	100.0	.....
Commercial Cable Co.	102.4	101.0	96.5	93.0	92.4	96.2	96.1	92.6	85.8	89.0	86.3	.....	.....	79.5
Dominion Coal Co. ....	.....	.....	.....	.....	.....	101.1	101.3	97.0	91.0	96.3	98.0	97.3	99.1	98.4
Dominion Iron & Steel.....	.....	83.7	89.0	69.9	65.4	84.3	83.8	73.8	76.3	92.3	95.6	94.6	94.8	90.1
Dominion Textile .....	.....	.....	.....	.....	.....	91.1	94.9	86.1	85.6	95.0	95.8	96.1	97.6	99.3
Halifax Electric	103.5	103.4	105.3	105.0	102.0	105.0	103.8	100.7	99.0	100.0	100.8	100.4	100.6	100.0
Lake of the Woods Mill.....	.....	.....	.....	.....	109.5	111.1	110.2	104.1	105.6	110.3	110.8	109.5	109.8	103.5
Laurentide Company	105.0	104.0	106.0	102.7	102.3	108.9	108.9	108.6	109.5	111.4	109.6	110.3	111.3	106.0
Mexican Light and Power..	.....	.....	.....	.....	.....	68.0	82.3	80.5	84.6	85.8	87.4	90.3	90.5	88.5
Montreal L. H. & P. ....	.....	.....	.....	100.5	101.2	101.6	101.9	96.2	95.2	99.8	99.2	99.6	100.1	97.8
Montreal St. Railway .....	.....	.....	106.1	104.4	104.0	103.9	104.6	101.5	99.7	101.0	100.6	99.8	99.8	100.0
Ogilvie Flour Mills Co. ....	.....	.....	115.3	114.4	114.0	116.0	116.9	115.1	109.3	111.1	112.9	113.3	110.3	105.6
Winnipeg Electric Railway.	.....	109.5	.....	108.0	105.5	107.9	107.9	102.4	100.9	105.0	103.6	104.3	104.7	99.5

Index Numbers of Prices of Industrial Bonds as in Above Table. (Prices 1900=100).

	1900.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.	1909.	1910.	1911.	1912.	1913.
Canadian Col. Cotton	100	99.3	101.1	98.3	91.3	92.1	97.4	95.7	95.7	99.2	100.3	100.1	100.3	97.3
Commercial Cable Co.	100	98.6	94.2	90.8	90.2	93.9	93.8	90.4	83.8	86.9	84.3	84.4	84.6	77.6
Dominion Coal Co. ....	.....	.....	.....	.....	.....	97.8	98.1	93.9	88.1	93.2	94.9	94.2	95.9	95.3
Dominion Iron & Steel .....	.....	99.2	105.5	82.8	77.5	99.8	99.2	87.4	90.4	109.4	113.3	112.1	112.3	106.8
Dominion Textile .....	.....	.....	.....	.....	.....	97.8	101.9	92.5	91.9	101.3	102.9	103.2	104.8	106.7
Halifax Electric	100	99.9	101.7	101.4	98.5	101.4	100.2	97.2	95.7	96.6	97.3	97.0	97.2	96.6
Lake of the Woods Mill.....	.....	.....	.....	.....	94.5	95.9	95.1	89.8	91.1	95.2	95.6	94.5	94.7	89.3
Laurentide Company	100	99.0	100.9	97.8	97.4	103.7	103.7	103.4	104.2	106.1	104.3	105.0	106.0	100.9
Mexican Light & Power.....	.....	.....	.....	.....	.....	97.8	118.4	115.8	121.7	123.5	125.8	129.9	130.2	127.3
Montreal L. H. & P. ....	.....	.....	.....	97.0	97.7	98.1	98.4	92.9	91.9	96.3	95.8	96.1	96.6	94.4
Montreal St. Railway.....	.....	.....	99.6	98.0	97.7	97.6	98.2	95.3	93.6	94.8	94.5	93.7	93.7	93.9
Ogilvie Flour Mills Co. ....	.....	.....	99.6	98.7	98.4	100.1	100.8	99.3	94.3	95.8	97.4	97.8	95.2	91.1
Winnipeg Electric Railway ..	.....	99.2	100.7	97.8	95.6	97.7	97.7	92.8	91.4	95.1	93.8	94.5	94.8	90.1
All	100	99.2	101.1	95.8	84.1	97.9	100.2	88.4	94.9	99.4	100.0	100.2	100.5	97.5

Average Net Earnings of Industrial Bonds.

	1900.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.	1909.	1910.	1911.	1912.	1913.
Canadian Col. Cotton	6.0	6.0	5.9	6.1	6.6	6.5	6.2	6.3	6.3	6.1	6.0	6.1	6.0	...
Commercial Cable	3.9	3.9	4.1	4.3	4.3	4.2	4.2	4.3	4.7	4.5	4.6	...	...	5.0
Dominion Coal Co. ....	...	...	...	...	...	4.9	4.9	5.1	5.5	5.2	5.1	5.1	5.0	5.1
Dominion Iron & Steel .....	...	6.0	5.6	7.2	7.6	5.9	5.9	6.8	6.5	5.5	5.2	5.3	5.3	5.5
Dominion Textile .....	...	...	...	...	...	6.6	6.3	6.9	7.0	6.3	6.2	6.2	6.1	6.0
Halifax Electric	4.8	4.8	4.7	4.8	4.9	4.8	4.8	4.9	5.0	5.0	4.9	5.0	5.0	5.0
Lake of the Woods Mill. ....	...	...	...	...	5.5	5.4	5.4	5.7	5.7	5.4	5.4	5.5	5.5	5.8
Laurentide Company	5.7	5.8	5.7	5.8	5.9	5.5	5.5	5.5	5.5	5.4	5.5	5.4	5.4	5.6
Mexican Light & Power .....	...	...	...	...	...	7.3	6.1	6.2	5.9	5.8	5.7	5.5	5.5	5.6
Montreal L., H. & P. ....	...	...	...	4.5	4.4	4.4	4.4	4.7	4.7	4.5	4.6	4.5	4.5	4.6
Montreal St. Railway .....	...	...	4.2	4.3	4.3	4.3	4.3	4.4	4.5	4.4	4.5	4.5	4.5	4.5
Ogilvie Flour Mills Co. ....	...	...	5.2	5.2	5.3	5.2	5.1	5.2	5.5	5.4	5.3	5.3	5.4	5.7
Winnipeg Electric .....	...	4.6	...	4.6	4.7	4.6	4.6	4.9	4.9	4.7	4.8	4.8	4.8	5.0

It must be remembered throughout the presentation of this matter, that the grouping of the above securities into common stocks, preferred stocks, and bonds is to a certain extent arbitrary, certain of the common stocks having many of the characteristics of bonds, while certain of the preferred stocks have characteristics usually associated with common. Common stocks on which a fixed dividend is paid have declined steadily since 1900. Bell Telephone stock, for instance, had been paying 8 per cent. since 1891; from 1900 the price has declined 16 per cent., the average price in 1900 being 175, and in 1913, 147. Consumers' Gas has been paying 10 per cent. since its establishment; prices in 1913 were lower than in 1900 by 17 per cent., the actual prices for the two years being 214 and 178. Bank of Montreal has paid 10 per cent. each year since 1900, except that in 1912 and 1913 stock bonuses of 2 per cent. were added; the decline in stock prices has therefore been steady—9 per cent. in the fourteen years, which but for the stock bonuses would have been much greater. In the group of Industrials, the dividend paid by Canadian General Electric from 1900 to 1907 was 10 per cent., from 1908 to 1911, 7 per cent., and in 1912 and 1913, 7 per cent. with a 1 per cent. bonus. The year 1900 was the first in which a regular 10 per cent. dividend was paid, and in the latter part of that year important extensions were made to the company's properties. This resulted in the stock coming more nearly to its rightful price, in 1901, when its average was 220; from 1901 to 1907, however, the decline was steady. When the dividend was changed to 7 per cent., in 1908, the average price was below par, shortly recovering, however, to an average in 1909 of 114. The decline from that point continued during 1910 and 1911.

For the purpose of assisting in the interpretation of the prices statistics in this way the tables of dividends, stock bonuses, and of benefits accruing to stockholders through issues of new stocks at prices below the market, are printed in the report of Mr. Coats. The distinction between dividends and stock bonuses is important. If a corporation announces a dividend of 10 per cent., and a

bonus of 2 per cent., it in no way obligates itself to continue the payment of the 2 per cent., whereas the named dividend, or even a higher rate, will be expected. Nor would such a payment, it is obvious, be equivalent to a 12 per cent. dividend. Payments of the regular dividend would probably be made in four quarterly instalments of 2½ per cent., whereas the bonus would likely be paid in two half-yearly instalments of one per cent. While the amount of money paid out might be the same, the corporation would have the use of the amount of the bonus for a longer period than if a straight dividend of 12 per cent. had been declared.

Stockholders frequently benefit also by new issues of capital stock. For various reasons it is the policy of some concerns to limit the issue of new stock to their own shareholders, to whom it is offered at a discount from the market price. The expense of marketing the new issue is thus saved, as well as the disturbance to stock prices which a new issue would ordinarily produce. Such an advantage to owners of stock should really be classified with dividends, and the effort has been made, therefore, to take account of such benefits to stockholders. While the stock is not always sold to shareholders, they alone have the right to subscribe at the reduced rate. These rights can be sold to others. For instance, if stock were selling at 210, and new stock were allotted to shareholders at 180 on a 1 to 5 allotment, one who held five shares could buy one new share at 180, his six shares costing him 1,230 or an average of 205. His rights then would be valued at 5 per cent. or the difference between the average cost of his six shares and the market price. Such an operation would be much in the nature of a 5 per cent. bonus.

The tables just mentioned, and contained in the exhaustive report of Mr. Coats, will enable a study to be made of the comparative earnings of stocks and bonds under the recent regime of rising prices. As already pointed out, a period of rising commodity prices is conducive to an advance in stocks, prices affecting profits and profits affecting dividends. (This, of course, is con-

Per Cent. Dividend Earnings of Stocks and Bonds at Current Prices, 1900-1913.

	No.	1900.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.	1909.	1910.	1911.	1912.	1913.
COMMON STOCKS:—															
Bank stocks	16	4.5	4.5	4.4	4.4	4.5	4.3	4.4	4.8	5.0	4.8	4.8	5.1	5.4	5.7
Industrials	5	5.4	5.9	6.3	7.5	7.1	6.8	7.2	7.9	6.4	5.6	6.3	6.3	6.3	6.5
Land Loan and Mortgage	11	6.1	5.7	5.5	5.5	5.6	5.3	5.3	5.4	5.5	5.3	5.3	5.3	5.4	5.6
Light and Power	3	4.7	4.6	4.5	4.9	5.0	4.6	4.9	5.9	6.0	5.6	5.8	5.6	5.5	5.7
Navigation	4	9.4	9.3	8.7	6.2	5.7	6.9	5.7	7.7	7.0	6.4	5.5	5.9	6.0	5.8
Rails	2	4.4	4.0	3.6	3.8	5.3	3.5	3.0	4.1	4.8	4.1	4.6	4.7	4.4	4.8
Electric Rys.	8	4.5	4.5	5.5	5.0	5.3	4.8	4.9	5.6	5.8	5.4	5.4	6.7	5.6	5.8
Telephone and Telegraph	4	4.6	4.7	4.8	5.0	5.0	4.9	4.9	5.7	5.9	5.5	5.5	5.6	5.6	5.9
Trust	2	4.4	4.6	4.4	4.4	4.5	4.4	4.6	4.7	5.2	4.7	4.6	4.7	5.0	4.9
All	55	5.3	5.2	5.1	5.2	5.3	4.9	5.0	5.6	5.6	5.2	5.3	5.6	5.5	5.7
PREFERRED STOCKS	5	5.5	5.5	5.5	6.3	6.5	6.3	6.7	7.0	7.3	6.5	6.4	6.1	5.9	6.0
BONDS:	9	4.99	5.00	4.94	5.20	5.33	5.04	5.00	5.22	5.29	5.06	5.04	5.06	5.06	5.21

tingent upon the corporation not disbursing its profits, (1) to labor in higher wages, (2) to the consumer through price regulation, and (3) to money lenders in higher interest on bonds necessitated by an expansion of business.) From the preceding tables, the rate per cent. on capital investment at current prices from year to year has been calculated and averages struck for the several classes of securities. The result is shown in the table at the foot of the preceding page.

It has been shown in the report that common stocks in Canada have risen on an average 43.2 per cent. since 1900, whereas bonds have declined by 4.5 per cent. This means, from a cost of living standpoint, that the stockholder has retained the purchasing power of his investment unimpaired, while the purchasing power of the bondholder's investment has fallen off not only through the decline in selling price of 4.5 per cent., but through the rise in the cost of living by at least 40 or 50 per cent.

This, however, is not a complete view of the case, which must consider income as well as capital investment. While the bondholder's income has remained stationary, the stockholder's has gone up very materially. In fact, an average dividend of 5.3 per cent. in 1900 had risen to one of 8.2 per cent. in 1913. This is reflected in the table wherein the per cent. rate of dividends, even at the high prices of 1913, is higher than it was at 1900 prices. It must be remembered, also, that the "rights" accruing to stockholders in connection with the issuance of new stock represent very material benefits. These have not been calculated in the present instance, but it would seem a conservative statement, judging from United States experience, that they have amounted to one-third the value of the dividends.

On this larger basis a comparison between an investment of \$100 in Canadian stocks in 1900 and a similar investment in bonds is significant. The capital value of the stock investment has risen to \$143.20. The dividends during the 13 years have amounted to \$86.70, and the "rights" to, say, \$25, a total of \$254.90. The capital value of the bond investment, on the other hand, has shrunk to \$95.50, and the bond has yielded only \$70 in interest, a total of \$165.50. In other words, the stockholder has made a net profit of \$150, where the bondholder has made a gain of only \$65. Putting it in a general way: the stockholder and those whom he typifies have been able not only to keep pace in their incomes with the rise in the cost of living but considerably to exceed that rise (wherein is found the key to the "extravagance of the age"), at the same time maintaining their capital intact in purchasing power; on the other hand, the classes represented by the bondholder, after adjusting as they must their current expenditures to the rise in prices, find that they have so eaten into their capital that probably only half of its purchasing power remains. If in addition the extravagance of the stockholder has been contagious, to just that degree is that remainder to the bondholder less than half.

UNLICENSED FIRE COMPANIES IN ONTARIO

The new tax which the Ontario government will impose on all payments of fire insurance losses in the province by non-Ontario companies not licensed in the province, is expected to bring the government from \$5,000 to \$10,000.

The Canadian Car and Foundry has received a second large car order from the French government following one for 2,000 freight cars in December. This, with equipment orders on hand, insures activity at the car shops for some months.

TAX AND NON-CANADIAN FIRE COMPANIES

Delegation Visits Insurance Department—Profits and Conflagrations—United States Companies' Position

Representatives of the fire insurance companies operating in Canada recently waited on insurance superintendent G. D. Fintayson in reference to the new taxation on business profits. Their visit was particularly in regard to the following sections of the bill:—

Section 2 of clause 5: "That profits of a non-Canadian company shall be such proportion of the net profits as shall bear the same proportion to the total amount of its net profits as the capital of the company, as defined herein, bears to the total amount paid up upon its capital stock."

Clause 7: "That the capital employed in the business of a non-Canadian company shall be such portion of the amount paid up on its capital stock as shall have the same proportion to the amount paid up on the entire capital stock as the value of its total assets."

The *Monetary Times* learns that several points of a technical character were raised at the conference. The necessity for provision out of profits against conflagrations was also discussed.

Taking the official returns for 1915, the following table shows how the United States fire insurance companies doing business in Canada will be affected by the new war tax:—

	Canadian business.
Liabilities, December 31st, 1914.....	\$5,801,829
Income, 1915	9,181,426
Agents' balances, December 31st, 1915.....	1,314,300
Interest due and accrued, December 31st, 1915....	108,373
Total	\$16,405,928
Liabilities, December 31st, 1915.....	\$5,613,060
Expenditure, 1915	6,579,174
Agents' balances, December 31st, 1914	1,342,900
Interest due and accrued, December 31st, 1914	95,008
Total	13,630,142
Total profit for 1915	\$2,775,786
Total assets in Canada.....	\$ 10,199,227
Total assets (approximate)	350,000,000
Percentage, Canadian, of total.....	3%
Excess of assets over liabilities (estimated)	150,000,000
3% of such excess—Canadian capital	4,500,000
7% on Canadian capital	315,000
Net Canadian profits for taxation.....	\$2,460,786
25% thereof	\$ 615,197
Net premium income	\$7,879,885
1% thereof paid under special war revenue act, 1915	78,799
Net tax payable under 1916 act	\$ 536,398

MORE ABOUT \$75,000,000 LOAN

The syndicate which will handle the \$75,000,000 Dominion loan, will be a country-wide one, banks and bankers in practically every large city of the United States participating.

The bonds will be dated April 1, 1916, and will mature, \$25,000,000 on April 1, 1921; \$25,000,000 on April 1, 1926; and \$25,000,000 on April 1, 1931.

If the terms of the loan, as printed on page 24, prove correct, the transaction is favorable to Canada. The new loan will compete in the United States with the Anglo-French bond issue. This is selling at a heavy discount from the issue price and at a price which offers a yield of better than 6 per cent. Against that yield it would appear that the portion of the Canadian issue which corresponds with the Anglo-French bonds—namely, the 5-year maturity, is to be placed on a basis of approximately 5 per cent., or 1 per cent. more favorable to the borrowing government of Canada than the price commanded in the open market by the joint security of the governments of Great Britain and France. The exact terms of the loan, however, will be announced shortly.

ACCUMULATED PREFERRED DIVIDENDS

They Will Not Be Allowed in Computing New Taxation— Discussion in the House

"If a company owed dividends on its accumulated preferred stock, would that be allowed as a liability?" asked Mr. Nesbitt in the House at Ottawa on Tuesday. The new taxation measure was under consideration, and Sir Thomas White answering the question, said:—"A dividend, if declared—and not until it is declared—is a liability of a company, I believe, as between it and its shareholders. But for the purposes of this act we could not regard as liability accumulated dividends on preference stock; I do not think it just that we should. A good deal is to be said for the fact that the dividends have not been paid upon the preference stock, but, on the other hand, if the company becomes liable under this act, it only means that since the outbreak of the war it has been able to make profits that it did not make before. Therefore we think it proper that they should pay a certain amount of the profits so derived to the State."

Banks and Dividend Payments.

But Mr. Nesbitt was not satisfied. "I had in mind," he replied, "a company that had made profits out of the war; I meant the ordinary company. During 1913-14, many companies did not pay their preferred dividends. These preferred dividends were accumulated, and, in my judgment, are an absolute indebtedness of the company—that is, if they were earned. Owing to lack of banking facilities, these dividends were not paid. In other words, the banks got very stringent with reference to the paying of dividends. The dividends were carried on the books of the company as a liability, and they were a liability of the corporation proper."

Sir Thomas said that assuming a company of that kind has paid no dividends on its preferred stock for three or four years, but, since the outbreak of the war, has earned 25 per cent. upon its capital, which includes its preferred capital as well as its common capital, this act would apply to the earnings so made for the accounting periods ending since the outbreak of war. "I think it is proper that it should," he added; "otherwise the company would escape from paying, where others were paying, a portion of the excess profits which it had made as the result, directly or indirectly, of the outbreak of the war."

Case of Cumulative Returns.

Mr. A. K. Maclean thought such cumulative dividends were a liability, but Sir Thomas White pointed out that the act applies to any profits made in the accounting period. "There is really no difference," he said, "in principle between dealing with preferred shares and common shares. Preferred shares may be cumulative; that is to say, an arrangement may have been made by legislative authority or by the shareholders among themselves whereby no dividends are to be paid upon the common stock until dividends at a certain rate have been paid upon the preferred stock. But there is no essential difference between the two stocks as to their character; so far as the public is concerned, they are both capital. It would be just as logical to argue that because a company had not paid dividends for some years upon its common stock, that should be taken into consideration, as it is to argue that all back dividends upon preferred stock should be paid before this tax becomes operative. There is a difference between declared dividends and dividends which are cumulative but not declared. There is a real difference there, and we are dealing with the case of cumulative dividends not declared. As to what the legal effect would be of a declaration with respect to cumulative profits, I am not prepared to say for the moment; but the intention of this act is to assess any profits arising in the accounting period."

Violating Law's Principles.

Answering further comment, the finance minister said:—"Supposing for the first year the company earned 7 per cent. but did not pay it to its shareholders, and the next year earned 7 per cent., and at the end of the next year paid the 7 per cent. which it made the first year and the 7 per cent. which it made the next year, to its shareholders, namely, 14 per cent., would the tax be upon the 14 per cent.? The answer is that, during the accounting period in question, only 7 per cent. was earned, and therefore the tax would not apply."

"If they did not pay the dividends at the end of the accounting period terminating before the war, but had earned

them, the dividends would be in rest account, or in reserve account, or in profit and loss account. They would then be taken as forming part of the capital upon which the earnings in the succeeding accounting period were estimated. Those profits or earnings not distributed would not be added to the profits of the next accounting period, and the company then taxed upon them both together. But I cannot see on what principle we could allow dividends not declared but cumulative, or dividends earned but not paid, upon common or preferred stock, to be considered as a liability of the company. I think it would be in violation of the principles of law."

Stockholder is a Proprietor.

Mr. Robb asked:—"Would the minister make the same application to bondholders? Industrial concerns, being unable to finance before the war, have evolved a scheme by which their bondholders have agreed to allow interest on the bonds held by them to remain in the treasury unpaid for two or three years. They would be in identically the same position as preferred shareholders?"

Sir Thomas White:—"No. A preferred shareholder is a stockholder of the company; he is one of the proprietors. A bondholder is a creditor of the company. There is no question that an allowance for interest owed by a company upon its bonded indebtedness is clearly a liability. There might be a distinction between dividends declared but not paid and dividends which had not been paid but had also not been declared. I am not quite sure what the legal position would be there; but I am quite clear that there is a distinction between interest upon bonded indebtedness and dividends which have been earned but not paid by the company. The one is interest owing to creditors, the other is profits not yet distributed to shareholders or proprietors."

FINAL AMENDMENTS TO TAX MEASURE

Sir Thomas White's resolutions providing for the imposition of taxes upon the net profits of business concerns in Canada since December 31, 1914, were finally adopted in committee in the house of commons on Tuesday, after several amendments had been inserted. The bill founded upon the resolutions will now be introduced and put through its several stages.

Sir Thomas threw further light upon the manner in which the taxation measure would be administered, saying that companies apparently liable to taxation would be asked to send in returns to the finance department. These returns would be checked by officials of the department and penalties would be enforced against those who made false reports. Upon the returns the assessments would be based and would be sent out to the various firms. The finance minister said that some increase would be required in the staff of the finance department at Ottawa and that it would be necessary to have small staffs in the various provinces to secure information.

Sir Thomas made it clear that the boards of referees and the exchequer court would be granted as a matter of right and that those tribunals would have all the powers of courts of revision. He intimated that there would probably be a board of referees composed of business men and lawyers in each province or section of the country. The business tax, he said, would terminate on December 31, 1917, whether the war was ended or not. An amendment was inserted in the bill providing that for the purpose of the proposed measure the net profits of non-Canadian companies would be the profits on their Canadian business.

PRINCE RUPERT MAY ISSUE SERIALS

A delegation composed of Mayor McCaffery and city solicitor Peters, representing the city of Prince Rupert, waited upon the British Columbia private bills committee in support of the petition for power to convert sinking fund bonds to the amount of \$1,500,000 into serial bonds. The city has already issued treasury certificates against the sinking fund bonds, such certificates falling due on June 1 next. At present it is impossible to dispose of the bonds on the London market, but it is believed that an issue of serial bonds can be sold in Canada. Mr. E. V. Bodwell, K.C., was present, representing the Bank of Montreal, the city's bankers. The committee approved of the principle of the application and proceeded with consideration of its various sections.

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THE SEED GRAIN LIEN

Of the \$13,000,000 distributed in Western Canada last year by the Dominion government in seed grain and relief, we understand that less than \$1,000,000 has been collected, despite the fact that last year's crop was the largest and most valuable to the farmers in Canada's history. No adequate machinery seems to have been provided by the government to collect the indebtedness. Intimation seems to have been given through many forms of publicity that the government was not asking for settlement. Now loan companies find to their astonishment that where they have compelled borrowers to send to the government the amount of their indebtedness, the authorities at Ottawa have returned one-half the sum with the intimation that they are requesting payment of only one-half the indebtedness this year. Nevertheless, the government retains its prior lien on the land. These facts are giving serious concern to the loan companies. As one manager says: "There is little prospect of even an average crop this year, and any one with a knowledge of human nature will know that to ask a farmer to pay this debt in any subsequent year will be asking for payment of a dead horse,—the most bitter experience that the farming community has to suffer." We understand that the department of interior at Ottawa is not ignorant of the views of the loaning interests. Evidence has been laid before the department in support of applications for the release of certain lands from the operation of a seed grain lien or for the division of an indebtedness between two parcels or for a declaration that lands have been wrongfully charged with a lien, and the other hundred and one injustices which a measure of this kind always makes. But the officials are said to be too busy with their ordinary routine duties to attend to seed grain requests. In few, if any, instances have the loan companies ever had action of any kind from the department.

Sales have been held up or cancelled. Hundreds of loans in progress cannot be completed. Business of all kinds is being seriously hampered through the failure of the government to provide any machinery for the manage-

ment of the seed grain business. There are liens on land which was not in crop last year, and liens where the seed grain is still in the granary and has not been used for any purpose. If John Brown got seed grain, all the John Browns in the province find their lands tied up until some John Brown has settled.

The situation deserves a little better attention on the part of the government. The opinion is gaining ground in the West especially, that the Dominion government will lose not less than 50 per cent. of the amount advanced, through their neglect to collect the indebtedness when collections were possible. If, after following this policy of drifting, the government is to enforce their rights, the injustice to lending companies and other communities and interested parties will be so great as to affect seriously the credit of the country.

FEDERAL WAR LOANS AND THE PROVINCES

In his budget speech, Hon. Edward Brown, provincial treasurer of Manitoba, stated that he had expressed to the federal finance minister the willingness of that province to subscribe \$5,000,000 to the Dominion war loan made in November last. In this suggestion he had the full approval of his colleagues in the Manitoba cabinet. That fact raises interesting possibilities in regard to future Dominion internal loans. Mr. Brown said that when making this proposal he had at the same time an assurance from the neighboring Western provinces that a similar contribution of \$5,000,000 could be made by each of them. "I feel confident in saying," said Mr. Brown, "that the four western provinces would have gladly made a joint contribution of \$20,000,000 for this purpose. I feel further warranted in saying that, if it becomes necessary, the provinces of Canada can easily make a contribution of \$100,000,000."

After discussing the matter fully with the Dominion minister of finance, who showed the greatest appreciation of the suggestion, it was agreed that the time had not yet arrived when it would be advisable to make use of the suggestion in question. Strictly speaking, the question of furnishing ways and means for national defence is a matter for the Dominion government. Yet, this general desire throughout the provinces to share in the responsibility is one of which every Canadian citizen may well feel proud. The fact, too, that the provincial governments are able and willing to subscribe \$100,000,000 to a federal war loan is one which will enhance materially Canadian credit in the world's money markets, even should it be unnecessary to ask the provinces to subscribe to a loan. Canada is following the best traditions of British finance and at the same time, as Mr. Brown said in the Manitoba house, "we are ready to pledge our resources to the limit for the defence of the Empire."

FARMS, BANKS AND COMMERCE

The first conference of the leaders of organized farmers and representatives of commercial and banking interests was held in Winnipeg a few days ago. The discussion was frank and, as is usually the case, both groups heard "the other side" of many arguments of which they were familiar with only one side. The interests of the conferring parties are, after all, identical. There is an interdependence which cannot be obliterated by misunderstandings. It can be strengthened by the rejection of supposed grievances, full discussion of dif-

ferences and a desire to co-operate for the best possible and mutually beneficial results. A recommendation was made for the establishment of a government system of land mortgages and a conference will be held shortly between the organized farmers and the Western section of the Canadian Bankers' Association. This is an excellent beginning and is good for the nation's business.

BREAKFAST FOODS.

Wheat costing \$1.80 per bushel represents in the form of certain breakfast foods a selling price of \$27. Thus do we pay in full for the satisfaction of a luxurious palate. This calculation is based upon the results of work done at the North Dakota agricultural experiment station. In recording the figures, Dr. A. McGill, our chief analyst at Ottawa, says it must be left to the purchaser to judge "whether he is prepared to pay so considerable an increase in price for the slight and sometimes equivocal increase in food value represented." The changes brought about by the treatment of cereals by heat, moisture, the addition of malt, sugar, etc., are, says Dr. McGill, generally very slight if we regard the nutritive value merely. A somewhat readier digestibility may be claimed for these prepared foods and certain of them possess characteristic and well-defined and pleasing flavors. "But," our chief analyst says, "there can be no doubt that oatmeal, preferably flaked or finely ground, and well-cooked by boiling, shows a food value which places it quite at the head of the list." All of which again proves that we live in an age of fads and luxuries; also that we pay for them.

DOMINION LOANS

From April 1st ~~next~~ until March 31st, 1917, the Dominion government will have to raise by way of loans from \$200,000,000 to \$225,000,000. The loan now being negotiated in New York will account for \$75,000,000. Taking the maximum possible requirements of \$225,000,000, there will still have to be raised during the coming fiscal year \$150,000,000. It is generally understood that assurances will be given by the federal government in connection with the present \$75,000,000 loan that no further offering will be made in the United States during the current calendar year. This will have the effect of popularizing the new securities. While Sir Thomas White has made an arrangement by which he can draw upon an authorized credit of \$150,000,000 established by the Imperial government, the Dominion government will endeavor to utilize this credit as little as possible, if at all. Supposing, then, we voluntarily close the United States money markets against our federal loans after the flotation of the present \$75,000,000 issue for the rest of the year 1916, and supposing we do not draw upon the credit which the Imperial authorities have provided, there will be left to be raised by way of loans, in Canada during 1916, and in the United States during the first quarter of 1917, \$150,000,000.

Naturally, Sir Thomas has not told of his plans for future financing, but he did say this much: "In my view, we shall require at a later date, many months from now—possibly towards the end of the year—to borrow further amounts, possibly in Canada." In view of this statement and of the fact that the Canadian bankers have just advanced \$75,000,000 as a credit here on behalf of the British authorities for munition purchases, there is not likely to be a Dominion loan until next fall. The loan then may

be one of from \$50,000,000 to \$75,000,000. That would leave a loan of from \$100,000,000 to \$75,000,000 still to be raised in order to make up the total loan requirements for the fiscal year. This loan might be raised in New York about a year hence.

In the meantime we may expect to hear something of the government's proposed issues of debenture stock in small denominations. These are to be made between public offerings. It might be a good plan to time the first of these issues for June, when holders of the Dominion war loan could, if desired, invest in the debenture stock all or part of their first interest receipts on account of the war loan.

INSURANCE AND FEDERAL CONTROL

One day we may become blessed with uniform company laws. In the meantime, privy council decisions are piling up, and while they undoubtedly give a full measure of law, they apparently have also the earmarks of Japanese diplomacy. The federal government some time ago submitted questions intended to elicit a declaration of the extent of federal control over foreign companies operating in Canada. The judicial committee of the privy council has handed down its decision. Lord Haldane, speaking for the committee, said that where a company was incorporated to carry on the business of insurance throughout Canada and desired to possess rights and powers to that effect operative apart from farther authority, the Dominion could incorporate it with such rights and powers. If a company sought only provincial rights and powers and was content to trust for the extension of these powers in other provinces to the governments of the provinces concerned, it could derive authority to accept such rights and powers from the province which gave it its corporate capacity. In other words, except for complying with provincial laws that may at times be clumsily framed, a provincial charter may be as useful in practice as one from federal authority. In the matter of the requirement under federal law that a foreign insurance company, even if it desired to carry on business in but one province, should have a federal license, the opinion was expressed that parliament had it in its power to pass a law making such license necessary. The federal license, apparently, is required as a means to regulation, and not to provide a revenue. Provincial taxes are usually levied for revenue. This decision seems to mean that we may continue in the old paths.

If the provinces were to sacrifice their dignity and revenue in the matter of company law, making up revenue in other ways, and federal company laws were made operative throughout the country, business would be saved a vast amount of trouble and expense.

THE FINANCE MINISTER

With his budget, his New York loan, the business tax measure, the financing of the war, the bankers' credit for munitions, and a score of other important matters, Sir Thomas White has been one of the busiest cabinet ministers. His addresses in the House have been very informative and show that he has a full grasp of his subjects and of the important position he holds. Sir Thomas combines as finance minister the valuable qualities of caution and courage. The opinion of the country is that he has made good.

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	Buyers.	Sellers.	Counter.
N.Y. funds	7-32 pm	7-32 pm	½ pm
Mont. funds	par	par	¾ to ¼
Sterling—			
Demand	\$4.77½	\$4.77½	\$4.80
Cable transfers	\$4.78	\$4.78¼	\$4.81
Rates in New York—Sterling, demand, \$4.76 5-16.			
Bank of England rate, 5 per cent.			

BANK CLEARING HOUSE RETURNS

The following are the bank clearing house returns for weeks ended March 16th, 1916, and March 18th, 1915, with changes:—

	Week ended Mar. 16, '16.	Week ended Mar. 18, '15.	Changes.
Montreal	\$ 56,797,779	\$ 43,284,596	+ \$13,513,183
Toronto	40,298,328	30,326,725	+ 9,971,603
Winnipeg	24,578,412	20,727,183	+ 3,851,229
Vancouver	5,321,819	4,591,107	+ 730,712
Ottawa	3,829,080	3,846,966	— 17,886
Calgary	3,283,724	3,050,922	+ 232,802
Hamilton	3,007,106	2,382,142	+ 624,964
Quebec	3,093,167	2,775,674	+ 317,493
Edmonton	1,780,075	2,032,389	— 252,314
Halifax	2,009,010	1,703,527	+ 305,483
London	1,683,598	1,529,540	+ 154,058
Regina	1,540,416	1,211,688	+ 328,728
St. John	1,543,750	1,385,066	+ 158,684
Victoria	1,255,390	1,466,083	— 210,693
Saskatoon	964,417	727,415	+ 237,002
Moose Jaw	851,740	631,203	+ 220,537
Brandon	430,584	482,620	— 52,036
Brantford	535,225	482,950	+ 52,275
Fort William	326,425	490,157	— 163,732
Lethbridge	426,861	279,035	+ 147,826
Medicine Hat	353,513	285,287	+ 68,226
New Westminster	207,733	255,052	— 47,319
Peterboro	402,320	308,054	+ 4,266
Totals	\$154,520,472	\$124,345,381	+ \$30,175,091
Sherbrooke	534,985		

FEBRUARY BANK STATEMENT

The February statement of Canada's chartered banks shows that deposit increases continue in a satisfactory manner. Other changes are of a normal character. A complete analysis of the figures will appear in next week's issue of *The Monetary Times*. The principal increases or decreases are as follows:—

	February, 1916.	Month's increase or decrease.	Year's increase or decrease.
Note circulation	113,528,237	+ 2,498,665	+ 15,738,845
Reserve fund	112,457,333	.....	— 770,321
Demand deposits	389,825,667	+ 2,822,741	+ 58,410,488
Notice deposits	728,242,609	+ 13,978,123	+ 57,153,996
Total deposits in Canada	1,118,068,276	+ 16,800,864	+ 115,564,484
Deposits outside Canada	116,675,028	— 3,859,938	+ 50,549,997
Current coin	68,177,347	— 1,376,541	— 77,550,524
Dominion notes	153,431,005	+ 1,480,598	+ 14,703,134
Deposit central gold reserve	10,460,000	— 1,400,000	+ 5,210,000
Call loans in Canada	81,949,125	— 635,534	+ 14,357,356
Call loans outside Canada	139,138,651	+ 4,890,099	+ 50,247,663
Current loans in Canada	760,873,181	+ 2,372,689	— 10,762,027
Current loans out- side	56,099,719	— 5,887,126	+ 12,438,340
Total liabilities	1,473,000,100	+ 2,212,447	+ 191,920,655
Total assets	1,715,324,703	+ 4,590,550	+ 190,272,618

*No change.

DOMINION LINENS, LIMITED

An interesting report, which shows satisfactory advance, has been issued by Dominion Linens, Limited. The company's operations resulted in profits amounting to \$24,734. A balance of \$4,872 was brought forward and these amounts were disbursed as follows: Dividends, \$8,140; written off deferred charges, \$1,750; carried to doubtful debts reserve, \$455; carried to contingent reserve, \$5,351; and balance, \$13,909.

The company's assets total \$392,640. Among the liabilities is shown a contingent reserve of \$28,832, bank loans are \$26,972. The company's surplus now amounts to \$28,048.

The company has recently made considerable extensions in its plants, including the installation of 40 modern looms and a new continuous washing system. The management of the company is under the immediate direction of Mr. Sanson, who is the president and managing director. The company is making good progress, and as an enterprising Canadian industry, deserves the best support of its customers.

CANADIAN GENERAL ELECTRIC COMPANY

The gross profits of the Canadian General Electric Company for the past year were \$1,219,514, compared with \$914,528 in the previous year. The net profits were \$764,379, against \$723,571 a year ago. In this and other ways the financial statement of the company is one of the best presented in many years. It reveals careful management, accounting for good results and a properly conservative policy. For example, a large sum, \$416,222, has been set aside for depreciation. This will make ample provision for losses which may occur on special machinery purchased for the manufacture of munitions.

The balance sheet shows a substantial position. After the payment of dividends last year, accounting for \$698,022, a surplus of \$66,357 was carried forward, a surplus of approximately \$40,000 larger than a year ago. No addition was made to the reserve fund a year ago, but last year the fund was increased by \$300,000, bringing it up to \$3,000,000. After these deductions, there was still a satisfactory balance of \$707,119 to carry forward to credit of profit and loss.

Assets.

	1914.	1915.
Real estate, buildings, etc.	\$6,244,636	\$6,252,784
Machinery and tools	3,228,028	3,598,472
Patterns and drawings	708,913	719,802
Inventories	4,226,392	3,830,129
Accounts receivable	3,316,317	2,595,398
Bills receivable	140,005	418,096
Investments	233,422	150,977
Cash	82,884	477,631
Deferred charges	42,302	61,295

Liabilities.

	1914.	1915.
Common stock	\$8,000,000	\$8,000,000
Preferred stock	2,000,000	2,000,000
Mortgage obligations	514,643	467,751
Bonded indebtedness on purchased properties	701,500	500,000
Deferred liability on Allis-Chalmers purchase	600,000	400,000
Balance of loan, Canadian Sunbeam plant	100,000	.....
Current accounts payable	930,978	778,090
Dividend on common stock	140,320	139,904
Reserved for depreciation	1,517,068	1,912,978
Reserve	2,700,000	3,000,000
Profit and loss balance	940,762	707,119

In year's past, the company had heavy bank loans, but these are now wiped out and there is cash on hand and in banks of \$477,631, an increase of about \$400,000 during the past year. Bonded and other indebtedness has been reduced to \$750,000.

The liquid position of the company is therefore very satisfactory. The report generally is a creditable one.

The Bank of British North America

INCORPORATED BY ROYAL CHARTER

The Court of Directors hereby give notice that a Dividend of Thirty Shillings per share, less Income Tax, will be paid on the 7th April next to the Proprietors of Shares registered in the Dominion of Canada, making a distribution for the year ending 30th November last at the rate of seven per cent. per annum.

The Dividend will be paid at the rate of exchange current on the 7th day of April next, to be fixed by the Managers.

No transfers can be made between the 24th inst., inclusive, and the 6th proximo inclusive, as the books must be closed during that period.

By order of the Court,

JACKSON DODDS,
Secretary.

No. 5 Gracechurch St.,
London, E.C.

7th March, 1916.



THE BANK OF NOVA SCOTIA

Capital paid-up - \$ 6,500,000
Reserve Fund - 12,000,000
Total Assets - 100,000,000

HEAD OFFICE - HALIFAX, N.S.

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General Manager's Office, Toronto, Ont.

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30 in Nova Scotia 33 in New Brunswick
7 in Prince Edward Island 11 in Quebec
67 in Ontario 14 in Western Provinces

IN NEWFOUNDLAND

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Brigus Burin Carbonear Channel
Fogo Grand Bank Harbor Grace St. John's
Twillingate Wesleyville

IN WEST INDIES

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

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

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

France—Credit Lyonnais.

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

THE MOLSONS BANK

Capital Paid-Up, \$4,000,000 Reserve Fund, \$4,500,000
Incorporated by Act of Parliament 1855.

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W. A. Black E. J. Chamberlin
EDWARD C. PRATT, General Manager
E. W. WAUD, Superintendent of Branches.
H. A. HARRIS, Inspector T. CARLISLE, Asst. Inspector
T. BERSFORD PHEPOT, Western Inspector

ALBERTA	BRANCHES	QUEBEC	Market and Harbor Branch
Calgary	Formosa	Teeswater	Harbor Branch
Camrose	Frankford	Toronto	St. Henri Branch
Edmonton	Hamilton	Queen St. W. Br.	Maisonneuve Br.
Lethbridge	Market Branch	Trenton	Wales | Waterloo Cote des Neiges Br.
	James & Barton	West Toronto	St. Lawrence
BRITISH COLUMBIA	Hensall	Williamsburg	Boulevard Brch.
Revelstoke	Highgate	Woodstock	Cote St. Paul Br.
Vancouver	Iroquois	Zurich	Park and Bernard
East End Brch.	Kingsville	Kirkton	Ave. Branch
MANITOWA	Lambton Mills	Arthabaska	Montreal, West
Winnipeg	London	Bedford	Tetreaulville
Portage Av. Br.	Lucknow	Chicoutimi	Pierreville
ONTARIO	Meaford	Cowansville	Quebec
Alvinston	Merlin	Drummondville	Upper Town
Amherstburg	Morrisburg	Fraserville	Richmond
Aylmer	Norwich	and Riviere du	Roberval | Sorel
Belleville	Ottawa	Loup Station	Sutton | St. Cesaire
Berlin	Owen Sound	Knowlton	St. Marie Beauce
Brockville	Port Arthur	Lachine	St. Ours
Chesterville	Ridgetown	Matane	St. Therese de
Clinton	Simcoe	Mont Joli	Blainville
Delhi	Smith's Falls	Montreal	Trois Pistoles
Drumbo	St. Mary's	St. James St. Br.	Victoriaville
Dutton	St. Thomas	St. Catherine St.	Ville St. Pierre
Exeter	Forest	East End Brch.	Branch
			Waterloo

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

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

BUSINESS TAX AND DEPRECIATION

Companies' Statement to Bankers Would Not Be Conclusive—Canadian Pacific Railway—Municipal Enterprises.

Many interesting points regarding the new business taxes were discussed in the House at Ottawa last week. Asked to explain the principle on which depreciation will be allowed in the working of the act, Sir Thomas White, finance minister, said:—"The question of depreciation is a question of fact. The depreciation may be more in the case of one class of business than in another; it depends entirely upon the facts of the case. It is obvious that if a business has a certain amount of apparent profits at the end of the year, and on the other hand there has been an ascertainable depreciation in the value of the machinery or plant, that should be deducted in order that the true net profits might be arrived at. There are elements besides depreciation that enter into the question of net profits; the expenses of the business and interest upon borrowed money are elements as well as depreciation.

Depreciation will be Considered.

"This act, like any other act, will be administered by the officials of the government, the minister, of course, being responsible as head of the department. No principle can be laid down except this: that depreciation must be considered in estimating the net profits. The question of what is a reasonable depreciation in connection with any business is a matter to be determined, as the officials may be able to determine, according to good usage in businesses of that character. For example, it may be quite proper in connection with one business to allow 2 per cent. or 5 per cent.; in others the depreciation may be much larger. It depends entirely upon the character of the business and upon the depreciation which necessarily results from the operation of the machinery and plant.

Strive to Act Uniformly.

"What we should do is to call upon the companies for a statement, and in that statement, no doubt an allowance would be made for depreciation. If that appeared to be too great an amount, it would be within the power of the department to disallow it, and, possibly, to allow a lesser amount. In the first instance we would ask the company or firm to make a return. Let us take the case, say, of electrical machinery, or of machinery in connection with public utilities; it is subject to very considerable depreciation. Not only that, but the progress of invention has frequently to be taken into consideration. I do not believe I can lay down any general principle, except to say that it is a question of fact, to be determined upon the evidence before us at the time and upon the usage respecting the plants of industrial and other concerns. I think, for example, that a technical expert could inform the department as to what would be a reasonable amount to allow in connection with a certain class of business, or even a particular plant in that business. There might be a greater depreciation in connection with one individual business than in another individual business of the same class; but we would strive to act uniformly."

Would be Prima Facie Evidence.

"If an established business, following its usual practice for years, had written off bad debts and depreciation and given a statement to its bankers, would such a statement for the last year's business be acceptable to the department?" asked Mr. Loggie.

"I would not say that it would be conclusive evidence," replied Sir Thomas White, "but I would say that it would be prima facie evidence, and in all probability such a statement would be accepted; but it would not do for me to say that it must be accepted, because there must be power in the department to say: We do not agree with what has been done. But, in connection with such a business, I think I would be justified in saying that there would be a very strong probability of its being accepted.

"It was brought to our attention after these resolutions were laid before the House that many Canadian businesses, and many businesses such as British, French and Belgian loan companies operating in Canada, are obliged, under taxation measures in the United Kingdom, France, and Belgium, to pay very heavy war taxation in those countries, so much heavier than our war taxation that ours appears trifling by

comparison. The amounts which some Canadian companies, and some non-Canadian companies operating in Canada, are obliged to pay in the United Kingdom, France, and Belgium, surprised me. It was felt that, as these companies are taxed in respect to their Canadian business, to add this tax to the taxes they already bear, and whose proceeds go to the same cause, would be to put an oppressive burden on them. Consequently, we thought it would be advisable to insert subsection 'c,' in clause 2."

What About Canadian Pacific?

"Is the Canadian Pacific exempt?" asked Mr. Lemieux.

"In my view," said Sir Thomas White, "the Canadian Pacific is not exempt. There is nothing in this measure that is, in my judgment, inconsistent with, or in violation of, the legislation, which is contained in the statutes of the year 1881. Section 16 of the act respecting the Canadian Pacific Railway, assented to on February 15th, 1881, is as follows:—

The Canadian Pacific Railway, and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the company shall be for ever free from taxation by the Dominion, or by any province hereafter to be established, or by any municipal corporation therein, and the lands of the company in the Northwest Territories, until they are either sold or occupied, shall also be free from such taxation for 20 years after the grant thereof from the Crown.

War Profits Abnormal.

"My view is that this legislation is not inconsistent with or in violation of the section which I have read. I think it is only fair to say that in so far as I am aware the Canadian Pacific Railway Company is not desirous of escaping the obligation of paying this war taxation."

"Under these resolutions, as brought down, the taxation was to apply to businesses which had a capital of at least \$50,000, and not to businesses which had a capital of less than \$50,000. We made an exception, however, in the case of businesses which dealt exclusively in manufacturing war munitions or in furnishing supplies. The idea was that those businesses were making money directly out of the war, and, in many cases, the profits would be abnormal. It was drawn to my attention that, as the resolutions were drawn, a firm which had received an order for \$500 worth of war supplies, but carrying on its business otherwise as usual, that is to say, not manufacturing for war purposes and not furnishing war supplies, would become liable. That, of course, seemed manifestly unfair, because the war business was such a small proportion of the total business. It therefore seemed to us that we might fairly amend the resolution by providing that, if a company with a capital of less than \$50,000 dealt in war munitions or furnished war supplies to an amount not exceeding 20 per cent., it should be allowed to come under the provision exempting companies with a capital of less than \$50,000. As we had to fix a percentage arbitrarily, we fixed it at 20 per cent. The business of a company with a capital of less than \$50,000 is not likely to be very considerable, and 20 per cent. of the gross amount did not seem to give them such a large amount of profit as should deprive them of the exemption enjoyed by other businesses."

Owned by Municipalities.

Mr. Guthrie called attention to subsection "d" of section 4, which exempts from the operations of this measure:—

The business of any company, commission, or association not less than 90 per cent. of the stock of which is owned by a province or a municipality.

That amendment, I think, covers a number of cases in the Province of Ontario where corporations are practically owned by municipalities, and I understand the intention of the minister is that such corporations shall not be subject to the tax. I do not think that the exemption is quite broad enough in its language to include all corporations that are operated by municipalities. I have in mind a street railway company, an incorporated company, all the stock of which is now owned by the municipality, except a few shares to qualify a board of directors. Such a company would be included under subsection "d." because, as over 90 per cent. of its stock is held by the municipality, it would not be subject to

THE DOMINION BANK

Sir Edmund B. Osler, M.P., President. W. D. Matthews, Vice-President
C. A. BOGERT, GENERAL MANAGER

The London, England, Branch

of the Dominion Bank, at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

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Established 1873 120 Branches
Capital (Authorized by Act of Parliament)\$5,000,000.00
Capital Paid-up 3,000,000.00
Reserve Fund and Undivided Profits 4,053,140.63

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THE Royal Bank of Canada

INCORPORATED 1869

Capital Authorized\$ 25,000,000
Capital Paid-up..... 11,560,000
Reserve and Undivided Profits.... 13,236,000
Total Assets 200,000,000

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326 Branches in Canada and Newfoundland.

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ANTIGUA—St. John's; BAHAMAS—Nassau;
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GRENADA—St. George's; JAMAICA—Kingston;
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(ESTABLISHED 1817)
AUSTRALIA

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RESERVE FUND
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..... \$ 17,500,000.00
..... 13,000,000.00
..... 17,500,000.00
..... \$ 48,000,000.00
..... \$288,756,341.00

AGGREGATE ASSETS 30th SEPT., 1915

J. RUSSELL FRENCH, General Manager

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

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CANADIAN FINANCIERS TRUST COMPANY

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CITY OF ALBERNI, B.C.,

invite applications for

\$15,000 OF 6% 20 YEARS ELECTRIC LIGHT,
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Full particulars concerning these and other B.C. Debentures on application.

The National Bank of Scotland

Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed..... £5,000,000 \$25,000,000
Paid up 1,000,000 5,000,000
Uncalled 4,000,000 20,000,000
Reserve Fund 900,000 4,500,000

Head Office

EDINBURGH

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

JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

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

the tax; but under the Ontario Public Utilities Act there are a number of corporations created which have no capital stock. They have capital, and capital is subject to taxation under section 2, but that capital is not divided into shares. Under the Ontario Public Utilities Act, any municipality may appoint a hydro-electric commission, a waterworks commission, or a light, heat and power commission, for the operation of the public utilities of the municipality, and that act declares that those commissions shall be bodies corporate. Now, I would fear that under this section, they might be subject to taxation unless they were explicitly exempted. I would, therefore, suggest that words of this kind be added to subsection "d":—

Or any municipal public utility commission authorized by any provincial statute.

Guelph and its Railway.

Sir Thomas White in reply said:—"The point is well taken. The city of Guelph owns the capital stock of a street railway company, and it did not seem to me expedient that the tax should apply in such a case, and it also did not seem expedient to me that the tax should apply to a public utility corporation owned by a province. There are two points to which my hon. friend referred. As to the first, I have an amendment to propose which I think will meet the situation. I move:—

That subsection "d" of section 4 be amended by adding, after the work "stock," the words "or capital."

DOMINION FIRE INSURANCE COMPANY

By careful management the Dominion Fire Insurance Company, which operates in Eastern Canada in conjunction with the Northwestern National and the National-Ben Franklin Insurance Company, materially improved its position last year. The liabilities were reduced by the substantial sum of \$45,851, the assets being decreased by only \$7,563. An improvement of the company's position, from the policyholders' viewpoint, therefore, was made to the extent of \$38,287. There was an increase in capital of \$7,065, and the improvement in regard to shareholders during the year was \$30,682. The following comparison of the company's assets and liabilities for the past two years indicates a better position than was the case in 1914:—

Assets.			
	1914.	1915.	Inc. or dec.
Cash	\$ 96,010	\$ 60,867	— \$35,142
Call loan	5,050	5,050	.....
Bonds	150,036	172,865	+ 22,829
Stocks	31,527	31,527	.....
Mortgage	.....	13,000	+ 13,000
Accrued interest	1,746	3,296	+ 1,549
Agents' balances	39,414	26,962	— 12,452
Sundry debtors	4,627	7,279	+ 2,652
Office furniture and Goad's plans	9,000	9,000	.....
	\$337,413	\$329,849	
Liabilities.			
Net losses unadjusted	\$ 27,124	\$ 9,911	— \$17,213
Reinsurance companies deposit account	50,738	44,366	— 6,372
Reserve for taxes	3,000	3,000	.....
Reinsurance reserve	155,288	131,263	— 24,024
Sundry creditors	.....	1,758	+ 1,758
Excess assets over liabilities	101,261	139,549	.....
	\$337,413	\$329,849	

The surplus to policyholders is \$139,549, and the company's business is well distributed in various parts of Canada. The figures issued by the Dominion Fire in connection with its operations last year show it to be making good progress. The well-known president of the company, Major Robert F. Massie, is now overseas on active service. The secretary of the company, Mr. Neil W. Renwick, has been elected to a seat on the board of directors.

The Dutch government is buying wheat in the Winnipeg market.

MÓVEMENT OF THE CANADIAN CROPS

(Week ended March 10th, 1916.)

The following figures indicate how the grades of wheat, oats, barley and flax in store at terminal elevators, interior terminal elevators, and at public elevators in the East and grain afloat have graded for the week:—

GRADES		Totals
Wheat—		Bushels
No. 1 Hard	.....	105,913
No. 1 Northern	.....	14,750,935
No. 2	.....	6,038,714
No. 3	.....	4,331,018
No. 4 Wheat	.....	1,911,312
No. 5	.....	132,813
No. 6	.....	3,879
Other	.....	3,400,327
Totals, Wheat		30,674,911
Wheat afloat		4,325,386
		35,000,297
Oats—		
No. 1 C.W.	.....	131,886
No. 2	.....	5,986,948
No. 3	.....	2,682,249
Ex. No. 1 Feed	.....	756,198
No. 1 Feed	.....	22,568
No. 2	.....	447,735
Other	.....	2,477,660
Totals, Oats		12,505,244
Oats afloat		1,292,311
		13,797,555
Barley—		
No. 3 Extra C.W.	.....	931,602
No. 3 C.W.	.....	549,895
No. 4 C.W.	.....	81,574
Feed	.....	149,004
Rejected	.....	179,237
Other	.....	.....
Totals, Barley		1,891,310
		*16,000
		1,907,310
Flax—		
No. 1 N.W.C.	.....	832,920
No. 2 C.W.	.....	83,461
No. 3 C.W.	.....	32,694
Rejected	.....	170
Other	.....	38,048
Totals, Flax		987,293
Corn		*39,000
		1,026,293
		†1,174
Total quantity in store		51,732,629

* Corn. † Quantity in store Moosejaw not graded.

CANADIAN GRAIN STATISTICS

The following figures show the quantity of grain in store at terminal elevators, interior terminal elevators, and at public elevators in the east.

	Wheat	Oats	Barley	Flax	Totals
	Bushels	Bushels	Bushels	Bushels	Bushels
Total terminal elevators	28,450,488	9,667,003	1,657,358	957,796	38,712,645
Total interior terminal elevators	3,895,281	533,187	54,034	79,577	4,462,089
Total public elevators	4,634,528	3,197,365	195,918	8,920	8,036,731
Total quantity in store	35,000,297	13,797,555	1,097,310	1,026,293	51,732,629

Premier Sifton introduced a bill in the Alberta legislature last week for the relief of volunteers and reservists. Interpreted, this apparently means a moratorium for soldiers to last until six months after the ending of the war. The bill will follow the lines of the Saskatchewan legislation.

Apropos of the Canadian loan in New York the London Evening Standard says that the average rate at which these bonds have been placed is certainly satisfactory from a Canadian point of view, because it was distinctly better than the terms obtained either for the Anglo-French loan or the local loan made by the Dominion government in Canada itself. Nothing is more difficult to judge than the New York bond market and Sir Frederick Williams-Taylor is to be congratulated on the result, adds this journal.

THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

Branches and Connections throughout Canada

JAMES MASON, General Manager

HEAD OFFICES AND NINE BRANCHES IN TORONTO

Head Office—8-10 King Street West—Toronto Branch

78 Church Street	Cor. Bloor West and Bathurst
Cor. Queen West and Bathurst	236 Broadview Ave., Cor. Wilton Ave.
Cor. Queen East and Ontario	Dundas St., Cor. High Park Ave.
1220 Yonge Street Subway, Cor. Alcorn Ave.	
2261 Yonge Street, North Toronto, Cor. Eglinton Ave.	

THE BANK OF OTTAWA

ESTABLISHED 1874

Capital Paid Up, \$4,000,000. Rest, \$4,750,000.
Total Assets over \$55,000,000.

Head Office ... OTTAWA, Canada.

Board of Directors

HON. GEORGE BRYSON, President; JOHN B. FRASER, Vice Pres.	
SIR HENRY N. BATE	DAVID MACLAREN
RUSSELL BLACKBURN	DENIS MURPHY
SIR HENRY K. EGAN	HON. SIR GEORGE H. PERLEY
E. C. WHITNEY	
GEORGE BURN, General Manager; D. M. FINNIE, Asst. General Manager; W. DUTHIE, Chief Inspector.	

Interest-bearing Deposits received at all of the Bank's 97 Branches. 48

THE Weyburn Security Bank

HEAD OFFICE, WEYBURN, SASKATCHEWAN

Capital Authorized \$1,000,000

BRANCHES IN SASKATCHEWAN AT:

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

A GENERAL BANKING BUSINESS TRANSACTED

H. O. POWELL, General Manager

THE QUEBEC BANK

Founded 1818

Capital Authorized, \$5,000,000. Capital Paid-up \$2,735,000.
Reserve Fund, \$1,011,795

DIRECTORS—John T. Ross, President. R. MacD. Paterson, Vice-President.
Vesey Boswell, Gaspard LeMoine, Thos. McDougall, G. G. Stuart, K.C.
J. E. Aldred, Peter Laing, John M. McIntyre.

Head Office: QUEBEC. General Manager's Office: MONTREAL
B. B. STEVENSON, General Manager

This Bank has 60 Branches throughout Canada—
28 in the Province of Quebec and New Brunswick.
10 in the Province of Ontario, 22 in Western Canada.

Agents in the United States—Chase National Bank, New York; Girard National Bank, Philadelphia; National Shawmut Bank, Boston; The First National Bank of Chicago, Chicago; First National Bank, Minneapolis; Manufacturers and Traders National Bank, Buffalo; National Bank of Commerce, Seattle; First National Bank, San Francisco. Agents in Great Britain—Bank of Scotland, London. Agents in France—Credit Lyonnais, Paris. 24

BANK OF HAMILTON

HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED \$5,000,000
CAPITAL PAID UP 3,000,000
SURPLUS 3,475,000

DIRECTORS

SIR JOHN S. HENDRIE, K.C.M.G., President.			
CYRUS A. BIRGE, Vice-President.			
C. C. Dalton	C. H. Newton	J. Turnbull	
Robert Hobson	George Rutherford	W. A. Wood	

J. P. BELL, General Manager.

BRANCHES

ONTARIO

Ancaster	Gorrie	Mitchell	Selkirk
Atwood	Grimsby	Moorfield	Simcoe
Beamsville	Hagersville	Neustadt	Southampton
Berlin	Hamilton	New Hamburg	Teeswater
Blyth	" Barton St.	Niagara Falls	Toronto
Brantford	" Deering	Niagara Falls, S.	" Queen &
" East End	" East End	Oakville	" Spadina
Burlington	" Market	Orangeville	" College &
Chesley	" North End	Owen Sound	" Ossington
Delhi	" West End	Palmerston	" Yonge &
Dundalk	Jarvis	Paris	" Gould
Dundas	Listowel	Port Arthur	West Toronto
Dunnville	Lucknow	Port Elgin	Wingham
Fordwich	Midland	Port Rowan	Wroxeter
Ft. William	Milton	Princeton	
Georgetown	Milverton		

MANITOBA

Bradwardine	Gladstone	Minnedosa	Swan Lake
Brandon	Hamiota	Morden	Treherne
Carberry	Kenton	Pilot Mound	Winkler
Carman	Killarney	Roland	Winnipeg
Dunrea	Manitou	Snowflake	" Norwood
Elm Creek	Miami	Stonewall	" Princess St.
Foxwarren			

SASKATCHEWAN

Aberdeen	Caron	Mawer	Redvers
Abernethy	Dundurn	Melfort	Rouleau
Battleford	Estevan	Meota	Saskatoon
Brownlee	Francis	Moose Jaw	Stoney Beach
Carievale	Loreburn	Mortlach	Tuxford
	Marquis		

ALBERTA

Cayley	Stavely	Armstrong	BRITISH COLUMBIA
Champion	Taber	Kamloops	Vancouver E.
Granum	Vulcan	Port Hammond	N. Vancouver
Nanton		Salmon Arm	S. Vancouver
		Vancouver	(Cedar Cottage P.O.)

Union Bank of Canada

ESTABLISHED 1865

Head Office - WINNIPEG

Paid-up Capital \$ 5,000,000
Reserve 3,400,000
Total Assets (Over) 90,000,000

BOARD OF DIRECTORS

Honorary President ... SIR WILLIAM PRICE
President ... JOHN GALT, Esq.

Vice-Presidents

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

G. H. BALFOUR, General Manager
H. B. SHAW, Assistant General Manager
F. W. S. CRISPO, Superintendent of Branches and Chief Inspector

London, Eng., Branches, 6 Princes Street, E.C., and West End Branch, Haymarket, S.W.

THE Bank, having over 315 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies. Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world. 1

CANADIAN COMMERCIAL CORPORATIONS

Uniform Laws Are Desirable—Provincial and Federal Laws—A Valuable Volume

One of the best books published on Canadian company law has just been published by Mr. Victor E. Mitchell, K.C., Royal Trust Building, Montreal. In view of the variety of commercial law in the various provinces, and their differences again when compared with federal company laws, this volume will be in great demand. It is not only of value to the legal community, but will also prove of considerable assistance as a reference volume to business and commercial houses, bankers and investors. The volume deals with the general principles of the law of corporations, one-man companies, the powers of majorities and the rights of minorities. There is an interesting chapter on the prospectus, and the liability for the statements contained therein. Other chapters deal with promoters, underwriting commissions and discounts, capital, shares, dividends and interest, bonds, debentures and mortgages, and, indeed, almost every phase of company law and the law of company finance. A chapter is devoted to foreign and extra-provincial companies. An appendix gives the company acts of the various provinces and of the Dominion.

Registration and Letters Patent.

In his preface Mr. Mitchell gives an interesting sketch of the situation in Canadian commercial law. He points out that the legislatures of the provinces of Nova Scotia, Saskatchewan, Alberta and British Columbia have adopted the system of incorporating by registration, and in their companies' acts have followed broadly the lines of modern English company legislation. The Dominion parliament and the legislatures of Ontario, Quebec, Manitoba, Prince Edward Island and New Brunswick have, on the other hand, adopted the system of incorporating by letters patent, issued in the name of the crown by one of its officers. Companies incorporated under this system stand, in some respects, in a very different position from companies incorporated by registration, and consequently English decisions are frequently inapplicable to many questions which arise thereunder. For instance, under the letters patent acts, incorporators are not required to file any regulations or articles, and, therefore, persons dealing with companies incorporated under those acts are fixed with knowledge of their internal regulations only so far as such regulations are embodied in the general act and in the letters patent.

Suited to Companies' Requirements.

The underlying idea of the imperial act and the provincial acts based thereon is that companies shall be left, as far as possible, to draw up regulations best suited to their respective needs. Each act furnishes through table A a copious choice of such regulations, and further makes them binding on the company if no articles of association have been registered; or, if they have been registered, then the regulations of table A are binding only so far as the company's registered articles do not exclude or modify them. The regulations of table A also have the advantage of statutory authority, and, therefore, cannot be called in question. The registered articles are not fixed rules, and may be altered by special resolution. These acts do not deal with by-laws; but, nevertheless, the articles may, and frequently do, empower the directors from time to time to make, vary and repeal by-laws for the regulation of the business of the company. Such by-laws, however, must not be inconsistent with the articles, and the power vested in the directors to make them must not be used for the purpose of altering the articles. The fundamental difference between by-laws of the directors and articles of association under these acts is that persons dealing with the company have not constructive notice of the former, while of the latter they have by reason of their registration, and consequent publicity. Where it is desired that certain regulations shall have a greater degree of fixity than would obtain if they were contained in the company's articles, they may be incorporated in the memorandum of association.

The letters patent have no scheduled regulations; but provisions relating to some of the matters dealt with in table A are incorporated in the acts themselves. Of these matters of internal management, some must, by the terms of the acts, be regulated by by-laws sanctioned by a defined majority of the shareholders.

This applies, inter alia, to the borrowing of money, the mortgaging of the company's property and the issue of bonds, debentures and debenture stock. The imperial act imposes no restrictions on the powers of the directors to borrow money for the purposes of carrying on the business of the company, thus leaving to the shareholders the right to make such provision in the articles in regard thereto as they may deem advisable. Other minor matters under the letters patent acts can be dealt with by directors' by-laws, which, however, only have force until the next annual meeting, and if not confirmed thereat, or at a special general meeting previously convened for considering them, cease from that time only to have force and effect. It will, therefore, be seen that the letters patent acts in respect to some matters of internal management lack the elasticity of the imperial act and the provincial acts incorporating by registration. Indeed, in some cases, such, for instance, as the increase or reduction of the capital stock of the company, the letters patent acts require that the by-law authorizing the increase or reduction shall not only be sanctioned by a defined majority of the shareholders at a special general meeting duly called for considering the by-law, but it must also be confirmed by supplementary letters patent. Now the granting of letters patent and supplementary letters patent is in the sole and final discretion of the secretary of state under the Dominion act and of the provincial secretary or other designated officer under the provincial acts; and while it is not for one moment suggested that these officials have not and do not exercise that discretion fairly, honestly and without fear or favor, no such duty, in the opinion of the author, should be cast upon them, and if it is, some means of appeal from their decision should be provided by the acts in question. Under the imperial act, notice of any increase of capital by special resolution must be given to the registrar. This is all that is really necessary, as the increase cannot prejudicially affect the rights of creditors. It is a matter of business management in which the shareholders alone are interested, and whose judgment should not be subject to revision, even by a minister of the crown, no matter how fair and impartial he may be.

Opportunity for Objection.

A reduction of capital is a different matter. There the rights of creditors may be very prejudicially affected, particularly if the reduction is effected for the purpose of extinguishing or reducing the liability on any of its shares not fully paid up, or of paying off any paid-up share capital. In these cases the shareholders should not be the sole judges as to the propriety of the reduction; but at the same time it is hardly fair to the shareholders to leave such important matters to the sole discretion of one man without any right of appeal from his decision, particularly as the acts provide no machinery by which the departmental officials can obtain an expression of opinion from the creditors, who may consider themselves prejudiced by the proposed reduction. It would, therefore, seem advisable, in the interest of the departmental officials as well as the public, that the confirmation of by-laws authorizing reductions of capital should be made subject to confirmation by the court in the manner provided by the imperial act. Under the procedure laid down therein creditors are given an opportunity of objecting before the special resolution is confirmed.

Objects of Incorporation.

The objects or purposes for which a company may be incorporated under the letters patent acts are also within the exclusive discretion of the secretary of state or provincial secretary, as the case may be, and some years ago—before, it is only fair to state, Mr. Thomas Mulvey, K.C., the present under-secretary of state, was appointed—many complaints were made by applicants of arbitrary treatment at the hands of the department. Under the imperial and similar acts, the defined number of applicants who are associated together for any lawful purpose can themselves define the objects and purposes of the company. This seems to be an eminently practical way of dealing with the matters, as it properly leaves to the court the right to determine whether or not the objects are lawful or unlawful, instead of imposing what must often be an irksome and invidious duty on government officials.

With the exception of the Ontario act, the letters patent acts are very deficient in provision for the protection of the public in regard to the publication of prospectuses offering shares, bonds or debentures for subscription. The imperial companies act and the provincial acts which follow it con-

THE STERLING BANK
OF CANADA

Rigid adherence to sound banking principles has established perfect confidence in the service we render.

Head Office
King and Bay Streets
TORONTO

Northern Crown Bank

HEAD OFFICE WINNIPEG
Capital (paid up) ... \$2,850,000
A general banking business transacted at all branches

DIRECTORS
PRESIDENT Sir D. H. McMillan, K.C.M.G.
VICE-PRESIDENT Capt. Wm. Robinson
Jas. H. Ashdown A. McTavish Campbell B. F. H. Hutchings
Sir D. C. Cameron, K.C.M.G. H. T. Champion John Stovel

BRANCHES IN WESTERN CANADA

ALBERTA Calgary Edmonton High River Red Deer	MANITOBA Arden Beausejour Binscarth Brandon Crandall Glenboro La Riviere Melita Miniota Pierson Pipestone Rathwell St. Boniface Ste. Rose du Lac Somerset Sperling Stonewall Winnipeg Portage Ave. and Port St. Portage and Sherbrooke Main & Selkirk William and Sherbrooke	SASKAT- CHEWAN Alameda Allan Aneroid Balcarres Bladworth Borden Brock Cadillac Dubuc Dundurn Duval Earl Grey Fiske Fleming Foam Lake Glen Ewen Govan Hanley Harris Holdfast Imperial Kinley Lancer Langham Laura	Liberty Lloydminster Lockwood Macoun Manor Marengo Maymont Moose Jaw Nokomis Prelate Prince Albert Qu'Appelle Quill Lake Regina Rockhaven Ru'h Lake Saltcoats Saskatoon Sedley Sheho Stornoway Stn. Swift Current Venn Viscount Waldeck
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BRANCHES IN EASTERN CANADA

ONTARIO Bath Bracebridge Brockville Burford Cheltenham Comber	Enterprise Florence Inglewood Inwood Kingston Mallorytown Napanea	Odesa OTTAWA Sparks St. Rideau St. Wellington St. Port Dover Scotland	Seeley's Bay TORONTO King St. Agnes St. Spadina Ave. Woodbridge Woodstock
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OFFICERS OF THE BANK
R. Campbell, General Manager L. M. McCarthy, Supt. Branches
V. F. Cronyn, Supt. Eastern Branches J. P. Roberts, Supt. B.C. Branches

THE
Merchants' Bank

OF CANADA

ESTABLISHED IN 1864

Capital Paid-up \$7,000,000
Reserve Funds 7,245,140

Head Office, MONTREAL

Board of Directors:

Sir H. MONTAGU ALLAN, President
K. W. BLACKWELL, Vice-President
THOMAS LONG ANDREW A. ALLAN F. HOWARD WILSON
ALEX. BARNET C. C. BALLANTYNE FARQUHAR ROBERTSON
F. ORR LEWIS A. J. DAWES GEO. L. CAINS
ALFRED B. EVANS

E. F. HEBDEN, General Manager
T. E. MERRETT, Supt. of Branches and Chief Insp'r

GEO. MUNRO, Western Superintendent
J. J. GALLOWAY, Superintendent of Alberta Branches

Inspectors—W. A. MELDRUM A. C. PATERSON
C. E. BARTHE J. B. DONNELLY
F. X. HAHN

BRANCHES AND AGENCIES

QUEBEC

Montreal, Head Office: St James St. " 1255 St. Catherine St. E. " 320 St. Catherine St. W. " St. Denis St. " 1830 St. Lawrence Blvd. " 1866 St. Lawrence Blvd. " 672 Centre St.	Huntingdon Lachine Maisonneuve Napierville Ormstown Quebec St. Sauveur Quyon Rigaud	Shawville Sherbrooke Ste. Agathe des Monts St. Jerome St. Johns St. Jovite Vaudreuil Verdun
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ONTARIO

Acton Alvinston Athens Belleville Berlin Bothwell Brampton Brantford Bronte Chatham Chatsworth Chesley Clarkson Creemore Delta Eganville Elgin Elora Finch Ford Port William	Galt Gananoque Georgetown Glencoe Gore Bay Granton Guelph Hamilton East End Hanover Hespeler Ingersoll Kincardine Kingston Lancaster Lansdowne Leamington Little Current London London East	Lucan Lyn Markdale Meaford Mildmay Mitchell Napanee Newbury Oakville Orillia Ottawa Owen Sound Parkdale Perth Prescott Preston Renfrew Sarnia Stratford St. Eugene	St. George St. Thomas Tara Thamesville Thorold Tilbury Toronto " Parlt St. " Dundas St. " Dupont and Christie Sts. Walkerton Walkerville Wallaceburg Watford West Lorne Westport Wheatley Williamstown Windsor Yarker
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MANITOBA

Brandon Carberry Gladstone Hartney	Macgregor Morris Napinka Neepawa	Oak Lake Portage la Prairie Russell Souris	Starbuck Winnipeg Banner- man Av.
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SASKATCHEWAN

Antler Arcola Battleford Carnduff	Frobisher Gainsborough Gull Lake Humboldt Kisbey	Limerick Maple Creek! Melville Moose Jaw Oxbow	Regina Saskatoon Shanavon Unity Whitewood
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ALBERTA

Acme Brooks Calgary Camrose Carstairs Castor Chauvin Coronation Daysland Delburne Donalda	Edgerton Edmonton " Alberta Av. " Athabasca Av. " Namayo Av. Edson Hughenden Islay Killam Lacombe Leduc	Lethbridge Lorraine Mannville Medicine Hat Munson Okotoks Olds Ponoka Red Deer Rimbey	Rumsey Sedgewick Stettler Strome Tofield Trochu Vegreville Viking Wainwright Wetaskiwin
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BRITISH COLUMBIA

Chilliwack Nanaimo	New Westminster Oak Bay	Sidney Vancouver Hastings St.	Victoria
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NEW BRUNSWICK NOVA SCOTIA

St. John Halifax

SUB-AGENCIES—Ontario—Beachville, Calabogie, Frankville, Lon-
don South, Lyndhurst, Muirkirk, Newington, Pelee Island Manitoba—
Austin, Griswold, Lauder, Sidney. Alberta—Botha, Czar.

NEW YORK AGENCY—63 and 65 Wall Street

BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited
TORONTO BRANCHES—A. B. PATTERSON, Manager

can very elaborate provisions in this regard; but in an attempt to improve upon its English model the Ontario legislature has added a provision which greatly extends the literal meaning of the words, "offer to the public for subscription," and consequently brings within the application of many sections of the act companies to which the corresponding sections of the imperial act would not be applicable. The result in some cases is very convenient and almost ridiculous. For instance, a company, which has been in existence for many years before the provisions relating to the filing of prospectuses had been enacted by the legislature, is bound, if its shares are sold or dealt in in Ontario, to file a prospectus containing particulars which are not at all appropriate for the purpose intended, and which the company at this late date may be unable to furnish, and this notwithstanding the fact that the company has no power to prevent its shares being sold in the province. In this connection difficulties have arisen which had had to be resolved by order-in-council.

Uniformity is the Need.

The respective merits of these two systems of incorporation have been much debated. Many eminent lawyers are of the opinion that, apart from any particular advantages of the letters patent system over the registration system, or vice versa, uniformity is desirable in the interest of the business community, and for that reason alone advocate the adoption by the Dominion parliament and the provincial legislatures of the English system of registration, and, as far as practicable, of the provisions of the imperial companies act. This would ensure more uniformity not only in legislation, but also in the jurisprudence, a result which would be heartily welcomed, both by lawyers and business men.

The texts of the acts which follow the registration system have been carefully compared by the author with the corresponding English legislation with a view of determining the applicability of English decisions to any case in point. In dealing with the letters patent acts the author has, for the same reason, pointed out, as far as possible, the differences between these acts and the acts incorporating by registration. In addition to the statutory law relating to the incorporation and organization of companies, the author has dealt with company law generally, including the law relating to such important and intricate subjects as corporate finance, the issue of mortgage bonds and debentures, inter-corporate relations and the liquidation and winding up of companies.

The book contains, with preface and table of cases, 2,485 pages, and the price to subscribers is \$25.

WILLIAM NEILSON, LIMITED

The net profits of William Neilson, Limited, Toronto, for 1915, after making the usual deductions, including bond interest, were \$152,072. With an amount of \$3,216, being adjustment of insurance on the life of the late William Neilson, there was available for distribution a sum of \$155,288. Dividends absorbed \$17,514, and \$20,000, being the balance of deferred expenses, was written off. The sum of \$500 was credited to the automobile insurance fund and \$54,637 was transferred to contingent reserve. This left a balance of \$62,637, which, added to the previous balance of \$121,197, gave the substantial sum of \$184,594 to be carried forward. The earnings last year were at the rate of 12.5 per cent. on the common stock, which compares with 11.9 in 1914 and 11.2 in 1913. The largest profits made since the company was turned into a limited stock company were earned last year, and, according to the balance sheet just issued, the company is in a strong financial position.

The chief assets are real estate, buildings, plant, machinery and equipment, entered at \$708,198. There are accounts and bills receivable of \$84,455 and sundry debts of \$13,066. Inventories are valued at \$125,142. The cash on hand and in bank amount to \$751. Goodwill is entered at \$463,583, which appears to be a somewhat heavy valuation in view of the more modern treatment of goodwill in industrial companies' balance sheets.

The company has outstanding \$300,000 6 per cent. first mortgage twenty-year sinking fund gold bonds. Of its authorized capital stock of \$1,000,000 there is issued and paid up \$250,200 of preferred and \$499,900 of common stock.

OCCIDENTAL FIRE INSURANCE COMPANY

At the annual meeting of the Occidental Fire Insurance Company, of Winnipeg, held recently, the directors reported that the results of the past year's trading had been profitable, but in view of general conditions and the desirability of building up a strong reserve they did not recommend the payment of a dividend. This was a very proper policy. From revenue account was transferred \$31,154. The net surplus now amounts to \$107,248. The ratio of expenses to revenue, including amounts written off to depreciation of fire maps and office furniture, is 40.1 per cent. The cost of establishing the company in new fields has been heavy, but the directors believe that in the current year the ratio of expenses to income will show a substantial reduction.

Net premium revenue last year (premiums, less rebates and cancellations) amounted to \$162,314, as compared with \$144,207, or an increase of \$18,107. Since July 1st, the company has been transacting business in Ontario, Quebec, New Brunswick and Nova Scotia. In Manitoba, Saskatchewan, Alberta and British Columbia the net premium revenue amounted to \$128,323, as compared with \$135,903 in 1914, a decrease of \$7,579, or 5.5 per cent. In view of the conditions existing, the directors consider this as a very satisfactory showing.

The company withdrew at the end of September from Newfoundland after an inspection of liability had been made by the secretary. Losses were severe, particularly at the opening and close of the year. The loss ratio was 50.4 per cent. of net premiums. This includes the writing off of \$1,511 for bad debts incurred in 1914 and not made provision for in that year. All doubtful agency balances have now been written off. Substantial sums have been written off fire maps and office furniture. Interest and principal repayments were fairly well met and the condition of investments was improved during the year.

AUSTRALIA'S TWO WAR LOANS

An interesting report on the two Australian war loans has been forwarded to the department of trade and commerce, Ottawa, by its trade commissioner at Melbourne, Mr. D. H. Ross. He rightly assumes that considerable interest has been aroused in the Dominion by the successful flotation of the Commonwealth war loans. The two war loans of the Australian government were issued upon the same basis, he says, the interest being 4½ per cent. per annum, free from federal or state income taxes, and in each loan the amount asked for was over doubly subscribed. In the case of the second loan, a full six months' interest is payable on June 15th next, and, taking into account the fact that instalments are spread over a period of four months, the accrued interest represents a bonus of 1½ per cent., making the actual net cost of the investment £98.10.0 per cent.

The prospectus of the first war loan was issued on July 24th and subscriptions closed on August 31st, 1915. The result was as follows: Total subscriptions, £13,389,440; number of subscribers, 18,748; amount accepted by the government, £13,389,440.

Through the courtesy of the Governor of the Commonwealth Bank, Mr. Ross has obtained an authoritative statement in respect to the successful flotation of the second war loan. The prospectus was issued on December 1st, 1915, and subscriptions closed on January 31st, 1916, the amount asked being £10,000,000. Applications from outlying points, mailed up to January 31st, some of which are some weeks' postal distance from the various State capitals, have yet to be dealt with, and these are expected to increase the total to some extent, though probably not to a large amount. The success of the second war loan is illustrated in the following return: Total subscriptions to February 7th, £21,581,820; number of subscribers, 28,640; amount accepted by the government, £21,581,820. It is considered that the results achieved were a financial triumph, and again demonstrated the determination of all sections of the people to support the Commonwealth Government in its efforts to assist the Empire in the great war.

Lists of the principal subscribers to the loans, for comparative or other purposes, are given in the current issue of the weekly bulletin of the department of trade and commerce, Ottawa.

Money to Loan

We have funds available for loans on security of improved city or farm property. We can negotiate in sums of \$500 up to \$5,000 at lowest current rates.

THE TORONTO GENERAL TRUSTS CORPORATION

HON. FEATHERSTON OSLER, K.C., PRESIDENT
HON. J. J. FOY, K.C., Vice-Pres. HAMILTON CASSELS, K.C., LL.D., Vice-Pres.
A. D. LANGUIR, General Manager W. G. WATSON, Asst. General Manager
TORONTO OTTAWA WINNIPEG SASKATOON

Montreal Trust Company

INCORPORATED 1889

CAPITAL:
Paid-up ... \$1,000,000. Rest ... \$750,000.

DIRECTORS
SIR HERBERT S. HOLT, *President*
A. J. BROWN, K.C., *Vice-President*

Sir W. M. AITKEN, M.P.	G. H. DUGGAN	E. L. PRASE
J. E. ALDRED	F. P. JONES	JAMES REDMOND
FAYETTE BROWN	Wm. MOLSON	F. W. ROSS
GEO. CAVERHILL	MACPHERSON	HON. W. B. ROSS
C. A. CROSSIE	C. E. NEILL	A. HAIG SIMS
HON. N. CURRY	HUGH PATON	STUART STRATHY
HON. R. DANDURAND		

V. J. HUGHES, *General Manager*

142 Notre Dame Street West, Montreal

The Fidelity Trust Co.

HEAD OFFICE
Union Trust Building WINNIPEG

Capital \$1,000,000

CHAS. M. SIMPSON, *President and Managing Director*
W. L. PARRISH, *Vice-President*
R. S. EWING, *Secretary*

TRUST FUNDS CAREFULLY INVESTED

DIRECTORS

H. H. Beck	W. L. Parrish	W. F. Hull
W. H. Fares	A. J. Keith	A. J. Marsh
Thorval Slagsvol	T. B. Keith	Frederick C. Leonard
	I. K. Kerr	

The Union Trust Company, Limited

Head Office and Vaults
Temple Building Toronto

Branch Offices
WINNIPEG, MAN. LONDON, ENG.

HENRY F. GOODERHAM *President*
HON. E. G. STEVENSON *1st Vice-Pres.*
H. S. STRATHY *2nd Vice-Pres.*
J. M. McWHINNEY *General Manager*

Chartered Executor, Administrator, Trustee, &c.

WRITE FOR INFORMATION

Capital Paid-Up.....	\$ 1,000,000
Reserve.....	950,000
Estates and Agencies.....	14,512,705

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.
An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors
E. F. B. Johnston, K.C., *President*. Hon. W. A. Charlton, W. J. Gage, Noel Marshall, *Vice-Presidents*. Geo. H. Hees, W. K. George, W. R. Hobbs, Jas. B. Tudhope, R. Wade, Jacob Kohler, A. McPherson, D. B. Hanna, John J. Gibson, *Managing Director*.

Chartered Trust and Executor Company
Traders Bank Building Toronto

THE ROYAL TRUST COMPANY

EXECUTORS AND TRUSTEES
HEAD OFFICE, MONTREAL
Capital Fully Paid - \$1,000,000 Reserve Fund - \$1,000,000

BOARD OF DIRECTORS

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	C. B. GORDON
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	HERBERT MOLSON
	LORD SHAUGHNESSY, K.C.V.O.
	SIR FREDERICK WILLIAMS-TAYLOR, LL.D.

Toronto Branch
Bank of Montreal Bldg.,
YONGE AND QUEEN STS.
BRUCE L. SMITH,
MANAGER

A. E. HOLT
Manager

5% DEBENTURES 5%

For a limited time we will issue debentures bearing 5% interest payable half-yearly

The Dominion Permanent Loan Company

12 King Street West, Toronto
HON. J. R. STRATTON, *President* F. M. HOLLAND, *Gen. Manager*

National Trust Company Limited

DIVIDEND NOTICE.

Notice is hereby given that a dividend for the three months ending March 31st, at the rate of

TEN PER CENT. PER ANNUM

has been declared upon the Capital Stock of the Company, and that same will be payable on and after April 1st next.
The Transfer Books will be closed from the 21st to the 31st March, both days inclusive.

By order of the Board,
W. E. RUNDLE, *General Manager*
Toronto, March 1st, 1916.

The Canada Standard Loan Co.

Head Office WINNIPEG
\$100 BONDS ISSUED

A convenience to investors of small means. Particulars and Interest rates on application.

J. C. KYLE, *Manager*, 428 Main Street, Winnipeg

MINING INDUSTRY AND WAR TAXES

Percentage Will Be Allowed for the Exhaustion of the Mines

The new business taxes in relation to the mining industry were discussed in the House at Ottawa last week. Sir Thomas White, finance minister, stated that he had talked with many mining men during the last few weeks and found they were anxious to pay the tax. "Nothing has impressed me more than the attitude of two or three American gentlemen engaged in the mining business in this country," said the minister. "They said: 'You are asking for one-quarter of one per cent. over 7 per cent.; if you want more ask for it and we will give it to you. If net profits have been made, in the case of companies, including mining companies, in excess of 7 per cent., we take one-quarter of the excess and one-quarter only. Does my hon. friend know that, excluding nickel companies, only twenty-four mining companies in the whole Dominion paid dividends last year? The mining industry has nothing serious to apprehend from this tax. We are fighting for this country, we are fighting for every business in it, including mining. On what principle can I, or can the government, leave out mining industries from the operation of this tax? On what principle can I tax a manufacturing company, a transportation company, a trading company and pass by the Hollinger mines worth \$10,000,000, or \$15,000,000 or \$20,000,000 and earning up to \$2,000,000 net profits? On what principle can I pass by the Nipissing mine earning \$1,200,000 a year and worth probably \$5,000,000 or \$20,000,000 and earning up to can I pass by copper companies in view of the fact that copper has doubled in price since the outbreak of the war? On what principle can I pass by the nickel companies which are making enormous sums out of the natural resources of the country.

Small Revenue from Mining.

"I do not believe there is a country in the world in which less revenue is derived from mining than Canada. Take the highly mineralized area of Northern Ontario, Cobalt and Porcupine, and other mineralized areas; I was surprised to find the other day that the entire amount of revenue derived by the Province of Ontario from its mineral areas was about \$300,000. It cannot be said that in so far as Canada is concerned there is anything in the situation that would retard the flow of capital towards this country for the purpose of embarking in the mining industry. The Minister of Mines of British Columbia was here the other day and I inquired of him how much revenue they derived from the mines of British Columbia. He informed me that they got \$150,000.

Would not Pass These Companies.

"I do not know of any country in the world in which such small amounts are taken from the mining industry by way of royalty and taxation as in Canada. I do not believe that the imposition of this moderate tax is going to have the effect, amongst a community as intelligent as the mining community of causing them to slacken their efforts in the development of that great natural resource. We go to the legislation of the United States; the United States is a great mineral country and yet there has been an income tax imposed not only upon the subsidiary mining companies but upon the holding companies. The maximum allowance made by the United States for exhaustion of capital is only five per cent. I think that is too small. Take the nickel companies of Canada. The International Nickel Company, which has its refining plant in the United States and operates, through a subsidiary company at Sudbury, had earnings of nearly \$10,000,000 for the nine months ended December 31st, 1915. Now I do not believe that public opinion would sustain the government in taxing all other industries in Canada and passing by these mining companies.

"The mining companies desire to contribute. Some of them would rather that the tax was on a basis so that they would not have to contribute so much; that is no doubt very natural. I hear there are also a few, but very few, who would rather not pay anything at all. But we should not be justified in acceding to their request and exempting them from the operation of this tax, provided, of course, that they made large profits.

"I admit that it is more difficult to apply a measure of this kind to mining companies than to manufacturing, industrial or commercial business. The reason is that mining is a calling in which there are many disappointments, and in which abnormal profits must be looked for. A man who might

be quite content with seven per cent. in a manufacturing business would not invest in a mining company upon the basis of a seven per cent. return on his investment. It must be borne in mind that a man who speaks of getting say twenty per cent. in a mining company, especially a company that is operating metalliferous mines, knows that in that twenty per cent. there is a large return of his capital each year. That is among the reasons why, in mining, a larger return is required than in the case of an ordinary commercial or industrial enterprise. The same remark would apply to other businesses—I do not say that twenty per cent. would apply—in which the capital invested is depleted from year to year. The resolution I have brought down relates net profits to capital. In the resolution originally brought down we used the term 'net profits.'

When Average Life is Short.

"Mining had not escaped our attention, and for this reason, among others: We had examined carefully the American income tax legislation, in which provision is made for an allowance for exhaustion or depletion of capital not to exceed five per cent. of the gross output in any one year. It did not appear to us that we should place a limit of that kind upon the amount that we should allow for exhaustion of capital. There are some mines whose average life is eight or ten years. I am speaking of metalliferous mines. Then other mines, such as coal mines, last for generations, and the same considerations, except in a general way, do not apply; that is to say, the percentage of exhaustion in a coal mine in a particular year is not so great as the amount of exhaustion in connection with metalliferous mines such as gold, silver and copper mines. We, therefore, deemed it improper to place any limit on the percentage which we should allow for exhaustion of the capital of a mine. In the administration of this act it may be necessary for us in some cases to say we shall allow ten, twelve or thirteen per cent.; and in other cases five, or two per cent. It all depends upon the character of the mine with which we are dealing.

Fair to All.

"If we tax what are known as profits and distributed to shareholders, say under the mining laws of the Province of Ontario, but which are really not yet profits, and deduct from those profits a proper amount, as we should be entitled to do under the provisions of this act, for depreciation of plant and machinery, and for exhaustion, in the case of some mines, to the extent of ten, twelve or more per cent. of the value of the mine, they take on a very different complexion from what are ordinarily understood as profits in the payment of dividends to shareholders in mining companies. The result of dealing with the profits of mining companies in that way—and it is a proper way to deal with them—will be to make the net profits appear to be much smaller than the apparent profits which are published from time to time. So much for that phase. I have not considered it necessary to place any limit in the act, because I think in its administration the judgment of the officials should be left unfettered, although, of course, they will have to act on some principle which will be fair to all.

All will be Embraced.

"In estimating capital we shall have regard, not only to capital stock, but to rest, reserve, and accumulated profits. These will all be embraced under capital. If we had proceeded absolutely logically we should have said: We will take the value of all the assets, real and personal, movable and immovable, of every company, firm and individual in Canada, and subtract the liabilities from the assets and the difference will be the capital. That would be a Herculean task for the officials charged with the administration of this measure. In the case of most companies the capital, reserve, and accumulated profits are accurately stated in their reports, and one would feel perfectly safe in taking their statement where the capital stock has been paid in full: capital, so much; reserve and accumulated profits, so much, representing premium on the price of stock sold to shareholders, or profits which have been taken into reserve, or contingent fund, or allowed to remain in profit and loss account. So in the case of an ordinary company for the sake of taxation, you have your capital, your reserve or rest account, and your accumulated profits, substantially representing the net capital of the company invested in that business.

"Mining companies present difficulties in ascertaining the capital invested in them, because there is no necessary connection between the nominal capital of a mining company and its real capital, which is the value of its mines. There-

The Hamilton Provident and Loan Society

Capital Subscribed	\$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,014,032.60
Total Assets	4,874,409.66

DEBENTURES issued for term of five years with interest at 4½% per annum, payable half-yearly. The Debentures of this Society are a legal investment for Trust Funds. Correspondence invited.

Head Office, King Street, HAMILTON, Ont.
GEO. RUTHERFORD, President D. M. CAMERON, Treasurer

CANADA PERMANENT Mortgage Corporation

Toronto Street Toronto

Established 1855.

President—W. G. Gooderham.
First Vice-President—W. D. Matthews.
Second Vice-President—G. W. Monk.
Joint General Managers—R. S. Hudson, John Massey.
Superintendent of Branches and Secretary—George H. Smith.

Paid-up Capital	\$ 6,000,000.00
Reserve Fund (earned)	4,750,000.00
Investments	33,546,242.74

Deposits Received. Debentures Issued.

THE HURON AND ERIE MORTGAGE CORPORATION

DIVIDEND No. 114

Notice is hereby given that a Dividend of three per cent. for the quarter ending March 31st, 1916, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid up Capital Stock of this Corporation, has been declared, and will be payable at the office of the Corporation in this City on and after Saturday, April 1st, 1916, to shareholders of record at the close of business on March 15th, 1916.

By Order of the Board.
M. AYLSWORTH,
London, Ont., Feb. 28th, 1916. Secretary

Be sure your Will is made, naming a Strong TRUST COMPANY as your

EXECUTOR

Ask for Booklet: "The Corporate Executor."

CAPITAL, ISSUED AND SUBSCRIBED ..	\$1,171,700.00
PAID-UP CAPITAL AND RESERVE	860,225.00

The Imperial Canadian Trust Co.

Executor, Administrator, Assignee, Trustee, Etc.

HEAD OFFICE: WINNIPEG, CAN.
BRANCHES SASKATOON, REGINA, EDMONTON, CALGARY,
VANCOUVER AND VICTORIA

5%
Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
WINNIPEG, Man.

The Sterling Trusts Corporation
EXECUTORS, TRUSTEES, ETC.

Board of Directors

W. S. DERRICK, President H. WADDINGTON, Managing Director
E. D. McCALLUM, Vice-President
JOHN FIRTHBROOK, Vice-President
EARL OF CLARENDON, N. H. STEVENS, A. H. TASKER, DR. E. JESSOP,
M.P.P., ALECK CLARK, W. L. HORTON, J. W. SCOTT, F. C. L. JONES.

Regina Branch Advisory Board

A. H. TASKER, E. D. McCALLUM, W. M. MARTIN, M.P., T. J. HOW,
J. F. ANDERSON, M. B. PEART, A. W. SNIDER, CHAS. JACKSON,
GEO. H. BRADSHAW, J. G. LANGTON,
Manager Regina Branch. Secretary

Correspondence Invited

HEAD OFFICE: 80 KING STREET EAST, TORONTO

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

THE TORONTO MORTGAGE COMPANY
Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after 1st April, 1916, to shareholders of record on the Books of the Company at the close of business on 15th inst.

By Order of the Board.
WALTER GILLESPIE, Manager.
March 2nd, 1916

A SAFETY BOX IN OUR VAULT

will only cost you \$2 per annum, and might save you many times that much in case of fire or burglary in your home or office. You have the only keys to this box, and have access from 9 to 5 o'clock daily (except Saturday afternoons and legal holidays).

We solicit your inspection of our vault, centrally located on main floor, 45 King Street West.

The Trusts and Guarantee Company
LIMITED.

BRANTFORD TORONTO CALGARY
JAMES J. WARREN E. B. STOCKDALE
PRESIDENT GENERAL MANAGER

fore, you will find these anomalies. You will find a company incorporated some years ago, say, with a capital of \$250,000 or \$500,000, and you will find that the property to-day may be worth \$5,000,000; that a holding company has probably been created, holding the stock in the original company, now the subsidiary company of the holding company, and that the dividends are being paid, say, at the rate of 15 or 20 per cent. upon a capital of \$5,000,000. Now, this taxation will apply, of course, to the underlying company; but it will be necessary, in order to be perfectly fair to the mining industry, that in considering what its capital is, under the provisions of this bill, you have regard to the amount of its fully paid-up capital and to the values of its reserves, rest and accumulated property, the three together, as I have stated, representing substantially the value of the mine. In my opinion, that is absolutely fair and just, and it is the principle that would be applied to financial institutions, private individuals and firms in business."

RAILWAY EARNINGS

The following are the railway earnings for the first two weeks of March:—

Canadian Pacific Railway.			
	1916.	1915.	
March 7	\$2,198,000	\$1,667,000	+ \$531,000
March 14	2,258,000	1,731,000	+ 527,000
Grand Trunk Railway.			
March 7	\$ 992,026	\$ 852,151	+ \$139,875
March 14	957,542	857,147	+ 100,395
Canadian Northern Railway.			
March 7	\$ 540,200	\$ 428,700	+ \$111,500
March 14	538,000	412,000	+ 126,000

BANK BRANCHES OPENED AND CLOSED

During February, 1916, there were 10 branches of chartered banks opened and 12 closed, according to Houston's Bank Directory:—

Branches Opened—10

+Bourget, Ont.	La Banque Nationale.
+Hebertville, Que.	La Banque Nationale.
+Lawrenceville, Que.	Banque d'Hochelega.
Limon, Costa Rica	Royal Bank of Canada.
+Montreal, Que., Cote St. Paul	Banque d'Hochelega.
+St. Adelphe de Champlain,	
Que.	Banque d'Hochelega.
+St. Clement, Que.	La Banque Nationale
+St. Gedeon, Que.	La Banque Nationale.
+Ste. Marguerite, Que.	La Banque Nationale.
Sauchez, Dominican Republic.	Royal Bank of Canada.

Branches Closed—12

+Bentley, Alta.	Royal Bank of Canada.
+Blackfolds, Alta.	Royal Bank of Canada.
+Ituna, Sask.	Bank of British North America.
Penticton, B.C.	Bank of Hamilton.
Port Arthur, Ont.	Dominion Bank.
Port Stanley, Ont.	Canadian Bank of Commerce.
+Raymore, Sask.	Bank of British North America.
Rockland, Ont.	Union Bank of Canada.
St. Cyrille de L'Islet, Que.	Banque Provinciale du Canada.
Toronto, Ont., Yonge and	
Eglinton	Canadian Bank of Commerce.
+Whitevale, Ont.	Bank of Nova Scotia.
+Wooler, Ont.	Bank of Nova Scotia.

+Sub-branches.

Note.—Under "branches closed," March 3rd issue, the Union Bank of Canada, "City Heights," Vancouver, was shown. This is an error. Should read "Vancouver Heights," Vancouver.

PRICE OF NEW DOMINION LOAN

Average of \$75,000,000 5 Per Cent. Offering Will Probably Be 97¼

Negotiations are well in hand with regard to the \$75,000,000 Dominion loan to be floated in the United States by a banking group headed by J. P. Morgan and Company, Brown Brothers and Company, and Harris, Forbes and Company. A New York dispatch states that the bonds will be offered for subscription shortly at prices averaging 97¼. The \$25,000,000 bonds which mature in five years will probably be offered at a price to yield 5.10 per cent.; the \$25,000,000 maturing in ten years will have a price returning to the buyer 5.37½ per cent., and the remainder, falling due in 15 years, will be offered on a 5.50 per cent. basis.

A Denver message states that a syndicate in that city, composed of four large bond houses, Sweet, Causey, Foster and Company, Wilson and Cranmer, Keller Brothers, and James N. Wright and Company, is being formed to purchase a part of the issue. The Denver brokers claim that there is a market for \$10,000,000 of the Canadian bonds in Denver and immediate vicinity.

Will be Easily Sold.

The general opinion is that there will be no difficulty whatever in disposing of the bonds at this time, especially as investment conditions are equally as good, if not better, than six months ago. The fact also that assurances will be given that no further offerings will be made this year also is expected to have the effect of popularizing the new securities.

In discussing the resolution authorizing the loan, Sir Thomas White, finance minister, stated that the object of the resolution "is to replenish the necessary borrowing powers of the Dominion, the present borrowing powers being only about \$10,000,000 due to our large borrowings of the past year. The appropriation act of 1915 recites that there remains un-borrowed and negotiable of the loans authorized by parliament, for the construction of public works and other general purposes, the sum of \$78,291,206."

The £5,000,000 loan in March, 1915, and the New York loan of \$45,000,000, were responsible for the reduction from the amount of \$78,000,000 then remaining of the statutory borrowing authority to \$10,000,000.

How Borrowing Powers Stand.

Sir Thomas filed the following statement showing the position:—

Statement showing the loans authorized, amounts issued and redeemed and the balance negotiable under the several acts of parliament, on January 31, 1916.

1915.		Dr.	
April 1.	To balance	\$78,291,206.04	
	To amount of debt redeemed	23,900.00	
	To amount of withdrawals over receipts in savings banks	1,915,653.17	
			\$80,230,759.21
1915.		Cr.	
By receipts from loans:			
	Loan 1920-25, £5,000,000	\$24,333,333.33	
	Loan New York	45,000,000.00	
By balance negotiable		10,897,425.88	
			\$80,230,759.21

THE FARMER AND THE INTERESTS

"A Study in Parasitism" is the sub-title of a little book of which the publishers say: "Every farmer should read it through three times." Agricultural problems, markets, transportation, are all discussed. In the conclusion, the writer states: The farmer should abolish the existing adventitious restrictions placed upon him, and the factitious privileges granted to special classes, and should establish economic conditions under which he and other citizens will get the benefit of natural laws of production and distribution. Among other things he should organize credit from below; he should buy and sell in the best markets; he should provide transportation, coming and going, at cost, plus a handsome profit.

The Farmer and the Interests. By Clarus Ager. 75 cents. Macmillan Company of Canada, Toronto.

INVESTMENTS AND THE MARKET

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

Atlantic Sugar Refineries, Limited.—An order for 5,000 tons of sugar has been received by the company from the British government. With its domestic trade the refinery is assured of capacity operation until the end of May.

British Columbia Fishing and Packing Company.—The directors of British Columbia Fishing and Packing Company have declared a dividend at the rate of 4 per cent. per annum, and will pay a half-yearly disbursement of 2 per cent. on May 20th to stock of record April 20th. This company is the successor of the British Columbia Packers' Association, the basis of exchange having been two new shares for each one of the old. The new company paid dividends of 3½ per cent. per annum after the exchange, equal to the old rate of 7 per cent. on British Columbia Packers. The present dividend is an increase of 1 per cent. per annum on the old shares.

Ames-Holden-McCreedy Company.—Mr. D. Lorne McGibbon, president of the company, stated in an interview at Montreal that he did not mind admitting that he was buying Ames-Holden. "Unless I am much astray in my forecast of the company's future, I am going to sell my stock in the seventies," he declared. "Some people do not agree with me in this, but it is just possible that they are the same people who felt sorry for me when I bought the rubber company and bought Cedars Rapids. Ames-Holden is the biggest boot and shoe plant in the country, and it is one of the best-equipped plants on the continent. There are 8,000,000 people in Canada, and they have got to wear boots. We have a live, hustling organization, and that's the story in a nutshell."

Canada Steamships, Limited.—The company's operating account shows revenue for 1915 as compared with that for 1914 as follows:—

	1915.	1914.
Vessels	\$7,399,818	\$6,272,232
Docks and wharves	165,707	193,388
Miscellaneous	114,884	78,920
	\$7,680,409	\$6,544,550
Other revenue	94,624	41,259
Total revenue	\$7,775,034	\$6,585,810
Expenses	6,042,977	5,657,773
Net earnings	\$1,732,057	\$ 928,036
From which the following deductions were made:—		
Interest on mortgage bonds	\$ 140,201	\$ 166,230
Interest on debenture stock	317,583	285,234
Funded debt expenses . . . . .	.....	5,622
Other interest	85,276	10,252
Reserve for depreciation	476,937	455,630
Reserve for doubtful debts, claims, etc.	35,000	50,000
Directors' fees	14,906	15,000
	\$1,069,905	\$ 987,969
Profit for year	\$ 662,151	.....
Net loss . . . . .	.....	\$ 59,932

The surplus account as at December 31st is as follows:—

Profit for year ended December 31st, 1915, as per operating account, \$662,151; loss on sales, etc., of fixed assets, \$3,971. Proportion of following charged off: Organization expenses, \$65,835; discount on debenture stock, \$1,028, \$70,835; total, \$591,316. Deficit as at December 31st, 1914, \$570,432; surplus, as per balance sheet, \$20,883.

Mr. J. Carruthers, president of the company, in his address stated some of the reasons for the company's success. "The management," said he, "with the approval of the board, entered a field of operations quite foreign to anything heretofore attempted by the company or any of its subsidiaries, viz., the transatlantic trade, and the venture has been highly satisfactory."

"The phenomenal harvest in Canada's great west was also an important factor in improving the company's position."

"The rates being offered to-day for grain cargoes for spring and early summer movement and the large fleet your company has at its disposal for handling this traffic assures a sound business situation on the Great Lakes and St. Lawrence, as far as we are concerned."

Speaking of the company's dividend, Mr. Carruthers said announcement was made last year that in future dividends would not be paid quarterly, but only after the year's business was concluded and the books and accounts duly audited. After providing for all overhead charges, including depreciation, there is a profit for the year of six hundred and sixty-two thousand dollars. There was, however, a deficit from the year previous of five hundred and seventy thousand dollars, to absorb which, with other items as shown, leaves a balance of about twenty-one thousand dollars.

"On the statement as presented, the directors would not be justified in declaring any dividend, however small. But the company in January and February, 1916, earned from the operations of its boats on the Atlantic very satisfactory returns. From these earnings and entirely independent of the results of 1915 the directors decided to distribute on account of cumulative preferred dividends now owing to their shareholders a part payment to the extent of 1¼ per cent. These deferred dividends will continue to be paid in instalments from time to time as circumstances may warrant. From present prospects it would be reasonable to expect a further additional payment in the near future."

Seneca Superior Silver Mines, Limited.—The company's profit and loss account shows earnings of \$641,804 and \$71,813 brought forward. Dividends absorbed \$335,218. The company's assets are valued at \$794,509. The liabilities consist of capital stock issued, \$478,884; profit and loss account, \$306,585; pay-roll, etc., \$9,039. President Worth points out to the shareholders that the large production during the year, by means of which in spite of the depreciation in the price of silver and the increased cost of supplies, the company was able to show an increased operating profit. This increased profit, however, was made at the expense of assets due to the exhaustion of the ore deposit. From the reports submitted that early in the year 1916 the property will be worked out unless new discoveries are made, for which the company can hold out little hope, and that payments of dividends are in reality a return of capital.

The company's officers are: S. Harry Worth, president; F. W. Zoller, vice-president; R. F. Segsworth, treasurer; W. E. Segsworth, managing director; R. H. Lyman, manager.

Richelleu and Ontario Navigation Company.—A report of the directors of this company, now absorbed by Canada Steamships, Limited, states: "We are glad to advise you that Canada Steamship Lines, Limited, have given notice that they will, on May 1st next, pay part of the cumulative dividends now in arrears on their preference shares."

"This will give your company an amount of cash out of which it will pay the small annual expenses, and the balance will be distributed in due course amongst the shareholders who have not yet exchanged their shares."

"The practical result of the situation is that the shareholders of the company who have not yet exchanged their shares are now bearing the annual expenses of the company, and it is manifestly to their interest to effect the exchange of their shares as soon as possible, so that they may draw dividends in full direct from Canada Steamship Lines, Limited."

As the dividend recently declared by Canada Steamship Lines is not payable until May 1st, and expenses for the year are still undetermined, the directors deem it unwise to take any dividend action just now.

The erection of the large coke gas plant at Hamilton, Ont., will be commenced this spring. It may be in operation by February, 1917. The company is to be known as the Hamilton By-Product Coke Ovens, Limited, and the construction of its plant will entail an outlay of over \$2,000,000. The company will guarantee a daily supply of gas of 10,000,000 feet.

PERSONAL NOTES

Hon. George W. Brown, addressing the Canadian Club, Toronto, mentioned that no representative of Saskatchewan sits on the board of directors of any Canadian-chartered bank.

Mr. C. W. I. Woodliff has been elected a director of the North American Life Assurance Company, and Mr. W. Kerr George second vice-president of the company, in succession to the late Mr. James Kerr Osborne.

Mr. C. Elvins, head of the effective publicity department of the Imperial Life Assurance Company, Toronto, has just issued a Saskatchewan number of the company's "Agents' News." It is replete with interest for the company's forces.

Mr. D. J. Dyson has been again elected president of Winnipeg's industrial bureau. The other officers are: First vice-president, Mr. M. F. Christie; second vice-president, Mr. W. R. Ingram; commissioner and secretary-treasurer, Mr. C. H. Webster.

Professor M. A. Mackenzie, M.A., F.I.A., of the University of Toronto, delivered one of the most interesting addresses of the session to the Toronto Insurance Institute last week. The subject was "International Exchange," which he dealt with in an unusually attractive and instructive way. The meeting was the best attended of the season.

Mr. H. R. McMillan, special Canadian trade commissioner, now abroad seeking markets for Canadian lumber, writes to *The Monetary Times* from Lahore, India: "In commercial matters, the Japanese and Americans are making a great start in this country now, the former especially. There are over 400 Japanese commercial men in India at present."

Mr. W. D. Hobson has been elected president of the Woodstock, Ont., board of trade. The other officers are: Vice-president, Mr. E. B. Terryberry; secretary-treasurer, Mr. H. Sykes; council—Messrs. W. J. Taylor, J. A. McKenzie, T. W. Gray, W. S. West, E. W. Nesbitt, A. W. Muir, P. S. Connolley, J. G. McBeath, Lieut.-Col. J. White, A. W. Moore, C. E. Stewart, J. Bain.

Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, was paid a pleasing compliment in the House at Ottawa on Thursday both by the government and by the opposition. "I desire," said Sir Thomas White, "here to pay tribute to Sir Frederick Williams-Taylor, who has acted for myself, as minister of finance, and for the government, upon many occasions." "No better man," said Mr. Lemieux. To which Sir Thomas White added: "I heartily agree with my honorable friend in that."

Mr. J. H. Black, who for the past five years has controlled the power companies serving Northern Ontario, has resigned his position as manager of the Northern Ontario Light and Power Company and will come to Toronto to be associated with Mr. David Fasken. Mr. Black has been at the head of the Northern Ontario Light and Power Company and the Northern Canada Power Company since he left the Timiskaming and Northern Ontario Railway, of which he was superintendent since the early days of that government road. Mr. Black is a director of the Excelsior Life Insurance Company.

Mr. W. A. Peace, of the Imperial Life Assurance Company, Toronto, was recently successful in closing a \$50,000 application under interesting circumstances. The company's medical referee limited a large risk to a 15-year endowment plan. Mr. Peace interviewed his prospect with arguments in favor of a 15-year endowment as against an ordinary life policy. After an interview the applicant delivered his ultimatum that if the company could not give him a 10-year endowment he would take nothing. Mr. Peace, with his usual self-possession, stated that he would take his application on that plan and endeavor to get the policy put through. When he delivered the policy for \$50,000 on the 10-year endowment plan, he not only secured the cheque for the first premium, amounting to \$5,567.50, but took his application for another \$10,000 on the 15-year endowment plan.

Mr. A. G. Ross, general manager of the Saskatchewan General Trusts Corporation, who died recently, was well known in trust company circles. Previous to becoming associated with the Saskatchewan General Trusts Corporation

in the fall of 1914, the late Mr. Ross had been connected with the Trusts and Guarantee Company as manager for Alberta. He was connected with the Trusts and Guarantee Company for some twenty years in various executive positions in the Toronto office, latterly acting as assistant manager. When the Trusts and Guarantee Company decided to open an office in Alberta Mr. Ross was appointed manager, and succeeded in building up a large business. In 1912 Mr. Ross suffered a breakdown in health and had to give up active participation in business. In 1914 the late Mr. Ross became general manager of the Saskatchewan General Trusts Corporation. Mr. Ross was an experienced trust company official, and was honored and respected by all who knew him.

Mr. S. J. Moore presided, in his usual pleasing way, over two annual meetings at Toronto last week, the Wm. A. Rogers and the F. N. Burt companies. At the former meeting he gave some interesting statistics to the shareholders as to the value of the western crop last year. Assuming that it costs ordinarily 70 cents per bushel to grow and market wheat in Western Canada, and that the price obtained averages 90 cents per bushel, the farmer's profit would be 20 cents per bushel. This is, perhaps, more than the average profit which the farmer makes. Compare this with his experience in 1915. The average price for the 1915 crop would probably not be less than 95 cents per bushel. This, for 100 bushels, would give the farmer \$95. The cost to grow and market on the basis of 70 cents per bushel would, for each 100 bushels, cost him \$70, leaving the farmer's profit on each 100 bushels \$25. If he has received two crops in one, he will receive on the second 100 bushels \$95, or a total of \$120. Assuming that the cost for the second 100 bushels is 20 cents per bushel for additional labor, we must deduct \$20 from the above, which leaves the farmer a net profit of \$100 instead of \$20 on an ordinary crop. In other words, said Mr. Moore, his "two crops in one" brings him the equivalent of five years' profits.

GOODYEAR TIRE STOCK OFFERING

Offering the unsold portion, or 1,500 shares, of an issue of \$850,000 6 per cent. cumulative preferred stock of the Goodyear Tire and Rubber Company of Canada, Messrs. Borton and Borton, Cleveland, Ohio, state that all of the common stock except a small portion held by employees is owned by the parent company at Akron. The selling price is par and accrued dividend.

WAR TAX AND SUBSIDIARY COMPANIES

The question has been raised in connection with the new war taxes, as to whether the amount representing the investment in other companies should not be deducted from the total representing the capital invested in the business, in order to arrive at the amount on which the 7 per cent. of exempted earnings is to be calculated. Here is an illustration of the point:—

Amount of paid-up capital and surplus profits of company	\$500,000
Invested in subsidiary companies	150,000
	\$350,000

As the dividends earned on the \$150,000 are exempted from taxation as part of the earnings of the parent company, it is contended by some that the balance of \$350,000 is the amount to be taken as the capital on which the 7 per cent. should be calculated. From a reading of the resolutions now before the House at Ottawa, however, it is seen that dividends received from subsidiary companies are to be deducted from the net earnings of holding companies or firms in estimating their net profits. *The Monetary Times* understands that the finance minister does not deem it expedient to deduct the investment of holding companies in other companies, as suggested in various quarters.

An insurance agent, P. Brand, was fined \$20 at Fort William last week for selling insurance without an Ontario certificate of authority.

The Dominion Fire Insurance Company

HEAD OFFICE - - TORONTO

January 1st, 1916

ASSETS

Bonds at Cost.

City of	Belleville	.....\$	4,800.50	—
"	Brantford	.....	6,965.00	
"	Calgary	.....	5,000.00	
"	Edmonton	.....	10,314.00	
"	Fernie	.....	5,000.00	
"	Kamloops	.....	4,975.00	
"	London	.....	6,463.10	—
"	Moose Jaw	.....	5,019.25	—
"	Nanaimo	.....	5,000.00	
"	Port Arthur	.....	2,054.34	
"	Port Arthur	.....	16,619.00	
"	Regina	.....	10,075.50	
"	Revelstoke	.....	5,000.00	
"	St. Thomas	.....	8,000.00	
"	Toronto	.....	8,879.90	
"	Vancouver	.....	4,039.00	
"	Vancouver	.....	9,749.00	
"	Winnipeg	.....	4,951.50	
Town of	Amherstburg	.....	4,959.31	
"	Galt	.....	4,835.50	
"	Goderich	.....	8,629.93	
"	North Bay	.....	5,389.84	
"	Walkerville	.....	7,568.07	
"	Waterloo	.....	6,374.70	
Village of	Tweed	.....	3,823.37	
District of	Burnaby	.....	3,469.66	
Canadian Northern Railway	Equipment Bonds	.....	4,910.50	
				\$172,865.97

Stocks.

Consumers Gas Company of	Toronto\$	4,872.80
Dominion Bank	.....	10,880.00
Bank of Toronto	.....	5,075.00
Imperial Bank	.....	10,700.00
			31,527.80
Mortgages	.....	13,000.00
Call Loans	.....	5,050.00
Accrued Interest	.....	3,296.74
Plans and Furniture (cost \$22,600.51)	.....	9,000.00
Agents' Balances (net)	.....	26,962.29
Sundry Debtors	.....	7,279.36
Cash in Banks and on hand	.....	60,867.82
			\$329,849.98
Cash Assets	.....	63,680.00
Uncalled Capital	.....	
			\$393,529.98

Paid-up Stock, \$215,820.00.

LIABILITIES

Net Losses unadjusted, December 31st,	
1915	.....\$ 9,911.49
Reinsuring Companies' Deposit Ac-	
count	..... 44,366.53
Reserve for Taxes accruing	..... 3,000.00
Reserve for unpaid accounts	..... 1,758.74
Reinsurance Reserve	..... 131,263.86
SURPLUS TO POLICYHOLDERS—	
Excess of Cash As-	
sets over Liabilities.	\$139,549.36
Unpaid Stock	..... 63,680.00 203,229.36

OFFICERS

PRESIDENT
ROBERT F. MASSIE

VICE-PRESIDENT
PHILIP POCOCK

SECRETARY
NEIL W. RENWICK

ASSISTANT SECRETARY
J. J. BELL



CANADIAN GENERAL ELECTRIC COMPANY

LIMITED

DIRECTORS

W. R. BROCK, Hon. President and Chairman of the Board.		
LT.-COL. FREDERIC NICHOLLS, President.	W. D. MATTHEWS, Vice-President.	HON. J. K. KERR, K.C., Vice-President.
SIR WILLIAM MORTIMER CLARK, LL.D., K.C.		
H. C. COX	A. E. DYMENT	SIR RODOLPHE FORGET
COL. THE HON. SIR J. S. HENDRIE, C.V.O.	F. G. OSLER	SIR HERBERT HOLT
SIR WILLIAM MACKENZIE		J. K. L. ROSS

ANNUAL REPORT OF THE DIRECTORS

Submitted to the Shareholders at the Annual General Meeting of the Company in Toronto,
on Wednesday, March 22nd, 1916.

Your Directors submit herewith the Balance Sheet of the Company as upon the 31st day of December, 1915, also Statement of Profit and Loss for the year, and Certificate of Messrs. Price, Waterhouse and Company, Chartered Accountants.

A reference to the Statement of Profit and Loss will show that a profit of \$1,219,513.86 was earned, and that, after deducting interest and the sum of \$416,222.57 for depreciation, there remains a net profit of \$764,378.97. From this amount, \$698,022.32 has been paid in Dividends and the balance of \$66,356.65 carried to the credit of Profit and Loss. From the total at the credit of Profit and Loss Account the sum of \$300,000.00 has been transferred to Reserve, bringing the amount at the credit of Reserve Account to \$3,000,000.00, and leaving a balance of \$707,119.03 at the credit of Profit and Loss.

Your Directors draw attention to the fact—that there are no Current Liabilities other than Accounts Payable, which are at a minimum. On the other hand, we have Cash on hand and in Banks amounting to \$477,631.09, Investments \$150,977.24, which, added to the amounts set opposite Bills and Accounts Receivable and Inventory, leaves us with total Liquid Assets of \$7,472,232.85.

Since the end of our fiscal year our cash position has further improved, the balance of the Deferred Liability for the purchase of Allis-Chalmers-Bullock, Limited, amounting to \$400,000.00, having been paid off, and the Bonded Indebtedness on properties purchased reduced by \$195,000.00.

Following the usual policy of the Company, our Inventory has been taken at or below cost, and sufficient allowance has been made in respect of any goods considered to be either obsolete or not readily saleable.

Our Machinery and Supplies sales have been much less in volume and amount owing to war conditions, than in years when business was normal, but this shrinkage has to some extent been offset by orders for munitions, which, however, involved a very considerable outlay in special machinery and tools.

While it is impossible to forecast the trend of future business conditions, your Directors are able to state that for the past two or three months the volume and value of orders booked have materially increased, and it is hoped that the improvement will continue during the year.

At the outbreak of war the Company undertook to raise and maintain a detachment of twenty-five electrical and mechanical engineers for service during the continuance of the war, and this detachment has been, and will be, continuously maintained at its full strength until peace has been declared.

It will also be of interest to the Shareholders to know that no less than 638 members of our staff have up to date enlisted for overseas service. Of this number 26 are officers and 69 non-commissioned officers, but our Shareholders will regret to learn that from information received to date, 10 have been killed in action, 11 have been wounded, and one is missing.

FREDERIC NICHOLLS,
President.

**CANADIAN GENERAL ELECTRIC COMPANY, LIMITED
AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET, 31st DECEMBER, 1915**

ASSETS.		LIABILITIES.	
CAPITAL ASSETS—		CAPITAL STOCK—	
Real Estate, Buildings, etc., at Toronto, Peterboro, Bridgeburg, Stratford, Montreal, Branch Offices, Power Plant at Nassau, Canadian Sunbeam Lamp Company, Limited, and Canadian Allis-Chalmers, Limited	\$ 6,252,784.90	Common—Authorized	\$10,000,000.00
Machinery and Tools	3,598,472.46	Issued	8,000,000.00
Patterns and Drawings	719,802.22	Preferred—Authorized and Issued	2,000,000.00
Patents, Contracts and Goodwill	1.00		\$10,000,000.00
Total Capital Assets	\$10,571,060.58		
CURRENT ASSETS—		BONDED AND OTHER INDEBTEDNESS—	
Inventory of Raw Material, Supplies, Work in Progress and Finished Materials, including expenditures on Contracts (less collections on account).....	\$3,830,129.97	Mortgage Obligations on properties purchased.....	\$467,751.25
Accounts Receivable (less reserve for doubtful debts)	2,595,398.41	Bonded Indebtedness on properties purchased.....	500,000.00
Bills Receivable	418,096.14	Deferred liability on purchase of Allis-Chalmers-Bullock, Limited, secured by bonds of the Canadian Allis-Chalmers, Limited, over the Rockfield plant, of a par value of \$400,000	400,000.00
Investments	150,977.24		1,367,751.25
Cash on hand and in Banks	477,631.09	DEFERRED LIABILITIES	198,745.14
	7,472,232.85	CURRENT ACCOUNTS PAYABLE	778,090.49
DEFERRED CHARGES	61,295.28	DIVIDEND ON COMMON STOCK, paid 3rd January, 1916.....	139,904.10
	\$18,104,688.71	RESERVE FOR DEPRECIATION	1,912,978.70
		SURPLUS, per Account Annexed—	
		Reserve	\$3,000,000.00
		Profit and Loss Balance	707,119.03
			3,707,119.03
		(Contingent Liability on Bills Receivable Discounted \$534,615.88)	\$18,104,688.71

We have audited the above Balance Sheet, and certify that it is properly drawn up, and in our opinion shows the true financial position of the Company on 31st December, 1915.

PRICE, WATERHOUSE & COMPANY, Chartered Accountants.

CONSOLIDATED SURPLUS ACCOUNT

Profit for the year ended 31st December, 1915, before providing for Depreciation and Interest on borrowed capital.....	\$1,219,513.86
Less—	
Reserved for Depreciation of Buildings, Machinery and Patterns, etc.	\$416,222.57
Interest	38,912.32
	455,134.89
Net Profit for the Year	\$ 764,378.97
Less—Dividends Paid	698,022.32
Surplus for the Year	\$ 66,356.65
Add—	
Undivided Profits as at 31st December, 1914	940,762.38
	\$1,007,119.03
Deduct—	
Amount transferred to Reserve	300,000.00
Balance at Credit of Profit and Loss Account	\$ 707,119.03
Reserve, after including the above amount of \$300,000.00.....	3,000,000.00
Surplus per Balance Sheet	\$3,707,119.03

DOMINION TRUST LIQUIDATION

The question of the remuneration which should be allowed Messrs. Marwick, Mitchell, Peat and Company, the firm of accountants, who acted for the provisional liquidator during the first year of the liquidation of the Dominion Trust Company, has been finally settled, the bill of the accountants as rendered being passed in full.

The report, as stated, passed the whole bill as rendered, and in commenting on the matter Judge Murphy said he wished to add to the remarks of the auditor-general that, the necessity for the work having been established, he would repeat what he had said before, that the work of the accountants had been very efficiently done. He also said that he did not believe the other expenses of the liquidation were excessive, because it was shown that the salaries paid by the Dominion Trust Company previous to the liquidation amounted to over \$20,000 per month.

The report of Messrs. W. Allison, auditor-general, and H. Neville Wright, traveling auditor of the province of British Columbia, read in part as follows:—

“The investigation in connection with the proceedings against the contributories and in respect of misfeasance required the services of highly-skilled accountants to elucidate the final outcome of certain transactions, which, in many instances, were obscured by innumerable journal entries, and juggled back and forth through various accounts. A proper appreciation of the work involved can only be obtained by a first-hand knowledge of the methods which prevailed. The expenses under this head were divided as follows: In respect of contributories, \$2,112.19; in respect of misfeasance, \$8,397.71.

“The question arises as to whether the official liquidator could not have performed, or at least supervised, much of this work himself with the aid of his staff. It has been amply demonstrated to us that the duties necessarily claiming the personal attention of the liquidator precluded such a course, and after reviewing all the circumstances, we consider the liquidator’s action in delegating certain work on broad lines to Messrs. Marwick, Mitchell, Peat and Company, which they were able to undertake without supervision, while it entailed in some few instances duties which might have been performed by any clerk of average ability, was in the interests of the liquidation as a whole, resulting as it did in a more complete record of the affairs of the company at an earlier date than would otherwise have been possible with an ultimate saving in cost.

“In conclusion, we may add that no adequate conception of the services performed by Messrs. Marwick, Mitchell, Peat and Company can be realized except by a detailed examination, such as we have made.”

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended March 17th, 1916:—

Buffalo Mines, 63,395; Alladin Cobalt Company, 46,500; La Rose Mines, 109,033; Mining Corporation of Canada (Townsite City Mine), 173,130; Beaver Consolidated Mines, 82,076. Total, 474,134 pounds, or 237 tons.

The total shipments since January 1st, 1916, are now 5,801,185 pounds, or 2,900.5 tons.

FARM CREDITS IN WESTERN CANADA

Bankers, Loan Companies and Farmers Discuss Their Mutual Relations—Two Resolutions Carried

Better finance for the farmer, both in the way of short-term loans through banks for operating expenses on the farm, longer term credits from banks for the development of the live stock industry, and long-term or mortgage credits either through the mortgage companies or by government assistance, were phases of "Rural Credits" discussed at a joint meeting of farm interests represented by the Canadian Council of Agriculture and Canadian Banking Association recently at Winnipeg. The subject was introduced to the meeting by papers read by Mr. R. McKenzie, secretary of the Manitoba Grain Growers' Association; Mr. J. N. Burrill, representing the Saskatchewan Grain Growers' Association, and Mr. H. W. Wood, president of the United Farmers of Alberta. These papers put forward the farmers' side of the question.

Mr. Vere C. Brown, superintendent of the Bank of Commerce, read a paper on banking credits, discussing a number of points brought up by the farmers' advocates and Mr. Joseph Campbell, general manager of the Trust and Loan Company of Canada, read a paper on land mortgages.

Loans on Amortization Basis.

After the discussion on long-term loans this resolution was adopted:—

"Whereas it would appear from the full discussion which has taken place that there is no immediate prospect of any betterment of loaning facilities through existing mortgage companies; and further, that those in session assembled are strongly in favor of the establishment of long-term credits, co-operative or otherwise, on an amortization basis.

"Be it resolved that we place on record our agreement with this general principle and recommend to the various organizations here represented that they press upon the federal and provincial governments the adoption thereof, so far as their respective spheres and powers permit."

Bank Loans and Interest.

The resolution on bank loans that was carried was:—

"Resolved, that in the opinion of this joint committee it is desirable in the general interest that an understanding be reached between the banks and the farmers with regard to the further development of rural banking credits; and that a conference should be arranged between the bankers and the farmers to discuss the following points: (1) The extension of the time usually granted for short-term credits, so as to permit of the more effective and profitable production and marketing of grain and other farm products. (2) The provision of credits of sufficient duration for the feeding and raising of live stock. (3) The facilities that the banks would be prepared to give to co-operative circles of farmers who might pool their credit. (4) The extent to which banks would be prepared to recognize the additional safety thus provided by granting reduced rates of interest to such co-operative circles."

It was agreed that at the next meeting of the joint committee of commerce and agriculture there would be a discussion on the relations between the farming and business interests in regard to co-operative trading, which will probably bring about a conference with the wholesalers and retailers. Another subject to be dealt with is that of the distribution of the burden of taxation equitably upon all the interests in Canada.

GOOD VALUE RECEIVED

The following letter comes from Messrs. Dixon Bros., who operate a progressive departmental store at Maple Creek, Saskatchewan, one of the best of its kind west of Winnipeg:—

"Enclosed find our marked cheque for \$3, payable at par in your city, being renewal subscription to *The Monetary Times* for year ending December, 1916. Please receipt and return enclosed account.

"We have been on your books for the past forty years, and can say we have at all times received good value for our money. Business here is fairly good and nearly back to normal."

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

St. John, N.B.—The city is applying to the legislature for permission to issue bonds for workmen's homes.

Windsor, Ont.—The board of education are requesting the council to submit a by-law to issue \$90,000 bonds for a new collegiate.

Saskatoon, Sask.—The city has for sale a number of tax sale certificates which will be sold during March, plus 2 per cent. interest instead of 10 per cent.

Walkerville, Ont.—The issue of \$8,292 5½ per cent. 10 instalment bonds have been awarded to Messrs. A. H. Martens and Company, Toronto.

North Bay, Ont.—Tenders are desired for \$7,721 6 per cent. 15-year and \$22,234 6 per cent. 30-year bonds. The closing date for bids is April 15th. M. W. Flannery, treasurer. (Official advertisement appears on another page.)

Warner R.M., Alta.—The municipality's annual return shows assets totalling \$24,958, being \$599 in excess of liabilities, which include \$17,783 debentures unpaid. Mr. W. B. Brown audited the accounts and Mr. E. Trackstead is secretary-treasurer.

Call, Ont.—The municipality's estimates for the year total \$202,312.18, an increase of \$10,273.58, made up by increased debenture debt, war tax and increased appropriation for public schools. To raise this amount it is necessary to levy a rate of 29 mills, an increase of one mill.

Anderdon Township, Ont.—For an issue of \$1,020 5½ per cent. 5 instalment bonds there were four bids, Messrs. C. H. Burgess and Company, Toronto, receiving the award. The bids were: Messrs. Macneill and Young, 99.26; G. A. Stimson and Company, 98.26; C. H. Burgess and Company, 99.50; Canada Bond Corporation, 99.18.

Redcliff, Alta.—The town's annual balance sheet, as audited by Messrs. W. A. Henderson and Company, chartered accountants, shows that the assets total \$604,734, including accounts receivable \$126,792, and unsold bonds at par \$151,200.

A surplus over liabilities is shown as follows: Balance, 1914, \$67,984; and balance revenue account, \$23,092.

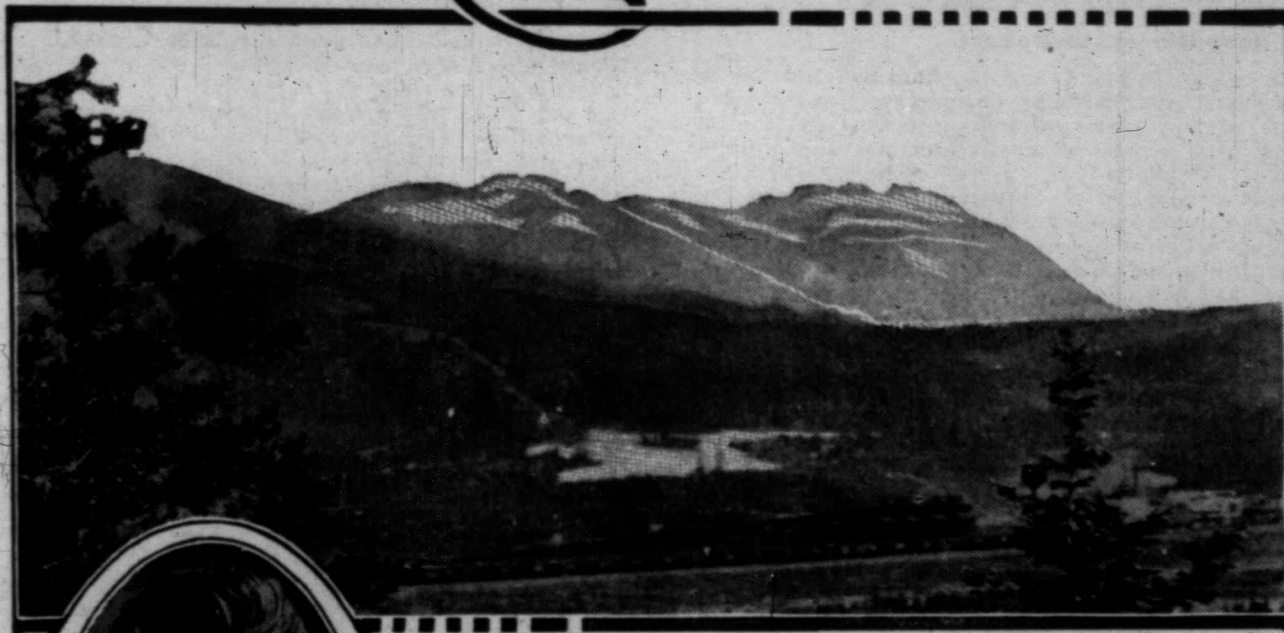
York Township, Ont.—For an issue of \$17,000 school bonds, the following bids were received by Mr. W. J. Douglas, treasurer, the bid of Canada Bond Corporation being accepted:—

Canada Bond Corporation	\$17,355
Imperial Bank	17,226
Murray, Mather and Company	17,108
Kerr, Fleming and Company	17,033
Macneill and Young	17,095
R. C. Matthews and Company	17,017
A. E. Ames and Company	17,005
Wood, Gundy and Company	17,114
C. H. Burgess and Company	17,074
Graham, Macdonald and Company	16,919
Brent, Noxon and Company	17,111
A. H. Martens and Company	17,087
G. A. Stimson and Company	17,127
W. L. McKinnon and Company	16,983

South Vancouver, B.C.—Mr. J. B. Springford, municipal clerk, tells *The Monetary Times* that the South Vancouver council has unexpended and on hand the sum of \$134,640 capital funds exclusive of sewer moneys, and they have deemed it advisable that this money should not be expended at present, also, whereas this money is drawing interest at the rate of 3 per cent., by temporary diversion a saving of 3½ per cent. could be made by the use of same for the payment of the interest on April 1st, as mentioned above, instead of raising a further loan with the bank or with outside parties.

Just at present the municipality is short of funds, more especially in the meeting of this interest, and this is mostly due to the fact that after holding a tax sale last year, a promise was made by ex-premier Sir Richard McBride that the period of redemption would be extended for another year at this session of the house, and this has worked a certain hardship upon the municipal council in financing. This, however, is being remedied, Mr. Springford understands, by the provincial government in the granting of powers to issue certificates on arrears of taxes.

MOUNT CAVELL IS NAMED IN HONOUR OF *the* NOBLEST TYPE *of* BRITISH WOMANHOOD



Mount Cavell, Jasper Park, Alta. seen from 10 miles away.



*Miss Edith Cavell.
Died for her country
Oct 12th 1915.*

As one travels Westward from Edmonton on the line of the Grand Trunk Pacific, the mountains increase in number and size until finally they swell into the gigantic Rockies, whose snow-capped peaks sparkle in the brilliant sunshine. Rising one above the other in grand array these giants of the Rockies appear to form an impenetrable barrier against which further progress is impossible. But out from

among the mountains flow the hurrying waters of the Athabaska, and here, along the valley of this river is found a way provided by nature. This is the Yellowhead Pass whose scenery has never failed to impress those who have had the good fortune to gaze upon it.

The engineers of the Grand Trunk Pacific Line took the steel along the South bank of the Athabaska and between the two Eastern sentinels of the Pass—Boule Roche Mountain and Roche a Perdrix. The Athabaska river, which extends in places to the breadth of a lake, is followed by the G. T. P. until Jasper is reached, this being the central point in the famous Jasper Park, the 4,400 square mile reserve set aside by the Dominion Government, owing to its natural loveliness, as a playground for the people for all time.

At Jasper the Athabaska River swings away Southward from the Yellowhead Pass and a magnificent view is had looking along the valley towards the point where it makes a junction with the turbulent Whirlpool River. Splendid mountains rise up on either side and one peak in particular attracts the eye by its great height and beautiful symmetry. This fine, hitherto unnamed peak will now, it has been determined, bear the name of Mount

Cavell, in honor of the martyr nurse who died for her country, October 12th, 1915. Official action to this effect was taken at a meeting of the Geographic Board of Canada, which is the governing body in all matters relating to place names, held in Ottawa, on March 7th, 1916, and an announcement to this effect is to be issued by Dr. E. Deville, Surveyor-General—thus disposing of the claims put forward in behalf of other peaks for the honor of bearing Miss Edith Cavell's name. Passengers on the Grand Trunk Pacific can see this mountain which is 11,200 feet high, from Jasper Station, and it is also in view from the grade for a distance of more than fifteen miles West of this point. Mount Cavell can also be reached from Jasper Station by an excellent trail, and it will, no doubt, be visited by thousands of travellers in the future. General approval will be expressed at the decision of the Geographic Board. It was first suggested that the famous Mount Robson should be re-christened Mount Cavell, but Canada's highest peak, which is also on the Grand Trunk Pacific, just West of the boundary line between Alberta and British Columbia, is already known by its present name the world over and any change in this regard would have led to confusion.

REGULATION OF INSURANCE

Judicial Committee of the Privy Council Defines Powers— Power of Provinces and Right of Dominion

The judicial committee of the privy council has given its decision on the reference by the government of Canada of certain questions relating to the insurance act of 1910. The case is described in the records as the attorney-general for the Dominion of Canada vs. the attorney-general for the province of Alberta, and others, with the attorney-general for British Columbia (intervenant)—the attorney-general for Ontario and others vs. the attorney-general for the Dominion of Canada—with the attorney-general for British Columbia (intervenant).

Questions Submitted by Government.

The questions submitted by the Canadian government for the consideration of the supreme court were as follows:—

"1. Are sections 4 and 70 of the insurance act, 1910, or any or what part or parts of the said sections ultra vires of the parliament of Canada?"

"2. Does section 4 of the insurance act, 1910, operate to prohibit an insurance company incorporated by a foreign state from carrying on the business of insurance within Canada; if such company do not hold a licence from the minister under the said act, and if such carrying on of the business is confined to a single province?"

How Sections Read.

The fourth section is:—

"In Canada, except as otherwise provided by this act, no company or underwriters or other person shall solicit or accept any risk, or issue or deliver any receipt or policy of insurance, or grant any annuity on a life or lives, or collect or receive any premium, or inspect any risk, or adjust any loss, or carry on any business of insurance, or prosecute or maintain any suit, action, or proceeding, or file any claim in insolvency relating to such business, unless it be done by or on behalf of a company or underwriters holding a licence from the minister."

The 70th section, in addition to other provisions, imposes penalties for carrying on business without a licence in contravention of section 4. The majority of the court were of opinion that the two sections were ultra vires. To the second question the majority answered: "It would do so if intra vires."

The argument took up several sessions of the committee.

Arguments of Council.

Mr. Newcombe, K.C., opening the case for the Dominion, said that the first question was a constitutional one as to the power of the Canadian parliament to enact sections 4 and 70 of the insurance act, and the second was whether section 4 prohibited an insurance company incorporated by a foreign state from carrying on business if it did not hold a licence from the minister of finance and whether it confined its operations to a particular province.

The Lord Chancellor said that it seemed that the sole point raised was whether the section was ultra vires or not.

Mr. Newcombe agreed. He said that a prosecution was instituted in 1909 in Montreal against a company which was carrying on business there without a licence. The company maintained that the section was ultra vires.

Lord Haldane asked if there was any suggestion that a licence had been issued under an old act—under legislation enacted before the federation.

Mr. Newcombe.—There is no suggestion, but it may be the case.

Review of Insurance Law.

Counsel reviewed the Canadian insurance law from 1868, and argued that at the time of federation old legislation was to stand until repealed or abolished.

The Lord Chancellor said that the question was whether what was done was a "regulation" within the description "general trade regulations." Was insurance a trade?

Sir Robert Finlay indicated dissent.

Mr. Newcombe said that that point had been raised before, and the board assumed insurance to be a trade. At any rate, it was incidental to trade.

Mr. Newcombe contended that the business of insurance was a "trade," and said that that was insisted upon by Adam Smith in his "Wealth of Nations." In the proclamation

against trading with the enemy, insurance business was included among the prohibitions. The tremendous importance of the insurance business in Canada was such that practically everything was wrapped up in it. Insurance companies frequently developed into savings banks. Life insurance was substituted for capital for the purpose of obtaining advances. There must be a power to regulate such a "trade."

And the Decision.

As reported in The Times' Law Reports of February 24, Lord Haldane, for the judicial committee, after quoting the questions and section 4 (as above), said:—

Section 70 was an ancillary section which imposed a penalty on every person who contravened or attempted to contravene the provisions of the section above and other sections.

Their Lordships thought that on past decisions it must now be taken that the authority to legislate for the regulation of trade and commerce did not extend to the regulation by a licensing system of a particular trade in which Canadians would otherwise be free to engage in the provinces. Section 4 of the statute could not be justified under that head. Nor did they think that it could be justified for any such reasons as appeared to have prevailed in *Russell v. the Queen* (7 A.C., 829). No doubt the business of insurance was a very important one, which had attained to great dimensions in Canada. But that was equally true of other highly important and extensive forms of business in Canada, which were to-day freely transacted under provincial authority.

Would Have Been Unnecessary.

Where the British North America Act had taken such forms of business out of provincial jurisdiction, as in the case of banking, it had done so by express words which would have been unnecessary had the argument for the Dominion government addressed to the board been well-founded. Where a company was incorporated to carry on the business of insurance throughout Canada, and desired to possess rights and powers to that effect operative apart from further authority, the Dominion government could incorporate it with such rights and powers, to the full extent explained by the decision in the case of the *John Deere Plow Company* (15 A.C., 330). But if such a company sought only provincial rights and powers, and was content to trust for the extension of those in other provinces to the governments of those provinces, it could at least derive capacity to accept such rights and powers in other provinces from the province of its incorporation.

Their lordships were therefore of opinion that the majority in the supreme court were right in answering the first of the two questions referred to them in the affirmative.

The second question was, in substance, whether the Dominion parliament had jurisdiction to require a foreign company to take out a licence from the Dominion minister, even in a case where the company desired to carry on its business only within the limits of a single province. To that question their lordships' reply was that in such a case it would be within the power of the parliament of Canada, by properly framed legislation, to impose such a restriction. It appeared to them that such a power was given by the heads in section 91, which referred to the regulation of trade and commerce and to aliens. That question also was therefore answered in the affirmative.

REDEMPTION OF VANCOUVER'S BANK BILLS

Bills of the Bank of Vancouver in circulation total \$272,302. Arrangements have been made by Mr. E. Buchan, the liquidator of the bank's affairs, for the redemption of the notes, which are mainly held by Vancouver banks. All Bank of Vancouver notes that were presented at the office of the liquidator, Dominion Building, Pender Street, Vancouver, on March 15, will be paid with interest at 5 per cent. per annum, from December 14, 1914, the date of the suspension of the bank. Interest ceased on March 15, and all notes presented for payment since, bear interest until that date only.

The redemption of the notes does not mean that the liquidator has collected sufficient money to pay all notes in circulation, but that the Dominion minister of finance at Ottawa has placed the liquidator in funds out of the banks' circulation redemption fund, under section 65 of the bank act, through the operation of which notes of all Canadian banks are guaranteed. The liquidator will require to reimburse this fund as collections are made up to the full amount of the bank's notes.

City of Saskatoon

FINANCIAL STATISTICS OF INTEREST TO INVESTORS

ESTIMATED POPULATION 25,000

1. ASSESSMENT AND TAXATION

Assessment, 1916	\$ 37,689,722
Tax Rates, 1916—	
Public School Supporters	18.35 Mills
Separate School Supporters	19.10 Mills
Tax Levies, 1916—	
General	\$432,938.51
Library	5,647.02
High School	30,117.46
Public School	209,593.43
Separate School	14,114.73
Total Tax Levy	\$692,411.15
Local Improvement Levies	\$129,358.00
Total General Revenue, 1915	\$ 680,827.14
Total General Expenditure, 1915	637,226.00
Surplus	\$ 43,601.14
Taxes collected from January 1st to December 31st, 1915	
Compared with 1914 the Assessment has been reduced by	33 per cent.
Compared with 1914 the Total Tax Levy has been reduced by	33 per cent.

2. FLOATING CURRENT AND CAPITAL LIABILITIES TO DATE

Capital Account	
Accounts Payable to Contractors and others	\$ 39,715.40
Holdbacks on Contracts (\$2,500 falling due 1916)	27,212.00
Treasury Bills	Nil
	\$ 66,927.40
Current Account	
Bank Loan	\$ 66,000.00
Sinking Fund Payable	450,311.03
Accounts Payable	24,111.31
	540,422.34
Grand Total Capital and Current Account Liabilities	\$ 607,349.74

3. GROSS AND NET DEBENTURE DEBT OF CITY

Total Debentures authorised	\$8,648,229.36
Less Debentures unsold	630,410.94
Gross Debt	\$8,017,818.42
Less Sinking Fund—	
General	\$ 285,852.85
Public Utilities	165,695.71
Local Improvements	452,997.38
Debentures Redeemed	5,133.23
	\$ 909,679.17
Less Debt of Public Utilities—	
Electric Light and Power	\$1,382,665.00
Waterworks	673,648.80
Street Railway	625,000.00
	\$2,681,313.80
Deduct Sinking Fund	165,695.71
	2,515,618.09
Less Local Improvement—	
Debenture Debt	\$1,938,325.96
Deduct Sinking Fund	452,997.38
	1,485,328.58
Net Debenture Debt	\$3,107,192.58

4. STATEMENT SHEWING RECEIPTS AND EXPENDITURES OF PUBLIC UTILITIES FOR THE YEARS 1913, 1914 AND 1915

DESCRIPTION	ELECTRIC LIGHT AND POWER			STREET RAILWAY			WATERWORKS		
	1913	1914	1915	1913	1914	1915	1913	1914	1915
Operating Expenses	\$242,601.59	\$205,387.39	\$167,418.04	\$137,334.11	\$126,429.27	\$106,938.26	\$ 97,375.65	\$ 65,295.30	\$ 54,025.31
Depreciation, Interest & Sinking Fund	74,045.00	96,641.75	99,692.66	40,818.05	51,876.35	50,558.16	23,133.66	26,566.36	24,241.45
Revenue	\$316,646.59	\$302,029.14	\$267,110.70	\$178,152.16	\$178,305.62	\$157,496.42	\$120,509.31	\$ 91,861.66	\$ 78,266.76
	347,201.76	340,628.08	275,130.11	158,487.33	144,996.93	126,522.50	124,623.01	108,001.26	87,517.59
Profit or Loss	\$ 30,555.17	\$ 38,598.94	\$ 8,019.41	\$ 19,664.83	\$ 33,477.56	\$ 30,973.92	\$ 4,113.70	\$ 16,139.60	\$ 9,250.83
	Profit	Profit	Profit	Loss	Loss	Loss	Profit	Profit	Profit

Note the reduction in operating expenses in 1915 compared with 1913....

Electric Light and Power	31 per cent.
Street Railway	22 per cent.
Waterworks	44 per cent.

The Electric Light rates were reduced and the water meter rents eliminated in 1915. For the first two months of this year the Street Railway shows a profit of \$1,548.74, after allowing for Sinking Fund Interest and Depreciation.

A. MACG. YOUNG, Mayor.
C. J. YORATH, Commissioner.

WHACKS BIG PAPER ISSUE

Finance Minister White Says W. F. Maclean's Proposals are Impossible, Impracticable and Illusory

During the discussion in the House at Ottawa last week relative to the forthcoming Dominion loan in the United States and to Canadian financing generally, Mr. W. F. Maclean (South York) suggested the borrowing of \$250,000,000 at a 25 per cent. reserve against a possible issue of national currency up to \$1,000,000,000 if such an issue became necessary. Sir Thomas White, finance minister, replying to the suggestion, regarded it as an impossible, impracticable and illusory proposal. "Why not nationalize your currency; why not make the banks take Dominion note circulation and call it their notes?" Those were the questions of Mr. Maclean, said Sir Thomas, "but if you did that," continued the finance minister, "and it is possible to do it, it would mean that the banks would owe the government in respect of the note circulation the amount of their present note circulation, and would put out Dominion notes to that amount. The fundamental mistake made by the hon. member for South York, if I may say so, is this: He does not realize that note currency, bank note currency, or Dominion note currency, is only useful for circulation purposes; and that you cannot increase that circulation beyond a certain amount without in reality, making a forced loan without interest, either from the bank or from the community.

Community's Pocket Money.

"The banks have a certain note circulation which varies from time to time according to the commercial needs of the community. It is pocket money in the community, till money, so to speak. If a man gets a thousand dollars or two thousand dollars in bills, he does not carry them in his pocket, but deposits them in the bank, and, by the clearings the next day, the several banks that have issued the bills get back their notes and have to pay any balance against them in gold, or the equivalent of gold—viz., Dominion notes. My hon. friend says: Why not go to New York and borrow \$500,000,000 of \$250,000,000 in gold and then, to the extent of 25 per cent., make that gold a deposit against an issue of \$1,000,000,000, and then we will have plenty of money for the needs of Canada, plenty of money for the Imperial government, plenty of money to purchase munitions and carry on the war. The idea is so apparently feasible, I might ask him: Why does not the Imperial government gather up a thousand million dollars of gold and issue four thousand million dollars of paper money? Why does not any government do that?"

Printing Press Money.

"It is very easy to turn on the printing press, even if you have a 25 per cent. reserve of gold, but nevertheless, to the extent that the notes are not required for the circulation needs of the community, your paper has been watered; to that extent you have made a forced loan without interest; and the inevitable result will be the depreciation of your currency. Let me give an extreme case. Supposing to-morrow the Dominion government put out an issue of a thousand million dollars of paper. Who would take it? What would happen? The public would get it. They would take it in payment of services or for commodities, and they would deposit it in the banks. It would not be required for the circulation of the community, and the result would be that the banks of Canada would soon have tens of millions of dollars lying idle, not bearing any interest, and what would be the inevitable result? Why, a bank or a financial institution would say: We will take a bond because it bears interest, but we do not want a note, that is not needed for the circulation purposes of the country, lying idle and unremunerative in our vaults.

Gold Would go to Premium.

"And what would be the result? Gold would go to a premium and your note would go to a discount, and the inevitable result of a large issue of paper money, an issue of paper money beyond the circulation requirements of a community, would be depreciation in your currency, destruction of your credit, and the loss of the gold that your country has. There is no doubt about that whatsoever. To-day the circulation needs of this country are met by the bank circulation and by the Dominion note circulation. Increase it by \$10,000,000 and you get redundancy; increase it by \$50,000,000 and you get a great redundancy, and your notes are at a discount, and your gold at a premium.

"If there is anything we desire to avoid at this time; if there is anything calculated to damage the credit of the Dominion in New York or anywhere else, it would be to state that we were going to put out an issue of \$1,000,000,000 of paper against \$250,000,000 of gold. My hon. friend suggests the putting out of \$1,000,000,000 worth of paper against \$250,000,000 of gold on top of the present Dominion note circulation, for the purpose of financing our requirements and the requirements of the Imperial government. I think the result would be depreciation. At the time of the American civil war, the North had to resort to paper currency, and so had the south. What happened? I may say that Germany is resorting to paper currency to-day. The paper currency of the North went down to between 35 and 40, and it was fifty years at least after the end of the civil war before the currency of the United States was restored to a parity with gold. What happened to the paper currency of the South? It became absolutely valueless: ten thousand would not buy a plug of tobacco.

Stands for Sound Finance.

"I stand, and intend to stand for sound finance, and I think that in this country, at this time, we should stand for sound finance, because it means so much to the credit of this country. A propaganda of that kind at this time is, in my judgment, a dangerous propaganda, because it holds out hopes to the people that cannot be realized. Speaking for myself, I do not know anything that would injure the credit of this country, that would prevent us from getting loans at a fair interest, that would impair our standing in the world more than an enormous issue of paper currency."

BANKS AND WAR FINANCE

The Canadian banks are taking a full share of the financial burden of the war. Their decision to establish here a credit of \$75,000,000 on behalf of the Imperial authorities has brought a cordial message of thanks from chancellor Lloyd George. In many other ways, not made public, the banks are assuming heavy responsibilities.

The following is the official list, published for the first time, of their subscriptions to the domestic war loan of November last:—

Bank.	Amount of allotment.
Bank of Montreal	\$ 3,134,300
Quebec Bank	514,500
Bank of Nova Scotia	1,286,600
Bank of British North America	953,600
Bank of Toronto	979,700
The Molsons Bank	784,900
La Banque Nationale	300,000
Merchants' Bank of Canada	1,372,400
La Banque Provinciale du Canada	195,900
Union Bank of Canada	986,400
Canadian Bank of Commerce	2,938,700
Royal Bank of Canada	2,273,100
Dominion Bank	1,200,900
Bank of Hamilton	587,600
Standard Bank of Canada	857,800
La Banque d'Hochelaga	350,000
Bank of Ottawa	857,800
Imperial Bank of Canada	1,372,400
Home Bank of Canada	260,000
Northern Crown Bank	300,000
Sterling Bank of Canada	165,000
Weyburn Security Bank	70,000
Total	\$21,741,600

The original amount subscribed by the banks was \$25,000,000, but owing to the success of the loan the amount was reduced to the above total.

The amount subscribed by each bank to the British war loan was a matter for each bank to decide, and some of the banks have declined to give particulars. Fifteen of the twenty-two banks in Canada reported a total amount subscribed of £857,000. That all of the chartered banks subscribed well over £1,000,000 is regarded as a safe estimate.

Almost the only short-term securities purchasable in London at the present time which are suitable to the Canadian banks for the temporary employment of money are British Government treasury bills and exchequer bonds.

The Canadian Ford Company has Spent Over a Million Dollars on New Equipment Since the Beginning of War

To increase the efficiency and the capacity of the Ford Canadian plant and its service stations—to produce even a better car at a lower cost of manufacture, thus to sell at a lower price, the Ford Canadian executives have put over a million dollars into new equipment since August, 1914.

That this expenditure has been made since war began indicates most emphatically the unquestionable belief of the Canadian Ford Company in the present and future prosperity of Canada and the triumph of the Empire. In fact the Ford Canadian executives are so firmly convinced of this that they are governing the entire policy of a great ten million dollar Canadian Company in accordance with this belief.

Since the beginning of war they have spent approximately a million and three-quarters in new buildings, twice reduced the price of the car by \$60 (\$120 in all) and reduced the price of spare parts \$147 per car—all in addition to this million dollars worth of new equipment.

But, in turn, it has been this new equipment that has been responsible in great part for these reductions in prices. Marvelous new labor saving machinery installed in the recently enlarged two-acre machine shop has effected big savings in cost of manufacture.

For instance three drill presses that formerly were used to turn out 600 parts a day, now have been supplanted by three punch presses that turn out 3000 parts a day, and there is absolutely no sacrifice in quality of work.

At a cost of \$40,000 three truly wonderful milling machines were installed that mill 48 Ford engine cylinders at once with perfect accuracy.

Perhaps the most wonderful of all are the new gear cutting machines that are a source of amazement to those acquainted with gear cutting methods in vogue several years ago. Then there were only two or three shops on the continent where gear cutting could be done at all and it was a slow and most exacting process. But in the Ford Canadian plant there are no less than 46 wonderful automatic gear cutting machines that turn out gears cut absolutely perfect in one-twentieth the time without the touch of human hands except for putting in the blank and taking out the finished gear.

When the machine has finished the work it notifies the operator by ringing a bell. One man can operate two or three of these machines, a fact which gives some indication of the great saving in labor that this new equipment has made possible and which also plays a very important part in reducing the manufacturing cost and the selling price of Ford cars.

Again, think of the great saving in labor, as well as time, effected by the remarkable Ford drilling machine that bores 45 holes in a cylinder casting in four directions at a single turn.

Do not assume from this, however, that the number of employees has been decreased. On the contrary, the Ford staff has been increased by 900 men since war began. Furthermore when the present Ford schedule of wages went into effect in April 1915, the wages of these employees were increased \$50,000 a month.

If it were not for the exceedingly substantial economies made possible by this new equipment, it can be readily understood that the price of the Ford car, built as it is today of the finest materials procurable, would be very much higher.

No firm that did not have the immense quantity production of the Canadian Ford plant could possibly afford to install such equipment as this and consequently could not sell a car as good as the Ford at anywhere near the Ford prices.

In addition to the equipment told of above new engines were installed in the power plant at Ford, Ontario—650 horse power gas engines specially designed by Ford Engineers.

Also the four new Ford Branch buildings at Montreal, Toronto, London and Winnipeg, each of them as large as many automobile factories, had to be furnished with machinery and appliances. Each one of these branches is so thoroughly equipped as to be able to build a Ford car complete. Each one forms a still further perfection in the already unrivalled Ford Service to Ford owners.

And the fact cannot be overlooked that a policy that dictated the expenditure of such a great sum of cold cash as this during the progress of the war must have been prompted by a very practical and sincere belief in Canada's prosperity—in her future and in her people.

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Ford, Ontario

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 Ford Coupelet . . . 730
 Ford Sedan . . . 890
 Ford Town Car . . . 780
 f. o. b. Ford Ontario



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DEFENDS TERMS OF \$45,000,000 LOAN

Sir Thomas White Explains Conditions Under Which Loan was Issued Last Year

The criticisms of the Dominion loan of \$45,000,000 negotiated last August in New York (criticisms which *The Monetary Times* has previously contended are unfair), were answered by Sir Thomas White, finance minister, in the House at Ottawa last week. "Municipalities and provinces had been borrowing or were about to borrow," said Sir Thomas, "and the community had not really become aware of the changed conditions which existed. When the British government departed from the 3½ per cent. standard, and got on the 4 per cent. standard, and departed from the 4 per cent. and got on the 4½ per cent. standard, all the municipalities were more or less disturbed, because it established a new rate for loans. Let us take the situation that existed when I placed the \$45,000,000 loan in August last. In my opinion, that was one of the most useful loans that had ever been placed by the government of Canada. It served Canada admirably well, and it served the Imperial government admirably well, and paved the way for the \$500,000,000 Anglo-French loan. The loan which we negotiated last August aggregated \$45,000,000: \$25,000,000 one-year notes, maturing on August 1, 1916; \$20,000,000 two-year notes, maturing on August 1, 1917, coupled with a provision to take Dominion 20-year bonds at par, maturing in 1935.

Commission was Low.

"The rate of commission paid was exceptionally low, being three-quarters of one per cent. I do not know of any transaction that has been negotiated to better advantage in New York since the outbreak of the war. It is only fair to say that the commission of three-quarters of one per cent. was in respect of one and two-year securities. In England, the ordinary rate of commission runs from 2 to 2½ per cent. upon what might be called permanent borrowing, not upon treasury bills. The situation in England last year was this: The British government, in June last, was about to place the largest loan in the history of the world on the British market. We had arranged to be allowed to borrow in England \$80,000,000 for public works, and for the general purposes of the Dominion. Without the consent of the Imperial government it would not have been possible for any government or municipality to borrow in England. It was my purpose to borrow in England in the usual way, by issuing securities at such rates as we should be obliged to pay. Coming to April of last year, we had borrowed £5,000,000 of the \$80,000,000 which had been placed, and in the ordinary course we should have gone upon the British market again in June and July. We had treasury bills to the amount of £5,000,000 maturing in June which had been negotiated the previous February.

On 4½ per Cent. Basis.

"Two things happened: In the first place, the British government were about to place the large loan of \$3,000,000,000, and you will realize what effect that would have upon the British market. The British government had to go upon the 4½ per cent. basis. In addition to that, the exchange situation was more serious than it had ever been since the Civil War. I could have put out two or three or four million pounds of treasury bills in Great Britain at 5 to 5½ per cent. But in order to get the money out here, I should have had to pay in August of last year 5 per cent. on the transfer; that is to say, if I had put up treasury bills in London for one, two, or three million pounds, I should have been obliged to pay 10 per cent., because it would have cost me 5 per cent. to get the money over here.

"In view of those conditions in the British market by reason of the flotation of that enormous war loan (which was a most conspicuous success), by reason of the exchange situation, and by reason of the further fact that we did not desire to be selling sterling exchange in competition with the Imperial government, which was facing the exchange situation, in making their purchases on this side of the Atlantic, we determined to venture in the New York market. Canada had never before made a loan in New York. I took the matter up through the usual channel, the Bank of Montreal, which acts as fiscal agent for the Dominion, and we carried the negotiation on quietly. No intimation reached the public until the loan was announced. The negotiation lasted for two or more weeks. The loan was negotiated to a point where we felt it was an absolutely fair transaction, having

regard to the conditions that there existed. We enlisted the support of the strongest interests in the city of New York.

"There are two things that must be borne in mind in connection with every loan. In the first place, regard must be had to the terms, and that is a matter of negotiation. The terms should be judged by the prevailing financial conditions. The second feature to which regard must be had is the fact that it is extremely desirable that a loan should be a success, that is to say, that the loan should reach a premium. It is very desirable to have a market in which your loans are a success. Therefore, that aspect of the matter must not be overlooked when considering the question of price. That loan was negotiated in New York, and it was one of the most useful loans ever placed by the Dominion government. It was particularly useful having regard to the exchange situation prevailing last August, it was decidedly in the Imperial interest and it paved the way for the Anglo-French loan of \$500,000,000.

New Basis for Loans.

"It is a fact that a new basis was established for securities; that is to say, a new basis appeared to be established for securities, but in reality, the fact was that the basis had existed, but it was not known that it did exist. The market had been an uncertain one. When bond houses would attempt to place securities, there was doubt as to what price should be paid, and there was a certain difficulty in placing securities, but when the true price was established by the Dominion flotation in New York, the air was cleared and people knew what they had to face in the way of interest rates, and they faced them. The result has been that there has been a first-class market in New York for the higher grade of Canadian municipal and provincial securities.

"This loan of ours in New York paved the way for the Anglo-French loan of \$500,000,000. Any doubts that any persons may have had (as to our loan) at that time were dissipated when headed by the Lord Chief Justice of England, a man who had had wide experience in finance, and other representatives of the British treasury, the Imperial Commission, representing all the great bankers of London, came over to negotiate the \$500,000,000 loan. What was the result? The result was that the arrangements which had been made by the Canadian government through the finance minister and Sir Frederick Williams-Taylor were more favorable than the arrangements made by the Imperial Commission. The gentlemen whom I named were accompanied by representatives of the French government. That commission, representing, as they did, the Imperial government and the French government, and pledging their joint credit, were not able to obtain as good an interest rate, or to negotiate on as fair a basis of borrowing, as the \$45,000,000 loan was negotiated on. Of course, no reflection whatever is made upon the commission which negotiated the Anglo-French loan. I think they handled that very important matter with great tact and ability, but the facts had to be faced, and among the facts are the interest rate and financial conditions.

Face the Interest Rate.

"I made up my mind that the true policy for the government to pursue was to face the facts, to face the interest rate, and to avoid, so far as it was possible, short date borrowings. What I mean is this: In the first place, short date borrowings may provide for the time being, but you may need fresh borrowings for the purpose of the war; secondly, after the war there is always a period of so-called reconstruction, in which it may be very necessary that you should have available your full credit resources for the purpose of the nation in that period. No matter who may be the finance minister of this country, no matter what the government of the day may be, it is the duty of the minister of finance at this time to face the existing situation and borrow for longer dates rather than for shorter dates in order that these short date loans may not mature during the remaining period of the war, or in the period immediately succeeding the war.

"In regard to the \$45,000,000 loan, I would very much rather have made a five or ten-year loan, but the conditions at that time were such that I could not make a five or ten-year loan, and the result is that I had to make a one or two-year loan, and I had to give an option which at the time I would much rather not have given. The transaction was carried out to the best of the ability of those who negotiated it and in the result I think it stands out as rather a notable instance of a loan, negotiated for the first time in a foreign market, under exceptionally favorable conditions having regard to the market situation at that time."

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DOMESTIC LOAN TO COME LATER

Possibly Towards the End of the Year, Says Finance Minister—Credit Arrangements with Imperial Government

That he had arranged with the Imperial government for a credit of £30,000,000, but that it was not proposed to draw upon this credit unless absolutely necessary, was one of the statements made by Sir Thomas White, finance minister, in discussing the Dominion loan of \$75,000,000 now being negotiated. He also hinted at the possibility of another domestic loan towards the end of the year. Sir Thomas reminded the members that financial conditions are unsettled and uncertain, and it is in the interest of the Dominion that we should be in a position to take advantage of favorable opportunities for borrowings as they arrive. Last year the conditions, in their susceptibility to change, were almost kaleidoscopic. A favorable opportunity would arise for a loan and a week or ten days afterwards the conditions would be unfavorable.

Cannot Borrow in Britain.

For several reasons, he added, it is inexpedient to borrow at present in the United Kingdom; if for no other reason the exchange situation, and the large cost of bringing money to this country if borrowed there. We are therefore limited practically in our borrowings to this side of the Atlantic; in other words, to Canada and to the United States.

"The prime minister," said Sir Thomas, "will introduce this year, as he did last year, a bill to cover the estimated war expenditure of the Dominion for the coming year. He introduced a bill authorizing an expenditure amounting to \$100,000,000 last year. I should think the amount asked this year would be in the neighborhood of \$250,000,000. The Dominion, for the coming fiscal year, will be confronted, using round figures, with a situation in which, from April 1, 1916, to March 31, 1917, we shall have to raise by way of loans in the neighborhood of possibly \$200,000,000 or \$225,000,000. I am unable to state the amount definitely because the sum will depend upon the number of men who will be under arms by the end of the year, and the times at which they enlist. We have the Canadian market, and we have the American market, but we borrow in Canada for war purposes.

Arrangement with Imperial Government.

"In order to give stability to our finances, and to ensure that we should have ample funds for the purpose of carrying on our part of the war during the coming year, I made an arrangement with the Imperial government whereby an authorized credit of £30,000,000 was provided, but I stated in the budget speech that it was our object to rely upon that as slight an extent as possible. We have our expenditures in Canada, in the United Kingdom, and in France. We use a certain amount of that Imperial credit from month to month for the purpose of making our payments in the United Kingdom and in France, but I do not desire to draw upon it to a greater extent than is absolutely necessary because I should prefer that Canada should, as far as possible, pay her own way. Great Britain is laboring with unprecedented financial responsibilities.

"While the Imperial government is willing to give us this credit, should we desire to avail ourselves of it, it is the earnest wish of the government that we should not avail ourselves of that credit to a greater extent than is indispensably necessary. The present \$15,000,000 loss will not be the limit of our borrowing, apart from our borrowings from the Imperial government during the coming fiscal year; at least, in my view it will not, because I think that our expenditures for war will be such that we shall have to provide a total in the neighborhood of \$200,000,000 or \$225,000,000. We shall take advantage of the Imperial credit when we find it indispensably necessary to assist in our financing, and particularly in our financing in the United Kingdom and on the continent of Europe.

Possible Domestic Loan.

"In my view we shall require at a later date—many months from now, possibly towards the end of the year—to borrow further amounts, possibly in Canada. I was asked the other day whether I had in mind a domestic loan. It is a good maxim not to state what you are going to do in the matter of borrowing. It was really a wonderful achievement for Canada to subscribe \$110,000,000 towards the loan last year, and to

me it is a matter of very great pride that notwithstanding the \$100,000,000 which we took last year from the people's savings and from the financial institutions of Canada for the purposes of the war, the banks are now able to come forward and furnish an additional credit of \$75,000,000. Now, that credit of \$75,000,000 is a further reason why for the present at all events, it would in my judgment be inexpedient to bring on a domestic loan."

SASKATOON'S ANNUAL REPORT

Municipalities during the past year have had to adapt their financial administration to the various phases of war times. This has not always been done without difficulty.

Saskatoon is one of the cities which is adapting itself to new conditions and is properly seeking competent advice.

The records of the municipality just issued show that the city had a revenue surplus of \$43,601. The city's total capital and current account liabilities amount to \$607,349, of which the principal items are sinking fund payable \$450,311 and bank loan of \$66,000. From the bond account it is seen the city's net bond debt is \$3,107,192. Total bonds issued amount to \$8,648,229 and bonds unsold are \$630,410. The gross bond debt is \$8,017,818.

Saskatoon's population is estimated at 25,000, the 1916 assessment is \$37,689,722, and tax levy for this year is \$692,411. Some official figures of the city appear on another page.

COUPONS FOR EVERY MONTH

The following investment selection of \$100 bonds, comprising, in all, a \$600 investment, and giving the buyer a coupon to cash every month, is, in their latest monthly circular, suggested by Messrs. Greenshields and Company, bond house, Montreal. The average yield is 6½ per cent. —

	Due	Price	Yield
January and July—			
Steel Company of Canada 1st 6's.. 1940	93		6½%
February and August—			
Wayagamack Pulp and Paper 1st 6's 1951	74		8%
March and September—			
Dunlop Tire and Rubber Goods 1st 6's	1927	100	6%
April and October—			
Canada Cement 1st 6's	1929	93	6½%
May and November—			
City of Hull 5's	1933	92	5½%
June and December—			
City of Vancouver 4½'s	1923	92.07	5½%

FEDERAL LOANS AND TENDERS

In reply to questions in the House at Ottawa last week, respecting the methods of financing Dominion loans, Sir Thomas White, finance minister, gave his views with respect to the matter of asking for tenders. "It is perfectly clear to me," he said, "and it is the opinion of the best financiers, that for large loans, loans to governments, loans running up to \$25,000,000, \$50,000,000, \$75,000,000, or \$100,000,000, good results cannot be obtained by the tender system. It has never been followed in this country by any government. The policy adopted in the past is the policy which I have continued, and I believe it is the sound policy. We usually negotiate through the Bank of Montreal, and negotiation is carried on for a considerable period, and every precaution is observed to get a proper price for our securities, having regard to the market conditions. The loans are placed in the utmost good faith with the sole idea of doing the best possible for the Dominion. I think that has been proved with regard to all loans placed by this country.

"The traditions of the finance department have been good, and I hope to hand them on unimpaired in that respect. Since this war broke out financial conditions have been most trying; they have been kaleidoscopic. Transactions in time of war cannot be judged by transactions in the preceding period of peace. The minister finds himself in the position of simply doing the best he can."

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CATTLE AS SECURITY FOR LOANS

How the Cattle Loaning Company Works in the United States—Memorandum of Mr. R. H. Coats

An interesting memorandum of Mr. R. H. Coats on cattle loans appears in the report just published of the federal commission appointed to consider the cost of living in Canada. Mr. Coats visited the South St. Paul stockyards, Minneapolis, to obtain information as to the operations of cattle loaning associations. He interviewed Mr. Flanigan, an officer of the Stock Yards National Bank of South St. Paul, which does a large cattle loaning business, and also of the St. Paul's Cattle Loan Company, whose business is confined to lending money on cattle as security. While in St. Paul, Mr. Coats learned that the Swift Company in the previous year had sent their solicitor and Mr. Briggs, an officer of the bank and loan company noted above, to Toronto for the purpose of interviewing the managers of the leading Canadian banks and securing their help in the establishment of cattle loaning companies in western Canada. The Swift Company are keenly interested in this form of enterprise, as they believe it to be the best means of encouraging the raising of stock by farmers.

The method of the cattle loaning company is as follows: A farmer applies for a loan to enable him to purchase stockers and feeders. The company looks into his affairs—including his business reputation, general financial standing, buildings, fodder supplies, etc. If these are found satisfactory, sufficient money is advanced to enable him to purchase cattle—not exceeding the number which, in the company's opinion, he is best able to handle. The company secures itself by a chattel mortgage on the cattle, which are branded and handed over to the farmer, the mortgage being registered in the county registry office. As a rule, loans are not made on cattle on the range, but only on farms. The security is considered excellent, even to the full value of the cattle at the time of purchase, seeing that the animals improve rapidly in value from that moment, and are not as a rule subject to epidemic disease. High rates of interest are therefore possible.

Specialists Judge Values.

"The loaning company," says Mr. Coats, "having made its loan, disposes of the paper either directly through a bank or through a bill broker. I found that the United States banks regard this paper favorably. I met several independent bankers who assured me of this, notably Mr. Van Wechten, who is vice-president of the Continental and Commercial National Bank of Chicago, the second largest bank in the United States. Minnesota cattle paper is traded in at points as far away as New York, and is as universally sought as 'gilt-edge.' The reason is that the paper represents the judgment of specialists, the loaning companies having a staff of cattle experts who examine the cattle, appraise their value, visit the farms, etc. On account of the need for this expert knowledge, only a comparatively few of the banks themselves engage directly in cattle loaning. The Stock Yards National Bank of South St. Paul, above mentioned, is an instance to the contrary, the location of the bank and the nature of its general business qualifying it to safely engage in cattle loaning.

"I found both the banks and the packing companies of St. Paul and Chicago very critical of the lack of facilities under our law for carrying on a similar business in Canada. Every one I saw attributed to this machinery the rapidity with which the farmers of the United States Northwest have been able to turn to mixed farming. I do not think the Swifts have any other interest in the matter except that as packers they are anxious to maintain production, and are alarmed at the present outlook in the Canadian west.

Amendment to Bank Act Suggested.

"The Canadian bank act does not allow the banks to lend money on a chattel mortgage except in the case of standing timber, and threshed grain and ships (Statutes 1913, chapter 9, section 76, subsection 2 and sections 84, 85 and 88). They may take a lien on goods in warehouses, but this does not apply to goods in the hands of the producer. Accordingly, our banks are estopped from loaning to farmers on cattle as security either directly or indirectly. It may further be pointed out that they are not engaged in the practice common among banks of the United States of dealing in miscellaneous paper.

"Mr. Carton, the solicitor of the Swift Company, stated that he saw no way out of the difficulty except by an amendment of the bank act which would place cattle in the same

category as standing timber and ships, and two letters on the subject have been received from him. Mr. Carton's amendment would not apply to Quebec, where, under the civil code, chattels cannot be mortgaged.

"I might add that while in Toronto I called on Mr. Richardson, general manager of the Bank of Nova Scotia, which was one of the banks interviewed by Mr. Carton in 1912. Mr. Richardson is interested in the matter, but is not sanguine as to the feasibility of an amendment to the bank act. He stated that if a cattle loaning company were started in the west, the Bank of Nova Scotia would be glad to have its business. Such a company, however, would not obtain from the bank the same degree of support that similar concerns obtain in the United States. The St. Paul Cattle Loan Company, for instance, with a capital of \$100,000 and a reserve of \$100,000, issues loans exceeding \$1,500,000. They are able to do this by the ready acceptance of their paper by the banks. Such would not be possible in Canada. Yet the business is universally admitted to be perfectly sound, so much so that Mr. Van Wechten, whose experience as a country and city banker extends over 25 years, told me that in all that time, in handling millions of dollars worth of cattle paper from all over the country, he had never lost a single dollar."

FARMS FOR DISBANDED SOLDIERS

A proposal for settlement of disbanded soldiers after the European war has been suggested by Lord Shaughnessy, president of the Canadian Pacific, who states that 1,000 farms will be prepared in western Canada by the Canadian Pacific Railway so as to be ready for occupancy in the spring of next year. These farms will be grouped in colonies with appropriate military names, with a central instruction farm under a competent agriculturist, so that advice and instruction may be available for the colonists.

ALBERTA TO SELL BONDS

The Alberta legislature is authorizing the flotation of a loan of \$2,000,000. The funds will be used for the civil service for covering any debt on open account, for paying off floating indebtedness, for any public works and other purposes the legislature authorizes. It will be issued at a rate not exceeding 5 per cent. Hon. C. R. Mitchell is the provincial treasurer.

UNITED STATES COMPANY FOR HAMILTON

The Stanley Steel Works, of New Britain, Conn., will erect a factory at Hamilton, Ont., this spring. A Canadian organization, an entirely separate concern, has been formed and incorporated with a capital of \$2,500,000. The parent company has, in addition to its works at New Britain, a factory at Niles, Ohio, and a hot rolling mill at Bridgewater, Mass. Mr. E. A. Moore, vice-president of the United States organization, will be president of the Hamilton company. Mr. H. M. Marsh, the industrial commissioner at Hamilton, is certainly bringing to that city a large number of new industries.

ROGERS COMPANY'S ANGLO-FRENCH BONDS

A new item in the balance sheet of the Wm. A. Rogers, Limited, is a holding of Anglo-French bonds. At the company's annual meeting at Toronto last week, Mr. S. J. Moore, president, explained that this item represents the amount paid on account of an allotment by the underwriting syndicate of \$357,600 of the bonds. Although this item is one which could be liquidated any time at short notice, said Mr. Moore, the directors have decided to retain for the present the whole amount as a sort of insurance against any business disturbance which might occur by the sudden cessation of hostilities, and also because in such an event there would surely be a very rapid increase in the market value of these bonds, especially so in view of the convertible privilege which attaches to them. The bonds are the joint obligation of the British and French nations. They carry 5 per cent. interest, and cost the Rogers company 96.61, so that their yield, if kept until maturity, would be nearly 6 per cent.; and they are exchangeable for twenty-year 4½ per cent. bonds, at the option of the holder.

DOMINION LINENS LIMITED

Balance Sheet, December 31st, 1915.

ASSETS	
Cash on hand and in Bank.....	\$ 12,569 28
Accounts Receivable	14,879 19
Inventories	103,155 48
Insurance Premiums unexpired	569 66
Real Estate and Buildings.....	\$ 85,727 77
Plant, Machinery and Equipment	149,739 56
	<u>235,467 33</u>
Trade Marks, Goodwill, etc.....	20,000 00
Deferred Expenses	6,000 00
	<u>302,640 94</u>
	<u>302,640 94</u>

LIABILITIES	
Accounts Payable	\$ 7,474 85
Loans and Bank Advances	26,972 61
Sundry Customers' Credits	663 15
Wages Accrued	194 06
Capital Stock Paid-up, Preferred. \$175,000 00	
Capital Stock Paid-up, Common..	125,000 00
	<u>300,000 00</u>
Reserve for Doubtful Debts.....	455 00
Contingent Reserve	28,832 96
Surplus as shown in previous statement	\$14,138 50
Balance at Cr. of Profit and Loss..	13,909 81
	<u>28,048 31</u>
	<u>302,640 94</u>
	<u>302,640 94</u>

Note—Contingent Liability on Bills Receivable Discounted \$30,070 22

PROFIT AND LOSS ACCOUNT	
Year Ending December 31st, 1915.	
Profits for the year (after deducting Cost of Management, paying Interest on Bank Loans, etc., and writing off Bad Debts).....	\$24,734 66
Balance December 31st, 1914.....	4,872 74
	<u>\$29,607 40</u>
Preferred Stock Dividends paid in 1915..	\$7,683 55
Sundry Adjustments	457 33
	<u>8,140 88</u>
Written off Deferred Charges.....	\$ 1,750 12
Carried to Doubtful Debts Reserve.....	455 00
Carried to Contingent Reserve.....	5,357 59
Balance at Credit	13,909 81
	<u>\$21,466 52</u>
	<u>\$21,466 52</u>

I hereby certify that I have examined the Books, Accounts and Vouchers of Dominion Linens, Limited, for the year ending December 31st, 1915, and that, in my opinion, the foregoing Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs as on that date. All information required in the course of the Audit has been promptly and cheerfully furnished.

W. M. PENTELOW,

Guelph, February 14th, 1916. Chartered Accountant.

Note.—The average amount of Paid-up Capital Stock Preferred outstanding during the year was \$139,700.

Occidental Fire Insurance Company

HEAD OFFICE, WINNIPEG, MAN.

BALANCE SHEET AS AT 31st DECEMBER, 1915.

ASSETS	
Cash in Bank	\$ 71,177 16
Debentures at Book Value	124,577 39
Loans on Mortgages.....	155,028 72
Interest on Loans and Debentures—	
Accrued but not due.....	\$6,197 97
Less paid in advance.....	608 00
	<u>\$5,589 97</u>
Accrued and past due.....	1,706 71
	<u>7,296 68</u>
Mortgage Charges Recoverable	167 17
Agents' Balances Less Bad Debts—	
Written off	32,011 19
Fire Maps	\$8,450 18
Less Amount Written off	4,225 09
	<u>4,225 09</u>
Office Furniture	\$2,298 36
Less Amount Written off	1,145 72
	<u>1,152 64</u>
	<u>\$395,636 04</u>

LIABILITIES	
Capital Authorised and Subscribed—	
5,000 of \$100 each	\$500,000 00
Capital Paid Up	\$174,762 70
Losses Under Adjustment and Adjustment	
Expenses Outstanding.....	9,762 75
Amount Retained on Account of Re-Insurance..	19,851 06
Reserve for Unearned Premiums	78,261 41
Sundry Creditors	2,279 71
Unclaimed Dividends.....	10 00
Taxes, Commissions, etc., Accrued, Less Taxes	
Prepaid	3,459 78
Surplus—	
Amount at Credit 31st Dec., 1914..	\$ 76,093 65
Transferred from Revenue Account	31,154 98
	<u>107,248 63</u>
	<u>\$395,636 04</u>

We have made a regular audit of the books of The Occidental Fire Insurance Company for the year ending Dec. 31st, 1915, and hereby certify that in our opinion the foregoing Balance Sheet is properly drawn up so as to exhibit a true and correct view of the affairs of the Company.

RIDDELL, STEAD, GRAHAM & HUTCHINSON,
Chartered Accountants.

NEW INCORPORATIONS

Thirty-seven Charters Granted, Some of Which Are of Interesting Character

Canada's new companies incorporated this week number 37. The head offices of these companies are located in three provinces. The total capitalization amounts to \$5,182,000.

The largest company is:—

McRae Porcupine Gold Mines, Limited .. \$2,000,000

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

Province.	No. of companies.	Capitalization.
Ontario	20	\$3,885,000
Quebec	12	1,187,000
British Columbia	5	110,000
	37	\$5,182,000

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

Trenton, Ont.—Barr Registers, Limited, \$300,000. W. Barr, W. H. Matthews, J. A. Stevenson.

Hamilton, Ont.—Barton Feeders, Limited, \$40,000. L. F. Stephens, H. J. McKenna, W. J. Lord.

Chatham, Ont.—Chatham Shoe Company, Limited, \$75,000. R. L. Brackin, B. L. Bedford, E. S. Hunt.

Belleville, Ont.—The Deacon Shirt Company, Limited, \$200,000. W. B. Deacon, F. S. Deacon, W. H. Finkle.

St. Thomas, Ont.—St. Thomas Pure Milk Company, Limited, \$50,000. A. Anderson, F. Carr, C. S. Butler.

Quebec, Que.—The Policy Holders' Association, Limited, \$20,000. P. Joncas, J. A. Fournier, G. Marois; the British Columbia Shoe Company, Limited, \$49,000. B. Crepeault, L. Crepeau, L. Robitaille.

London, Ont.—The Kelly Tobacco Company, Limited, \$40,000. G. Kelly, W. E. Dyer, M. St. Clair Cater; the Keystone Bedding Company, Limited, \$40,000. W. Agranove, C. Rotenberg, S. Rotenberg.

Ottawa, Ont.—Canadian Hardwoods, Limited, \$150,000. C. Magee, J. I. McCracken, E. McMahon; Rooney Cooper, Limited, \$20,000. A. G. Metcalfe, H. Fisher, A. C. Craig; Ontario Travellers, Limited, \$40,000. H. Fisher, S. G. Metcalfe, C. Murphy.

Vancouver, B.C.—D. J. O'Brien Logging Company, Limited, \$25,000. G. Herbert Shaw, Limited, \$10,000; Humboldt Securities, Limited, \$25,000; Sandon Securities Mining Company, Limited, \$25,000; Saginaw Canning Company, Limited, \$25,000.

Montreal, Que.—Foundry and Machine Company, Limited, \$200,000. J. J. Tolland, J. U. Emard, C. Emard; Kingdon, Mining, Smelting and Manufacturing Company, Limited, \$750,000. L. A. David, A. G. Munich, S. H. R. Bush; International Agencies, Limited, \$20,000. A. Major, J. Pigeon, J. A. Parent; Robidoux Sand Company, Limited, \$30,000. E. Charland, C. A. H. Bertrand, W. Robidoux; Consumers Metal Company, Limited, \$40,000. H. R. Mulvena, T. B. Gould, D. Macdonald; Colonial Glove Company, Limited, \$20,000. L. A. David, S. H. R. Bush, A. S. Powers; Acme Steel Goods Company of Canada, Limited, \$3,000. G. C. Longman, R. H. Norton, J. E. MacMurray; the Tannebaum Gold Company, Limited, \$10,000. N. Solomon, S. Tritt, A. Millman; Wm. Lee, Limited, \$25,000. W. S. Johnson, G. A. Coughlin, H. Wylie; Machineries, Limited, \$20,000. J. W. Blair, F. J. Laverty, C. A. Hale.

Toronto, Ont.—Imperial Cannery, Limited, \$200,000. R. H. Parmenter, A. J. Thomson, W. S. Morlock; Universal Novelties, Limited, \$25,000. H. Riley, J. F. MacGregor, J. W. Bicknell; McRae Porcupine Gold Mines, Limited, \$2,000,000. A. C. Rutherford, J. P. Walsh, J. E. Day; Efficiency Sales Corporation, Limited, \$40,000. W. A. Rogers, R. A. Gledhill, W. A. McCaffrey; Motor Exchange, Limited, \$40,000. W. M. Campbell, J. R. O'Connor, D. MacKenzie; the Dominion Salvage and Wrecking Company, Limited, \$25,000. F. Fisher, W. N. Robinson, Ida B. Lynn; Acme Tire and

Rubber Company, Limited, \$400,000. J. M. Bullen, H. L. Steele, F. H. Hurley; Rosalene Products, Limited, \$50,000. E. S. Edmondson, D. N. Hitchcock, Helen Weir; the Canadian National Advertising Company, Limited, \$50,000. J. Leith, W. T. Carroll, Lilian Archibald; Canada Cattle Loan Company, Limited, \$100,000. G. Grant, D. I. Grant, E. Smiley.

Application for letters patent is being made by Prowse and Sons, Murray Harbor South, P.E.I., \$85,000. A. P. Prowse, W. F. Prowse, P. S. Prowse.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Bromptonville, Que.—March 20—Model Dress Company's factory, Mr. O. Lambert's residence. Loss, \$25,000; insured.

Brownville, Que.—March 18—Mr. A. Rutherford's residence, one mile west of village. Loss not stated. Insurance, \$500.

Campbellton, N.B.—March 12—Waverley Hotel. Loss and cause not stated.

Collingwood, Ont.—March 17—Northern Navigation Company's steamer "City of Midland." Loss, \$40,000. Cause, supposed dropped cigar or cigarette.

Glencoe, Ont.—March 20—Mr. C. Dean's store. Loss, \$10,000; insurance, \$7,000. Royal Bank damaged.

Halifax, N.S.—March 14—Pier No. 2. Loss, \$50,000. Red Cross supplies. Loss, \$5,000. One death.

Hesperia, Ont.—March 18—Catholic church. Loss, \$10,000; insured.

London, Ont.—March 17—Carpenter's shop, etc., hospital for the insane. Loss, \$5,000. Cause not stated.

Montreal, Que.—March 20—Canadian Rubber Company's premises, Papineau Avenue and Notre Dame Street. Loss, \$10,000.

Neepawa, Man.—March 14—Messrs. J. Brown and Son's departmental store. Loss, \$20,000. Insurance on building, \$14,000.

Ottawa, Ont.—March 20—Messrs. J. Doaust and S. Cousineau's residences, City View. Loss, \$5,000; insured. Cause not stated.

Port Hope, Ont.—March 20—Hotel St. Lawrence. Loss, \$5,000. Cause not stated.

Quebec, Que.—March 17—Baggage warehouse of Canadian Northern Railway. Loss not stated.

Renfrew, Ont.—March 14—Renfrew Machinery Company's factory. Loss, \$100,000. Cause, supposed upset molten lead.

St. Andrew's, Ont.—March 14—Mr. S. G. Lawrence's cheese factory and dwellings. Loss, \$5,000. Cause, overheated pipe.

Stratford, Ont.—March 16—Macdonald Thresher Company's plant. Loss, \$5,000. Cause, overheated furnace and pipe.

Three Rivers, Que.—March 20—Page block. The premises of the following concerns were burned out: Phoenix Club, Dominion Express, Canadian Pacific Railway, the Singer Sewing Machine Company, and A. Parent, men's furnishings. Loss, \$50,000; partially insured.

IS BENEFICIARY'S ABSOLUTE PROPERTY

Mr. Justice Pouliot rendered an important judgment in the Superior Court, Montreal, on March 16th, in which he ruled that if a woman, in her contract of marriage, is made beneficiary under the life insurance policies of her husband, those policies become her absolute property, and they cannot legally be given by her husband into the possession of another party without her consent.

The question arose in an action in which Laura Beauchesne, widow of Honore Roux, formerly of Victoriaville, Que., sued the Banque Provinciale du Canada for \$2,500 which the bank held on two life insurance policies of her late husband, who died on February 11th, 1915.

CROWN LIFE

IT WAS A GOOD YEAR—1915

Despite general conditions Crown Life made many substantial gains in 1915. For example, Policyholders' Reserves now stand at \$161,519,467, an increase of nearly 15% over previous year.

Our 1915 Report is very interesting. A copy is gladly sent to intending insurers.

Crown Life Insurance Co., Toronto

Agents wanted in unrepresented districts 15

Canadian Guaranty Trust Company

HEAD OFFICE: BRANDON

Board of Directors:

ALEX. C. FRASER, President. LT.-COL. A. L. YOUNG, Vice-President.

JOHN R. LITTLE, Managing Director.

HON. GEORGE W. BROWN, WILLIAM FERGUSON, H. L. ADOLPH, E. O. CHAPPELL, J. S. MAXWELL, JNO. A. McDONALD, G. S. MUNRO, WM. MARTIN, M. P., JOHN E. SMITH, F. N. DARKE, ALEX. A. CAMERON, D. A. REESOR.

Acts as Executor, Administrator, Trustee, Liquidator, and in any other fiduciary capacity.

We will buy Spanish River 6% Bonds
Ontario Pulp and Paper 6% Bonds
Spanish River Preferred

GRAHAM, MACDONALD & Co.

Investment Bankers
Traders Bank Building Toronto

BRITAIN'S LARGE INCOME

Great Britain's annual income has increased by £600,000,000 since the beginning of the war, stated Sir George Paish, of the London Statist, in a lecture on war finance before the Royal Statistical Society, and the total has now reached £3,000,000,000.

The nation has nearly succeeded in maintaining its productive power, he said, despite the withdrawal of approximately 4,000,000 men from its industries. It had called in half a billion pounds of its capital from abroad since the opening of hostilities, nearly all of this, however, having been used to make fresh loans to foreign countries and colonies.

If allowance were made for the increase in the country's gold stocks, Sir George declared, the nation would be found to have succeeded in meeting virtually the whole of its war expenditures out of its income, without needing to draw upon its accumulative capital to an extent worth mentioning. Official calculations of the new taxation imposed up to the present time amounted to £197,531,000, and Sir George stated the taxation in the coming year would reach nearly £450,000,000.

On the whole the burden of taxation was light considering the circumstances, and compared with the burden the country bore during the Napoleonic wars. The national debt before the war was £707,000,000. It would be £2,400,000,000 by the end of this March, and if the war continued another year, it would be not far short of £4,000,000,000.

LEGAL NOTICE

ELGIN DEVELOPMENT, LAND & SECURITIES COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 2nd day of March, 1916, incorporating James Steller Lovell and Ernest Harold Stewart, accountants; William Bain, bookkeeper; Robert Gowans and John Joseph Dashwood, solicitors' clerks, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:

(a) To underwrite, subscribe for, purchase or otherwise acquire and hold either as principal or agent, and absolutely as owner or by way of collateral security or otherwise and to sell, exchange, transfer, assign or otherwise dispose of or deal in the bonds or debentures, stocks, shares or other securities of any government or municipal or school corporation, or of any bank or of any other duly incorporated company or companies or corporation or corporations; to acquire by purchase or otherwise, and hold lands, timber limits or licenses, water lots, water falls, water privileges or concessions and powers and rights and interests therein, and to build upon, develop, irrigate, cultivate, farm, settle and otherwise improve and utilize the same, and to lease, sell or otherwise deal with or dispose of the same; and generally to carry on the business of a land and land improvement and irrigation company;

(b) To assist in the promotion, organization, development or management of any corporation or company, and to raise and assist in raising money for and to aid by way of bonus, loan, promise, endorsement, guarantee or otherwise any corporation in the capital stock of which the company holds shares, or with which it may have business relations; and to act as employee, agent or manager of any such corporation, and to carry on the business thereof and to guarantee the performance of contracts by any such corporation or by any person or persons with whom the company may have business relations;

(c) To carry on any other business which may seem to the company capable of being conveniently carried on in connection with the business or objects of the company, and necessary to enable the company to profitably carry on its undertaking;

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

(e) To lease, sell or otherwise dispose of the property and assets of the company, or any part thereof for such consideration as the company may deem fit, including shares, debentures or securities of any company;

(f) To amalgamate with any other company having objects similar to those of this company;

(g) To distribute among the shareholders of the company in kind any property of the company and in particular any shares, debentures or securities belonging to the company or which the company may have power to dispose of;

(h) To do all acts and exercise all powers and carry on all business incidental to the due carrying out of the objects for which the company is incorporated and necessary to enable the company to profitably carry on its undertaking;

(i) To do all or any of the above things, and as principals, agents or attorneys.

The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Elgin Development, Land & Securities Company, Limited," with a capital stock of fifty thousand dollars, divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 6th day of March, 1916.

THOMAS MULVEY,
Under-Secretary of State.

37-2

Dated at Toronto this 20th day of March, 1916.

BLAKE, LASH, ANGLIN & CASSELS,
Solicitors for

ELGIN DEVELOPMENT, LAND & SECURITIES COMPANY, LIMITED.

The Dickson Bridge Works Company, Limited, with Ontario charter, has increased its capital stock from \$40,000 to \$100,000; Gaston, Williams and Wigmore, of Canada, with Dominion charter, from \$170,000 to \$2,000,000; the British American Oil Company, Limited, with Dominion charter, from \$1,000,000 to \$1,500,000.

New orders for several million dollars' worth of shell contracts have been received at Ottawa this week by the imperial munitions board in addition to \$20,000,000 that came last week. The new contracts will be given only to such concerns as are in a position to guarantee quick delivery, and in these time limits will be imposed.

The Chadwick Brass Company, Limited, with Ontario charter, has changed its name to the Wentworth Brass Company, Limited; Northern Trap Rock Company, Limited, with Ontario charter, to Northern Chemical Company, Limited; La Compagnie de Briques de Quebec, Limitée, with Quebec charter, to Carriere de Quebec, Limitée.

DIVIDENDS AND NOTICES

ILLINOIS TRACTION COMPANY

DIVIDEND NOTICE

The regular dividend of one and one-half per cent. (1½%) on the preferred stock of the Illinois Traction Company will be paid April 1st, 1916, for the quarter ending March 31st, 1916, to shareholders of record March 15th, 1916.

By Order of the Board,

GEO. M. MATTIS,
Treasurer.

Champaign, Ill.

SMART-WOODS, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the Smart-Woods, Limited, has been declared for the quarter ending March 31st, 1916, payable April 1st to shareholders of record March 29th, 1916.

The transfer books will not be closed.

By order of the Board,

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, March 14th, 1916.

NIPISSING MINES COMPANY

165 Broadway, New York, March 20, 1916

The Board of Directors has to-day declared a regular quarterly dividend of Five Per Cent., payable April 20, 1916, to shareholders of record as of March 31, 1916. The transfer books will close March 31, 1916, and reopen April 18, 1916.

P. C. PFEIFFER, Treasurer.

CONDENSED ADVERTISEMENTS

Advertisements under this heading are accepted at the following rates:— "Positions Wanted" advts. one cent per word each insertion; "Positions Vacant," "Agents or Agencies Wanted" advts. two cents per word each insertion; all other condensed advertisements, three cents per word each insertion. A minimum charge of 50 cents per insertion will be made in each case. All condensed advts. are payable in advance; 50% extra if charged.

WANTED—Position by young man. Ten years' experience in insurance, inside and out. List of references. Appl. Box 467, *Monetary Times*, Toronto.

MAN, 30 YEARS OF AGE, with five years' bank experience, would like position with law firm or financial house to get knowledge of conveyancing and mortgage business. Box 469, *Monetary Times*, Toronto.

FIRE INSURANCE, Financial and Office Management. Gentleman of long experience in above is open for engagement. Box 471, *Monetary Times*, Toronto.

ADVERTISER is open for engagement as manager of financial or insurance office. Five years' experience on London Stock Exchange; seven years in insurance work as Provincial Manager in Canada. Box 473, *The Monetary Times*.

In a reference to the expenditures for war purposes, the finance minister, Sir Thomas White, said it was costing Canada \$11,000,000 to \$12,000,000 per month, or about \$350,000 per day, apart from the Dominion's share of the imperial expenditure on rations and equipment of the Canadian troops overseas.

DEBENTURES FOR SALE

CITY OF SASKATOON, SASKATCHEWAN

Debenture Interest due April 1st, 1916

Holders of City of Saskatoon Debentures, payable at the Union Bank of Canada in Toronto and Montreal, are requested to present their interest coupons, due April 1st, 1916, for payment at the Bank of Montreal in either of the above-mentioned cities.

J. C. OLIVER,
Acting City Treasurer.

Saskatoon, Sask., March 3rd, 1916.

TOWN OF NORTH BAY

DEBENTURES FOR SALE

Tenders will be received by the undersigned up to 12 o'clock noon, Saturday, the 15th day of April, 1916, for the purchase of the following issues of Debentures of the Town of North Bay, Ont. :—

(1) \$7,721.45 Local Improvement Debentures for permanent sidewalks, bearing interest at the rate of Six per cent. per annum, repayable in 15 equal annual instalments of principal and interest.

(2) \$22,234.96 Local Improvement Debentures for sanitary sewers, bearing interest at the rate of Six per cent. per annum, repayable in 30 equal annual instalments of principal and interest.

Delivery to be made at the Royal Bank of Canada, North Bay, Ont.

M. W. FLANNERY,
Treasurer.

SASKATCHEWAN'S WOOL CLIP

Until recent years wool production in the west has not been as profitable as it should have been, primarily, because of lack of care in preparing the fleeces for market, and also because of the fact that usually the wool was sold in small quantities and shipped long distances in less than carload lots. To remedy this condition the co-operative organization branch of the Saskatchewan government, in 1914, undertook to market the wool for such sheep owners as would prepare and handle their clip in accordance with instructions drawn up by the department. About 180 sheep owners took advantage of this offer, and in consequence obtained a satisfactory increase in price. In 1915, 310 sheep men sold their wool, aggregating 150,328 pounds, through the department and realized an average of 23.66 cents per pound, f.o.b. local shipping point. Double this quantity is likely to be handled in 1916, and the prospects are that the prices obtained will be even larger.

The following are the conditions upon which the wool will be marketed:—

"The producer must agree to prepare and forward his wool in accordance with the directions given in an instruction sheet. If desired, the department will supply at cost paper, twine for tying fleeces and suitable sacks for shipping. (Cost, approximately, 2½ cents per fleece.)

"When the wool is received in Regina it will be stored in a warehouse and unpacked, graded and weighed by an expert grader supplied by the Dominion Live Stock Branch. An advance payment, at the rate of 15 cents per pound, will be forwarded as soon as the wool is received, and when the wool is sold a final payment will be made, which will return to the producer every cent realized from the sale of his wool, less the actual cost of twine, sacks, storage and handling expenses, and local freight to Regina, if this has not been paid by the shipper; no charge whatever will be made for the marketing services rendered by the Saskatchewan government's branch."

CANADIAN SECURITIES IN LONDON

London Stock Exchange Prices
WEEK ENDED FEBRUARY 24TH. Figures from "The Canadian Gazette."

GOVERNMENT SECURITIES.

Table of Dominion Government Securities including Canada 1909-34, 3 1/2%, Do. 1938, 3%, Do. 1947, 2 1/2%, etc.

Provincial

Table of Provincial Government Securities including Alberta 1938, 4%, Do. 1922, 4%, Do. 1943, 4 1/2%, etc.

Municipal

Table of Municipal Government Securities including Calgary 1930-42, 4 1/2%, Do. 1928-37, 4 1/2%, Do. 1933-44, 5%, etc.

MUNICIPAL (Continued)

Table of Municipal Securities (Continued) including Winnipeg 1940, 4%, Do. 1940-50, 4%, Do. 1943-53, 4 1/2%

CANADIAN BANKS

Table of Canadian Banks including Bank of British North America, Canadian Bank of Commerce, Royal Bank of Canada

RAILWAYS

Table of Railway Securities including Alberta & Gt. Waterways, Algoma Cent., Atlantic & North-West, etc.

LOAN COMPANIES

Table of Loan Companies including British Empire Trust, Investment Corporation of Canada, Trust & Loan of Canada

LOAN COMPANIES (Continued)

Table of Loan Companies (Continued) including Trust & Loan of Canada, Western Canada Mortgage

LAND COMPANIES

Table of Land Companies including Calgary and Edmonton Land, Canada Company, Canada North-West Land, etc.

MISCELLANEOUS

Table of Miscellaneous Securities including Ames-Holden-McCreedy, Asbestos and Asbestic, Asbestos Corporation, etc.

* Latest price

Canada Life Facts.

Canada Life agents wrote \$1,000,000 more business in Canada in 1915 than in the previous year.

The Canada Life paid policyholders in 1915 \$7,822,201, this being over \$3,000,000 in excess of the similar payments of any previous year, and policyholders' dividends being the chief item.

The Canada Life Income in 1915, \$9,333,623.19, was the greatest in the Company's history.

The Surplus earned was \$1,480,866.

The Cash Dividends paid policyholders in 1915 were over \$2,800,000.

HERBERT C. COX,
President and General Manager.

Still Popular

Public favor has made Nineteen Hundred and Fifteen a record year for the Sun Life of Canada.

Canadian Business issued and paid for was larger by \$1,746,961 than in any previous year in the Company's history.

Total business issued and paid for was \$34,873,851—the largest amount ever issued by any Canadian life company.

Assurances in force at December 31st last totalled \$257,404,160—much the largest amount carried by any Canadian life company.

A Sun Life of Canada policy is a safe and profitable policy to buy and to hold.

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

WESTERN MONEY—WESTERN ENTERPRISE
WESTERN ENERGY

The Western Empire Life Assurance Company

Head Office: 701 Somerset Bldg., Winnipeg, Canada.

POLICIES SECOND TO NONE.
PLAIN BUSINESS CONTRACTS FOR BUSINESS MEN.

Vacancies for proven producers as District Managers. If you want to increase your earnings, see our latest Agency Contracts. Apply—

WILLIAM SMITH, Managing Director

WESTERN ASSURANCE COMPANY INCORPORATED 1851
FIRE AND MARINE

Assets.....over \$ 3,500,000.00
Losses paid since organization 61,000,000.00

Head Office: TORONTO, Ont.

W. R. BROCK, President W. B. MEIKLE, Vice-President and General Manager C. C. FOSTER, Secretary

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

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

Live OPPORTUNITIES are OPEN for AGENTS who CAN DELIVER

Men capable not only of writing applications but of collecting the premiums, are always welcome to our forces and can be advantageously placed.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT. HENRI E. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

CALEDONIAN INSURANCE COMPANY

The Oldest Scottish Fire Office
Head Office for Canada MONTREAL

J. G. BORTHWICK, Manager
MUNTZ & BEATTY, Resident Agents

Temple Bldg., Bay St., TORONTO Telephone Main 66 & 67

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

CANADIAN BRANCH, 88 NOTRE DAME ST. WEST, MONTREAL
Accumulated Funds, 1914 \$41,615,000

Applications for Agencies solicited in unrepresented districts.
G. E. MOBERLY, Supt. E. P. PEARSON, Agt. ROBT. W. TYRE, Man. for Can.

BUILDING PERMITS COMPARED

(DEPARTMENT OF LABOUR FIGURES)	JANUARY 1916	JANUARY 1915	DECREASE
NOVA SCOTIA:			
Sydney	3,000	Nil	3,000*
Halifax	21,880	20,900	4,880*
NEW BRUNSWICK:			
St. John	Nil	7,000	7,500
Moncton	3,300	Nil	3,300*
QUEBEC:			
Quebec	61,545	27,905	33,640*
Three Rivers	9,250	Nil	9,250*
Maisonneuve	Nil	18,000	18,000
Montreal	174,160	203,261	29,101
Westmount	1,000	Nil	1,000*
Lachine	Nil	20,000	20,000
Outremount	Nil	Nil	Nil
Longueuil	Nil	Nil	Nil
ONTARIO:			
Ottawa	44,225	13,325	30,900*
Smith's Falls	Nil	Nil	Nil
Brockville	Nil	160	160
Kingston	2,700	1,350	1,350*
Belleville	Nil	Nil	Nil
Peterborough	Nil	1,900	1,900
Toronto	191,900	233,757	31,677
St. Catharines	17,073	4,987	13,086*
Niagara Falls	Nil	Nil	Nil
Welland	4,613	44	4,173*
Hamilton	41,740	23,105	20,635*
Brantford	Nil	1,420	1,420
Paris	Nil	Nil	Nil
Galt	250	2,045	1,795
Quebec	Nil	14,000	14,000
Berlin	5,000	2,500	2,500*
Woodstock	1,085	2,850	1,765
Stratford	3,530	1,275	2,255*
London	19,230	11,540	7,690*
St. Thomas	300	1,000	700
Chatham	9,500	3,300	6,200*
Windsor	44,300	17,775	26,525*
Owen Sound	Nil	750	750
North Bay	350	Nil	350
Cobalt	15,000	Nil	15,000*
Halifax	Nil	150	150
Sudbury	1,050	1,450	750
Port Arthur	700	2,450	2,450
Fort William	Nil	2,450	2,450
MARITIME:			
Winnipeg	19,500	14,800	4,700*
St. Boniface	Nil	Nil	Nil
SASKATCHEWAN:			
Regina	1,650	685	965*
Moosejaw	425	3,250	2,825
Swift Current	5,500	Nil	5,500*
Yorkton	Nil	Nil	Nil
Estevan	500	500	Nil
ALBERTA:			
Edmonton	4,850	11,300	6,450
Calgary	Nil	9,225	9,225
Medicine Hat	15,675	18,500	2,825
Lethbridge	Nil	Nil	Nil
MacLeod	Nil	Nil	Nil
Red Deer	Nil	Nil	Nil
BRITISH COLUMBIA:			
Nelson	Nil	805	805
Vernon	Nil	805	805
Kelowna	Nil	805	805
Kamloops	Nil	805	805
New Westminster	1,555	7,250	5,695
Vancouver	8,315	48,525	40,210
Kerrisdale	2,385	3,315	930
North Vancouver	2,847	8,014	5,167
South Vancouver	1,825	5,180	3,355
Victoria	400	2,600	2,200
Nanaimo	Nil	1,650	1,650
Oak Bay	Nil	Nil	Nil
Prince Rupert	Nil	Nil	Nil

* Increase.

INDEX NUMBERS OF COMMODITIES

(DEPARTMENT OF LABOUR FIGURES)	No. of Commodities	INDEX NUMBERS		
		Jan. 1916	Dec. 1915	Jan. 1915
I. GRAINS AND FODDERS:				
Grains, Ontario	6	188.4	183.2	203.6
Western	4	174.4	165.0	182.2
Podder	15	176.6	166.5	154.9
All	15	180.7	172.7	181.7
II. ANIMALS AND MEATS:				
Cattle and beef	6	207.9	207.5	216.3
Hogs and hog products	6	182.2	173.3	154.4
Sheep and mutton	3	188.4	172.1	149.5
Poultry	2	238.6	206.3	178.0
All	17	199.0	189.3	178.2
III. DAIRY PRODUCTS:				
All	9	193.7	190.2	178.3
IV. FISH:				
Prepared fish	6	151.8	151.8	180.6
Fresh fish	3	162.0	162.0	156.6
All	9	155.2	155.2	160.0
V. OTHER FOODS:				
(A) Fruits and vegetables				
Fresh fruits, native	1	183.5	169.3	110.3
Fresh fruits, foreign	3	102.3	100.7	85.5
Dried fruits	4	149.1	169.9	120.8
Fresh vegetables	5	258.3	213.3	138.5
Canned vegetables	3	108.1	108.1	101.2
All	16	168.9	156.0	114.9
(b) Miscellaneous groceries and provisions				
Breadstuffs	10	148.3	140.2	147.4
Tea, coffee, etc.	4	125.5	121.9	115.2
Sugar, etc.	6	152.5	147.5	134.8
Condiments	5	136.4	132.3	115.3
All	25	143.4	137.4	133.4
VI. TEXTILES:				
Woolens	5	200.7	200.7	151.3
Cottons	4	141.2	139.1	120.1
Silks	3	104.0	96.1	84.4
Jutes	2	267.5	250.9	153.2
Flax products	4	198.1	186.9	133.2
Oilcloths	2	125.6	118.7	101.1
All	20	173.0	162.9	126.1
VII. HIDES, LEATHER, BOOTS AND SHOES:				
Hides and tallow	4	230.6	207.4	207.5
Leather	4	178.2	174.3	163.5
Boots and shoes	3	166.9	162.4	158.3
All	11	193.4	183.1	178.1
VIII. METALS AND IMPLEMENTS:				
Iron and steel	11	127.3	118.5	100.3
Other metals	12	270.5	227.7	124.0
Implements	10	115.6	114.8	107.5
All	33	175.8	157.7	111.1
IX. FUEL AND LIGHTING:				
Fuel	6	139.7	129.9	119.6
Lighting	4	94.7	94.7	92.5
All	10	121.5	115.6	106.9
X. BUILDING MATERIALS:				
Lumber	14	178.9	175.0	180.7
Miscellaneous materials	20	132.0	123.9	108.2
Paints, oils and glass	14	182.4	169.7	142.9
All	48	160.4	154.1	129.4
XI. HOUSE FURNISHINGS:				
Furniture	6	145.9	145.9	146.7
Crockery and glassware	4	170.3	170.3	144.8
Table cutlery	2	104.0	104.0	78.4
Kitchen furnishings	4	129.3	129.3	123.4
All	16	142.6	142.6	131.5
XII. DRUGS AND CHEMICALS:				
All	16	257.1	231.2	139.2
XIII. MISCELLANEOUS:				
Raw furs	4	279.1	279.1	121.8
Liquors and tobacco	6	134.0	134.0	137.9
Sundries	7	133.1	123.5	113.6
All	17	167.7	163.8	124.1
All commodities	292*	172.0	162.4	129.3

* Five commodities off the market, fruits, vegetables, etc. One line of spelter has been dropped.

MONTREAL STOCK EXCHANGE—UNLISTED SECURITIES

WEEK ENDED MARCH 22ND

Mines	Par Value	Sellers	Buyers	Sales	Miscellaneous (Continued)	Par Value	Sellers	Buyers	Sales
Porcupine Crown Mines, Ltd.	\$ 1				Dominion Glass Co., Ltd.	100	88		
Miscellaneous					Frontenac Breweries Co.	100			
Asbestos Corp. of Canada	100				" " " " " " " "	100			
" " " " " " " "	pref.				Laurentide	100			106
" " " " " " " "	bonds				Mexican Northern Power	100			
British Can. Cannery, Ltd.	100				Mexican Mahogany & Rubber Corp.	100			
" " " " " " " "	bonds				Mont. Tramway & Power Co.	100	40		
Can. Felt	100				National Brick	100	42		
" " " " " " " "	pref.				" " " " " " " "	100	72		
Can. Light & Power	100				Sherbrooke Railway & Power Co.	100			
" " " " " " " "	bonds				Western Can. Power	100	25		
Can. Coal & Coke	100	60			Wayagamack Pulp & Paper Co.	100	34	33	670
" " " " " " " "	bonds				" " " " " " " "	100	74		4100
Canadian Pacific Notes	20			2000					
Dominion Glass Co., Ltd.	100	38							

BRITISH AMERICA
ASSURANCE COMPANY (FIRE, MARINE
AND HAIL)
 Incorporated 1838. **Head Office, TORONTO**

BOARD OF DIRECTORS:

W. R. BROCK, President W. B. MEIKLE, Vice-President
 ROBT. BICKERDIKE, M.P. GEO. A. MORROW
 H. C. COX AUGUSTUS MYERS
 D. B. HANNA LT. COL. FREDERIC NICHOLLS
 JOHN HOSKIN, K.C., LL.D. JAMES KERR OSBORNE
 ALEX. LAIRD COL. SIR HENRY PELLATT,
 Z. A. LASH, K.C., LL.D. C.V.O.
 E. R. WOOD
 W. B. MEIKLE, Managing Director E. F. GARROW, Secretary
Assets, Over \$2,000,000.00
Losses paid since organization over \$35,000,000.00

SIMPLICITY FIRST

is about as important in your life assurance as "Safety First," because a contract that is not simple to understand may not be safe for your particular purpose.

The life assurance policy of the future must be an attractive and exactly worded contract, but above all CLEAR and SIMPLE — the new policy standard as set by

The Sovereign Life Assurance Co. of Winnipeg

THE DOMINION OF CANADA
GUARANTEE & ACCIDENT INS. CO.

Accident Insurance Sickness Insurance Plate Glass Insurance
 Burglary Insurance Automobile Insurance Guarantee Bonds
 The Oldest and Strongest Canadian Accident Insurance Company
Toronto Montreal Winnipeg Calgary Vancouver

Atlas Assurance Co., Limited
OF LONDON, ENGLAND

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

At the Accession of	Income	Funds
KING GEORGE IV. ...	\$ 387,065 ...	\$ 900,605
KING WILLIAM IV. ...	657,115 ...	3,038,380
QUEEN VICTORIA ...	789,865 ...	4,575,410
KING EDWARD VII. ...	3,500,670 ...	11,185,465
KING GEORGE V. ...	6,846,895 ...	15,186,090
and at 31st DECEMBER, 1914 ...	7,489,145 ...	19,064,425

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which \$1,320,000 is paid up).

Agents wanted in unrepresented districts.
Head Office for Canada, 179 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager

COMMERCIAL UNION ASSURANCE CO.

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 Total Annual Income Total Fire Losses Paid \$174,226,575
 Exceeds \$ 45,000,000 Deposit with Dominion
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 Toronto Office 49 Wellington St. East
GEO. R. HARGRAFT, General Agent for Toronto and County of York.

Waterloo Mutual Fire Insurance Company

ESTABLISHED IN 1863
Head Office, Waterloo, Ont.
 Total Assets 31st December, 1915. \$908,244.00
 Policies in force in Western Ontario, over 30,000.00
GEORGE DIEBEL, President. **ALLAN BOWMAN, Vice-President.**
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THE LAW UNION & ROCK INSURANCE CO., Limited

OF LONDON Founded in 1806
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W. D. Aiken, Superintendent **J. E. E. DICKSON,**
 Accident Department Canadian-Manager

Economical Mutual Fire Ins. Co. of Berlin

HEAD OFFICE BERLIN, ONTARIO
 CASH AND MUTUAL SYSTEMS
 TOTAL ASSETS, \$725,000 AMOUNT OF RISK, \$27,000,000
 GOVERNMENT DEPOSIT, \$50,000
JOHN FENNELL, **GEO. G. H. LANG,** **W. H. SCHMALZ,**
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Total Funds ... \$20,000,000
 Established A.D. 1720. FIRE RISKS accepted at current rates
Toronto Agents ... S. Bruce Harman, 19 Wellington St. East

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

Table with columns for Countries, Month of November (1914, 1915), and Eight Months Ending November (1914, 1915). Rows include United Kingdom, Australia, British Empire, Foreign Countries, and Grand Totals.

PRELIMINARY STATEMENT OF THE TRADE OF CANADA FOR JANUARY

Table with columns for Month of January (1914, 1915, 1916) and Twelve Months ending January (1914, 1915, 1916). Rows include Imports for Consumption, Exports, and Aggregate Trade.

*Note.—It is to be noted that the figures relating to the imports and exports of coin and bullion for the twelve months ending January, 1916, were: Imports, \$193,354,562; 1915, \$133,073,132, and exports 1916, \$127,587,439; 1915, \$16,507,016. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada.

The Standard Trusts Co.

Head Office 346 Main Street, WINNIPEG

J. T. GORDON, Esq., President
(President, Gordon, Ironsides & Fares Co. Ltd.)

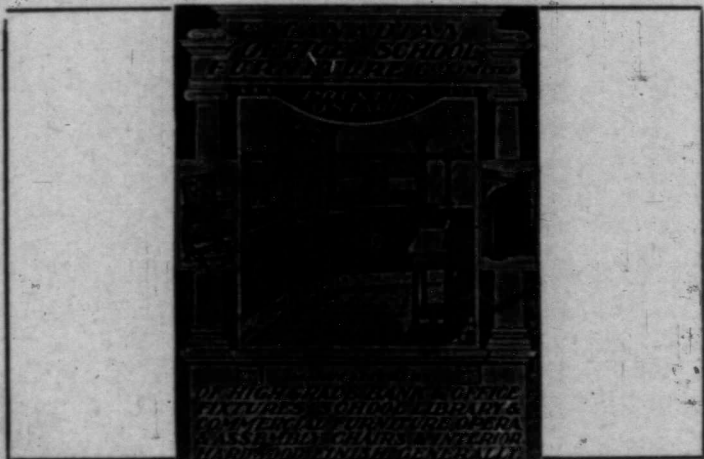
Authorized Capital.....	\$ 1,000,000.00
Subscribed and Fully Paid	750,000.00
Reserve.....	455,000.00
Total Assets	15,250,000.00

Acts as Trustee, Executor, Administrator, Guardian, Agent, &c.

Insure your Estate against mismanagement and loss by making your Will appointing this Company your Executor and Trustee. Will forms supplied free. All business of a trust nature transacted.

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Vice-President and Managing Director

W. E. LUGSDIN,
Secretary-Treasurer



The London Mutual Fire Insurance Company

ESTABLISHED 1859

Assets	\$784,426.31
Surplus to Policyholders	\$404,046.07



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Dividend No. 115

Notice is hereby given that a QUARTERLY DIVIDEND of 2½ PER CENT. for the three months ending 31st March, 1916, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 1st of April next, to Shareholders of record of 15th March.

By order of the Board.

A. M. SMART,
Manager

London, Canada, February 21st, 1916.



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WEEK ENDED 22ND MARCH
Montreal figures supplied to The Monetary Times by Messrs. Burnett & Co., St. Sacramento St., Montreal. Toronto quotations "and interest."

Table with columns: Montreal Stocks, Min. price, Asked, Bid, Sales. Lists various stocks including Ames-Holden, Bell Telephone, Canadian Pacific Railway, etc.

Montreal Bonds (Continued)

Table with columns: Min. price, Asked, Bid, Sales. Lists bonds such as Ogilvie, Price Bros, Quebec Railway, Light and Power, etc.

Toronto Stocks

Table with columns: Min. price, Asked, Bid, Sales. Lists various Toronto stocks including Ames-Holden, American Cyanamid, Barcelona, Bell Telephone, etc.

Toronto Bonds

Table with columns: Min. price, Asked, Bid, Sales. Lists Toronto bonds including Bell Telephone, Canada Bread, Electric Development, etc.



LONDON
GUARANTEE AND
ACCIDENT COY.
 Limited
 Head Office for Canada:
TORONTO
 Established 1869

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Elevator Contract	Fidelity Guarantee	Court Bonds
	Internal Revenue	Teams and Automobile

AND FIRE INSURANCE

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 "SOLID AS THE CONTINENT."
PROGRESSIVE.
 New Business issued during the year 1915 exceeded that of the previous year by One and a Quarter Millions.
 Total Business in Force at December 31st, 1915, amounted to over \$56,200,000.
PROSPEROUS.
 Net Surplus Held on Policyholders' Account increased during the year by \$385,927, and now amounts to over \$2,500,000, while Assets amount to over \$15,716,000.
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 Numerous good agency openings are available
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HOME OFFICE - TORONTO, ONT.
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- First**— An increased interest rate earned on invested assets.
- Second**— A decreased ratio of total expenses to total income.
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- Fourth**— A notable net increase in business which is now over \$100,000,000.
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- Seventh**— Secure a participating Mutual policy and share in our wonderful surplus earnings.

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Waterloo OF CANADA Ontario

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Also, without obligation on my part, please give me particulars of your policies, my date of birth being.....

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Insurance Company
of Canada

Head Office: 46 KING ST. W., TORONTO, ONT.
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 Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.
 A STRONG CANADIAN COMPANY

Paid up Capital	-	-	\$200,000.00.
Authorized Capital	-	-	\$1,000,000.00.
Subscribed Capital	-	-	\$1,000,000.00.
Government Deposits	-	-	\$111,000.

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Limited - Established 1821.


Assets exceed Thirty-Five Million Dollars
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 adian Branch, over. \$ 16,000,000
 Deposited with Cana- Revenue, over..... 7,500,000
 dian Government and Bonus declared..... 40,850,000
 Government Trust- Claims paid..... 151,000,000
 ees, over..... 7,000,000
 M. McGOUN, Mgr. P. W. DORAN, Chief Agent, Ont.

A Typical Policy Result of The Dominion Life of Waterloo, Ont.
 Policy No. 6, 10 Pay't. 25 Year Endowment, profits to increase sum assured.
 Premium \$112.00. Amount, \$2,000.00.
 Amount increased at end of 5 years to \$2,070.00
 10 " " 2,150.00
 15 " " 2,210.00
 20 " " 2,300.00
 25 " " 2,489.34
 Assured paid 10 premiums of \$112.00 each. Receives \$231.19 for every \$100.00
 invested, that is, his money returned with compound interest at 4 1/2%, in
 addition to insurance protection. 4


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 The largest earnings are, however, possible on account of its liberal policy
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 Authorized Capital, \$1,000,000.00 Subscribed Capital, \$1,000,000.00
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 Agents Wanted in Unrepresented
 Districts



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 Fire Insurance Company, Limited, of PARIS, FRANCE
 Capital fully subscribed, 25% paid up \$ 2,000,000.00
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