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EDITORIAL.

	PAGE
After the War, January 25	9
Amalgamations, Bank, March 15	10
American Credits, Question of, Apr. 26	9
Annuities for Children, May 31	10
Bank Amalgamations, March 15	10
Bank Profits in 1918, May 31	9
Bankruptcy Act, Need for, March 15	9
Banks in England, Position of, June 28	10
Bonds with Prizes, January 25	9
B.C.'s Finances, March 1	10
Canada and Empire, March 1	9
Canada and the Liberty Loan, April 19	10
Canada, Failures in, March 29	9
Canadian Flax, February 1	10
Canadian Manufactures and the Tariff Board, June 21	10
Canadian Trade After the War, Apr. 26	9
Canada's Labor Forces, Mobilizing, May 10	9
Census Statistics, February 8	9
Checking Accounts, Savings Bank, April 12	10
Chemical Research, January 18	10
Coal Problem, Our, January 18	9
Control of Public Expenditure, May 3	10
Control of Steel Merger, February 22	9
Corporate Trustees, February 8	9
Deserving Cause, A, May 3	10
Dominion Permanent Failure, Feb. 8	10
Economic Future of Japan, The, Apr. 5	10
Editorial Note (Financing the Small Farmer), April 26	12
Empire Trade, March 8	9
Exchange Situation, The, April 19	9
Failures in Canada, March 29	9
Financing the Small Farmer, April 5	9
Fire Insurance in 1917, May 31	10
Fire Insurance Rates, Increase in, April 12	10
Fire Waste, January 11	9
Flax and Linen, March 8	10
Food Control, February 1	9
Foreign Securities, Buying, January 25	9
Forests, Provincial Control of, March 8	10
Fuel Problem, Our, March 8	9
Fuel Situation in the West, The, June 28	10
German Ships Interned, January 11	9
Government, Montreal's, February 8	10
Guarantee Bonds, February 8	10
High Interest Yields, April 26	10
Housing Accommodation, Shortage of, June 14	9
Importing Luxuries, March 1	9
Income Tax, February 15	9
Increase in Fire Insurance Rates, Apr. 12	10
Industrial Profits, Limiting, May 17	9
Information and the Nation, Feb. 22	10
Information and the Tariff, March 22	9
Insurance and Rebating, February 15	10
Interest Rates, Rising, June 14	9
Interest Yields, High, April 26	10
Investors and Rent, February 15	9
Investors, For, March 15	9
Investors, Unfair to, March 1	10
Japan, The Economic Future of, Apr. 5	10
Labor, The Mobilization of, June 21	9
Large Average Policies, March 8	10
Liberty Loan, Canada and the, April 19	10
Life Insurance and the War, May 24	9
Limiting Industrial Profits, May 17	9
Linen and Flax, March 8	10
Liquidating the Grain Credit, May 3	9
Loan to Canada, March 1	10
Luxuries, Importing, March 1	9
Mineral Production, Ontario's, Mar. 29	10
Mobilization of Labor, The, June 21	9
Mobilizing Canada's Labor Forces, May 10	9
Montreal's Government, February 8	10
National Inventory, A, January 18	10
National Wastage, Stopping the, June 7	9
New Debenture Stock, June 7	10
New Taxation Proposals, May 10	10
Non-Essential Industries, What are, April 26	12
Old Ties and New, March 29	10
Ontario's Mineral Production, March 29	10
Organization for War, January 18	10
Organization, Necessity of, January 11	9
Our Fuel Problem, March 8	9
Our Post-Bellum Revenue, May 10	10
Our U. S. Investments, May 3	9
Peat and Investors, February 15	9
Pioneers in Banking on the Pacific, June 7	10
Policies, Large Average, March 8	10
"Poor Richard," February 1	10
Position of Banks in England, June 28	10
Post-Bellum Revenue, Our, May 10	10
Post-Bellum Trade and Industry, March 22	9
Postmastership, The Toronto, May 24	10
Proposed Thrift Campaign (Comment), April 19	9
Provincial Control of Forests, March 8	10
Provincial Resources, February 15	10
Public Expenditure, Control of, May 3	10
Public Expenditure, Unnecessary, June 14	10
Question of American Credits, April 26	9
Question of Trade with Germany, May 17	10
Railroad Rates, March 22	9
Railway Nationalization, February 1	9
Rebating and Insurance, February 15	10
Reconstruction in United Kingdom, June 21	9
Resources, Provincial, February 15	10
Rising Interest Rates, June 14	9
Savings Bank Checking Accounts, April 12	10
Seed Grains and Fodder Liens, March 29	9
Shortage of Housing Accommodation, June 14	9
Significance of Victory Loan, Feb. 1	10
Small Farmer, Financing the, April 5	9
Stopping the National Wastage, June 7	9
Tariff, Information, and the, March 22	9
Taxation and War Finance, June 28	9
Taxation Proposals, New, May 10	10
Taxation Tangle in West, April 12	9
Thrift Campaign, Proposed (Comment), April 19	9
Ties, Old and New, March 29	10
Toronto Bureau of Municipal Research, May 17	10
Toronto Postmastership, The, May 24	10
Trade After the War, January 11	10
Trade After the War, February 1	12
Trade, Empire, March 8	9
Trade in East and West, May 24	10
Trade Returns, March 15	10
Trade with Germany, The Question of, May 17	10
Trustees, Corporate, February 8	9
Unfair to Investors, March 1	10
Unnecessary Public Expenditure, June 14	10
Unrest and War, January 11	10
U.S. Investments, Our, May 3	9
Value of Stock Exchange, February 22	10
Victory Bonds, April 5	10
Victory Bonds in Trade, January 18	10
Victory Loan, Significance of, Feb. 1	10
War, After the, January 25	9
War and Unrest, January 11	10
War Board Trade, February 22	9
War Finance and Taxation, June 28	9
Western Immigration and Land Sales, April 12	9
What Are Non-Essential Industries? April 26	12
Wheat Loan of Hundred Billions, Feb. 22	24

FINANCE AND ECONOMICS.

	PAGE
Anglo-American Exchange, June 21	32
April Bank Statement, May 31	5
Assessment of New C.P.R. Tax, Mar. 22	24
Audit in B.C., March 15	34
Australia's War Loans, February 1	8
Australian War Savings Certificates, June 14	39
Authority of Bank Managers, May 10	30
Bank Amalgamations in England, Mar. 15	46
Bank Branches Opened and Closed, Feb. 1	36
Bank Branches Opened and Closed, March 8	20
Bank Branches Opened and Closed, May 17	30
Bank Branches Opened and Closed in May, June 21	22
Bank Clerks and Military Service, March 29	22
Bank Credits and Life Insurance, Jan. 18	46
Bank Credits and Life Insurance, March 15	20
Bank Interest, April 5	36
Bank Managers, Authority of, May 10	30
Bank Note Designs, New, January 11	6
Bank of Hamilton, March 29	31
Bank of Montreal Business, May 24	8
Bank Rates, European, February 8	28
Bankruptcy Act, Proposed, April 5	14
Bankruptcy Law, Canadian, March 15	18
Bank Statement and Victory Loan, January, March 8	5
Bank Statement, November, January 11	22
Bank Statement, December, February 1	5
Bank Statement, January, (Advance Report), March 1	16
Bank Statement, February, April 5	5
Bank Statement, March, May 3	5
Bank Statement, April. May 31	5
Bank Statement for May (Advance), June 28	16
Banks and Ontario Farmers, March 22	43
Banks and Victory Loan, February 22	18
Brant County Tax Rate, June 21	28
Britain's Banking System Needs Changes, February 1	8
Britain's Loans to Allies, Jan. 11	38
Britain's Vast War Credit, January 11	20
British Bills at 6 per cent., March 1	12
British Cattle and Supply Co. in Liquidation, March 22	19
British Columbia Loan Companies, May 17	14
B.C.'s Finances, March 8	18
Broker and Customer, Law of, April 19	34
Brokers and Banks, April 26	28
Budget, Manitoba's, February 15	12
Bureau of Statistics, April 12	25
Business Profits Tax, The, June 21	10
Calgary Finances, June 28	7
Canada and United States (Story and Chart), March 29	14
Canada Needs Long Time Credits, March 8	16
Can. Bank Amalgamations to Date, March 15	28
Canadian Bankruptcy Law, March 15	18
Canadian Budget Speech, May 3	14
Canadian Northern Expenditure, June 14	36
C.N.R. Stock Arbitration, February 1	54
C.N.R. Stock Arbitration, March 8	28
C.N.R. Stock, Had Purchaser for, March 8	42
C.N.R. Stock Held in Trust, Feb. 22	18
C.N.R.'s Stock, February 15	36
Canadian Northern Stock, Value of, February 8	20
Canadian Offerings in United States, June 28	24
C.P.R. Must Pay Heavy Tax, Mar. 22	38
Canada's Net Debt Shows Large Increase, March 15	22

PAGE

Canada's Two Largest Steel Companies, Growth of, February 22 7
Chartered Banks Now, Nineteen, March 22 16
Coinage of Canada Since Confederation, April 26 18
Collection by Draft, January 11 56
Compensation Act, Ontario's, March 22 18
Conduct of Trust Co.'s, March 22..... 44
Conference on Vital Statistics, June 28 28
Conscription of Capital, February 22.... 20
Conscription of Wealth, April 12..... 5
Contracting for Exchange, April 5..... 32
Credit and War, January 25 20
Credits, Long Time, Canada Needs, March 8 16
Debt and Tax Levy, Moose Jaw's, Jan. 11 18
December Bank Statement, February 1 5
Decimal Coinage, Proposals for, Feb. 1 24
Dominion Bankruptcy Bill, May 31..... 32
Dominion Bank's Progress, Feb. 1..... 40
Dominion Budget for 1918, May 3..... 12
Dominion Finances Satisfactory, Feb. 22 20
Dominion Income Tax, May 3..... 36
Dominion to Make Loans to Province, February 1 31
Easier in London than New York, March 22 24
Edmonton Finances, May 3..... 8
Empire Resources and War Debt, April 12 24
Empire, The Financial Future of June 7 5
European Bank Rates, February 8..... 28
Exchange, Contracting for, April 5..... 32
Exchange for the Empire Fixed, March 15 24
Farm Loans to Cost More, March 1.... 52
February Bank Statement, April 5..... 5
Federal Land Banks, May 31..... 38
Federal Reserve Subsidiary, Proposed, March 15 8
Finance and Sports, February 8 22
Finance and Trade, Imperial, June 28.... 26
Finance Dept.'s Sanction Received, March 15 27
Finance Minister Confers with Bankers, January 25 32
Financed the War, How Germany Has, March 22 5
Finances, B.C.'s, March 8 18
Finances in the Orient, June 21..... 28
Finances of Quebec Province, Jan. 18 36
Financial Future of the Empire, June 7 5
Financial House, New Canadian, May 24 7
Financial Investigations, Conduct of, April 26 30
Financing by United States, January 11 6
Fixed Exchange for the Empire, March 15 24
Gas Company Investigation, June 21..... 8
German War Finance, May 3 42
Germany Has Financed the War, How, March 22 5
Gold for Canada, February 22..... 46
Growth of Money and Exchange, May 24 14
Growth of Money and Exchange, The, May 31 18
Half Billion Loan for Canada. June 28 5
Holland Investors, View of, March 29.. 26
Imperial Finance and Trade, June 28.... 26
Income Tax Collection, March 22... 37
Income Tax Returns Due on March 31st, February 22 60
Increased Taxation in Ontario Counties, June 14 34
Increase in Bank Circulation, April 26 24
Increase in House Rents, May 3..... 46
Inequalities in Taxation, June 14..... 44
Interest Rates on Allied Loans Increase, March 15 30

PAGE

Investment Companies to Meet in Toronto, March 22 22
January Bank Statement (Advance Report), March 1 16
January Bank Statement and Victory Loan, March 8 5
Lands Liable to be Sold for Tax Arrears, June 14 14
Leading Banks Compare, How, March 22 16
Legislation Affecting Loaning, Apr. 12 28
Lenders and Borrowers, April 5..... 22
Loaning Institutions, Outlook for, April 12 40
Loaning, Legislation Affecting, Apr. 12 28
Loaning Situation in Edmonton District, June 7 38
Loaning Situation, Mortgage, April 12 8
Loans Monopolize the Field, April 19.... 47
Loans to Allies, Britain's, January 11 38
Loans to Farmers Increasing, April 19 50
Loans to Provinces, Dominion to Make, February 1 31
Loan to Canada Will Help Trade, March 8 52
London and New York, March 22..... 24
Long Time Credits, Canada Needs, March 8 16
Manitoba's Budget, February 15..... 12
Manitoba's Compensation Act, Mar. 1 34
Man. Telephones Lose Money, Feb. 8.... 50
March Bank Statement, May 3 5
Merchants Bank Lends Money to Stock Men, March 29 30
Merger, Royal-Northern Crown, March 22 28
Mergers and Strengthening Bank System, March 29 32
Money and Exchange, The Growth of, May 24 14
Money and Exchange, The Growth of, May 31 18
Money by Mail, Sending, May 31..... 34
Money Markets Now and After the War, April 26 22
Montreal and B.N.A. Banks, Branches of, March 22 12
Montreal and B.N.A. Banks Compare, How, March 22 12
Montreal-B.N.A. Merger, March 22 8
Montreal's Realty Tax, June 21..... 42
Moose Jaw's Debt and Tax Levy, January 11 18
Mortgage and Inv. Association, Mar. 29 30
Mortgage and Trust Co's Association of B.C., May 3 32
Mortgage Companies Merge, March 8.... 48
Mortgage Conditions in Alberta, May 10 28
Mortgage Loaning Situation, April 5.... 18
Mortgage Loaning Situation, April 12.. 8
Mortgage Loans Association of Alberta, May 31 14
Mortgage Loans Association of Manitoba, June 7 18
Municipal Financing, April 5..... 16
Municipal Statistics of B.C., April 5.... 46
National Revenues, January 25..... 36
N.B. Audit Act, April 12..... 20
New C.P.R. Tax, Assessment of, March 22 24
Nineteen Chartered Banks Now, March 22 16
Northern Crown Bank Transfer, May 10 26
Note Circulation of the Banks, Jan. 18 36
No Temporary Loan for Toronto, March 15 ..... 24b
N.S. Finances, April 5 44
November Bank Statement, Jan. 11..... 22
Officers of Lending Co.'s Meet, Mar. 29 8
Ontario Has Large Surplus, Feb. 15.... 16
Ontario's Compensation Act, March 22 18
Ontario's Workmen's Compensation in 1917, April 26 6
Pig Iron and Steel, March 29..... 32
Pledge of Unendorsed Stock, June 28.... 18

PAGE

Preference in Exchange Discussed, February 15 ..... 32b
Proposals for Decimal Coinage, Feb..... 24
Proposed Bankruptcy Act, April 5..... 14
Proposed Federal Reserve Subsidiary, March 15 8
Proposed Thrift Campaign, April 19.... 5
Provincial Financing, Government Will Assist, January 11 52
Prov. Gov. Loans Proposed, More, March 8 52
Purchaser for C.N.R. Stock, March 8.. 42
Quarterly Audit in British Columbia, March 15 34
Radical Tax Reform, May 3..... 46
Railroad Rates Increase, March 1..... 22
Record Premium on Exchange, January 25 32
Royal and Northern Crown Banks Compare, How the, March 15 ..... 28a
Royal and Northern Crown Banks, Personnel of, March 15 25
Royal Bank Absorbs Northern Crown, March 15 25
Royal Bank Has 425 Branches, Mar. 15 27
Royal Bank's Return, March 29..... 30
Royal-Northern Crown Merger, Mar. 22 28
Saskatchewan Mortgage Association, June 14 22
Saskatchewan's Municipal Finance, January 25 16
Savings Bank Deposits, War Loans and, April 19 12
Savings Deposits and Commercial Loans, April 12 12
Sending Money by Mail, May 31..... 34
Shareholders, Suits Against, May 3..... 28
Sherbrooke as a Financial Centre, Feb. 1 44
Stock, Transfers of, June 7..... 7
Suits Against Shareholders, May 3..... 28
Surplus, Ontario Has Large, Feb. 15.... 16
Taxation, Inequalities in, June 14..... 44
Taxation in Manitoba, February 22.... 42
Taxation Preferable to Price Regulation, June 14 32
Taxing Incomes, June 28 6
Tax Levy and Debt, Moose Jaw's, January 11 18
Tax Situation, Victoria's, February 15 38
Temporary Loan Not for Toronto, March 15 ..... 24b
Thrift Campaign, Proposed, April 19.... 5
To Encourage Small Savings, A Plan, May 24 30
Toronto's Financial Position, April 5.... 8
Toronto's War Expenditure, April 26.. 20
Transfers of Stock, June 7..... 7
Twenty Chartered Banks Now, Mar. 15 26
Unendorsed Stock, Pledge of, June 28 18
U.S. Credit for Canada, May 3..... 30
U.S. Credits to Allies, February 15..... 32b
United States, Financing by, January 11 6
U.S. Loans to Allies, March 29..... 32
Value of C.N.R Stock, February 8.... 20
Victoria's Tax Situation, February 15.. 38
Victory Loan and January Bank Statement, March 8 5
Vital Statistics, Conference on, June 14 42
Vital Statistics, Conference on, June 28 28
War Debt and Empire Resources, April 12 24
War Debts of the World, May 17..... 24
War Expenditure, Toronto, April 5..... 25
War Loans and Government's Priority Order, March 29 43
War Tax on Incomes, Graduate, March 15 35
Wealth, Conscription of, April 12..... 5
Winding Up Enemy Banks, Feb. 1..... 54
Workmen's Compensation in Alta., February 8 18
Workmen's Compensation in New Brunswick, April 26 7
Workmen's Compensation in Ontario, June 21 25
Workmen's Compensation in Quebec, January 25 25

COMMERCE AND TRANSPORTATION.

PAGE

Advertising Expenditures and Production, April 26 26
Agricultural Conditions in Canada, May 24 34
Agricultural Conditions in Ontario, April 26 44
Agricultural Conditions in Ontario, June 7 24
Agriculture in Prince Edward Island, June 7 8
Agriculture in the West, June 14..... 39
Agriculture is the Backbone, Feb. 15 24
Alberta and Edmonton, Conditions in, May 31 36
Alberta Crop Acreage, May 3..... 42
Alberta's Fur Industry, February 15.. 14
Alberta's Oil Development, May 10..... 30
American Immigration to Canadian West, May 3 20
Asbestos Output Increased, April 12 20
Astounding Growth of Canadian Trade, May 31 16
Auto Importations, Large, April 5..... 20
Big Steel Merger is on the Way, February 22 5
Board of Trade and Civics for Winnipeg, May 31 24
Brazil, Trade Opportunities with, May 24 5
Bread, Cost of, in Canada, May 10..... 34
Bread in Canada, Production, May 31.... 42
B.C. Electric Railway, January 25..... 40
British Columbia Electric Railway, June 28 18
B.C. Lumber, January 11 40
British Columbia, Progress in, Jan. 25.. 24
British Columbia (Pub. Rec'd.), March 22 40
British Columbia's Industrial Position, April 26 42
B.C. Shipbuilding, February 1 56
B C. Steel Industry, May 3..... 36
B.C. Will Take Over Railway, Feb. 8 45
Britain's Overseas Trade Increases, April 19 30
British Trade Commissioner, April 26.. 16
British Trade Connections, June 28.... 40
British Trade, Increase in, May 24..... 42
Building Permits Compared, May 24.... 38
Business Activity of Japan Expanding, May 3 24
Business Conditions in Alberta, June 7 32
Canada and British West Indies, Apr. 5 20
Canada and West Indies, March 15..... 7
Canada as Part of Empire, March 1.... 14
Canada Has Shipbuilding Orders of $64,500,000 in Hand, March 22..... 35
Canada Research, Opportunities, March 15 5
Canada, Trade with U.S., February 15.. 46
Canada Will Take Production Census, How, February 8 5
Canada's Capacity to Produce Steel, March 29 28
Canada's Cheese Trade in 1917, Jan. 25 20
Canada's Coal Mining Industry, June 28 24
Canada's Coal Problem, February 1..... 14
Canada's Coal Problem and Comments of Newspapers on Mr. A. V. White's Article, February 22 .....26, 27
Canada's Farm Lands, Value of, March 8 20
Canada's Favorable Trade Balance Has Grown, How, March 8 8
Canada's February Trade, March 22.... 38
Canada's Flax Production, January 18 22
Canada's Food Regulations, June 7..... 29
Canada's Foreign Trade, March 22..... 40
Canada's Forests, June 7 46
Canada's Great Opportunity (Flax and Linen), March 8 34
Canada's January Trade, March 15..... 42
Canada's Large Trade, January 25..... 36

PAGE

Canada's Lignite Deposits, Developing, June 14 41
Canada's Minerals, Large Output, January 11 24
Canada's Munition Output is Large, March 8 24
Canada's Nickel Output, March 22..... 18
Canada's Rank as Farm Producer, June 7 7
Canada's Shipbuilding Activities, March 1 48
Canada's Steel Production, January 11 50
Canada's Trade, Growth of, April 5.... 30
Canada's Trade Has Increased, March 1 52
Canada's Trade, Increase in, April 26.... 12
Canadian Canners, Tin Plate for, March 15 20
Canadian Car and Foundry Co., Cleavage in, June 14 16
Canadian Car Co.'s Contract, Feb. 15.. 16
Canadian Exporters, March 15 8
Canadian Holdings of U.S. Steel, January 18 16
Canadian Manufactures Essential, June 14 5
Canadian Milling Industry, June 28.... 22
Canadian Newsprint Question, May 3.... 24
Canadian Northern Arbitration, May 31 38
Canadian Pacific Railway, May 3..... 41
Canadian Pacific Railway and the State, January 25 28
Canadian Problems After the War, May 10 22
Canadian Pulp and Paper Trade, June 21 29
Canadian Rail Orders in U.S., Mar. 22 22
Canadian Railways and Canals, May 10 24
Canadian Railways and the Government, May 10 5
Canadian Steel Output in 1917, June 7 48
Canadian Steel Production, Increased, February 22 8
Canadian Timber, Good Opening for, June 21 39
Canadian Trade, Astounding Growth of, May 31 16
Canadian Trade Balance with United States, June 7 22
Canadian Trade, Decrease in, June 21.... 48
Canadian Trade Expansion Since the Beginning of the War, May 17..... 20
Canadian Trade, Increase in, March 22 26
Canadian Wool, Marketing, Jan. 18..... 12
Carriers by Water, April 26..... 40
Coal, Electricity Will Not Replace, March 1 42
Coal Importation Varies, April 5 36
Coal in Dufferin County, March 1..... 38
Coal Mining Industry, Canada's, June 28 24
Coal, Primitive Methods of Handling, June 14 36
Cold Storage, Is it Iniquitous? May 10 12
Commerce Commission, Interstate, June 28 28
Commodities, Index Number of, May 24 38
Comparative Production Costs, March 8 30
Conditions Good in Saskatoon District, June 7 24
Conditions in the West, April 26..... 14
Conditions in the West, May 10..... 32
Construction of Ships Planned, Jan. 11 37
Control of Newsprint Industry, Feb. 1 22
Copper Production Last Year, Mar. 15 24
Cost of Bread in Canada, May 10..... 34
Cost of Our State Merchant Fleet, May 17 5
Crisis in Pulp and Paper Industry, February 15 36
Crop Acreage for 1918, June 21..... 12
Crops Brought Big Sum, February 1.... 24
Crop Outlook Favorable, April 19..... 12
Crop Prospects in Saskatchewan, June 21 7

PAGE

Crop Prospects in Saskatchewan, June 28 6
Crop Prospects in the West, May 3..... 24
Crop Prospects Throughout Canada, June 21 42
Cynamid Plant, Niagara Falls, Jan. 11 37
Dairy Products, Export of Last Year, January 18 30
Decrease in Canadian Trade, June 21 48
Defect in Transportation, A, May 31 12
Distribution of Feed for Livestock, May 31 22
Dominion Steel Corp. Operations, Jan. 18 34
Drydock Idle, May 3 48
Dye Industry for Walkerville, June 21 25
Edmonton Waterworks Dept., April 5.. 39
Electricity Will Not Replace Coal, March 1 42
Electric Smelting in Canada, Feb. 8..... 51
Empire's Wheat Production, Canada's Share of, January 18 12
Expansion of Mineral Industry Essential, February 8 36
Expenses and Profits of Agriculture, June 21 36
Export of Canadian Metals to be Licensed, January 11 25
Fall Wheat for Seed, Supply, June 21.. 39
Farmers' Money at Low Rate (Letter to the Editor), April 19 8
Farming, Motorize, This Year, June 21 5
Farm Products, Big Sum from, Jan. 25 30
Farm Products, March 1 24
Favorable Trade Balance, How Canada's Has Grown, March 8 8
February Trade, Canada's, March 22.... 38
Feed for Livestock, Distribution of, May 31 22
First Steel Ship, Work on, February 15 8
Fish Marketing, Ontario Government's, January 11 14
Flax Growing in Manitoba, May 24..... 22
Flax Production, Canada's, January 18 22
Flax Production, Must Increase, Apr. 19 34
Food Commodities in Canada, May 24.. 7
Food Commodities in Canada, May 31.. 41
Food Production and War, April 12..... 25
Food Production Problem, April 12..... 18
Foreign Trade, Canada's, March 22..... 40
Foreign Trade to Develop, February 22 42
Forestry Forethought, June 14 41
Friendly Societies in Ontario, June 21 7
Fuel Possibilities, New Brunswick's, April 5 14
Fuel Resources, Should Investigate, March 1 18
German Iron and Steel Industry, May 10 18
German Shipping After the War, June 21 14
Germany's Industrial Efforts, May 3..... 18
Government and the Canadian Railways, May 10 5
Government and the Railways, May 17 7
Government and the Railways, May 24.. 18
Government Opportunities After War, April 12 14
Government Opportunities After the War, April 19 14
Grain in Canada, April 26 14
Grain Situation in Western Canada, March 22 7
Grand Trunk Railway Position, May 17 24
G.T.R.'s Sixty-sixth Anniversary, February 22 22
Halifax Shipbuilding Progress, June 28 44
Hospitals and Charities in Ontario, June 28 20
Immigration to Canada in War Times, Feb. 15 5
Imperial Oil Co.'s Organization, January 18 45
Increased Canadian Steel Production, February 22 8
Industrial Activity in B.C., Feb. 15.... 37

	PAGE
Industrial Construction Association, May 24	24
Industrial Efforts, Germany's, May 3	18
Industrial Preparation in U.S., May 3	44
Industrial Reconstruction, June 28	34
Industry, Readjustment of, March 15	44
Industry, Readjustment of, March 22	20
International Fisheries Problems Discussed, February 1	50
International Imperial Trade Preference, February 8	24
Interstate Commerce Commission, June 28	28
Iron and Steel Industry, German, May 10	18
Irrigation Farming, May 24	28
Is Cold Storage Iniquitous? May 10	12
Labor and Labor Unions, June 28	34
Land Settlement Problem, Our, Jan. 25	5
Land Values in Saskatchewan, Mar. 1	6
Lethbridge and Southern Alberta, May 17	18
Limit Profits on Packers, March 15	32
Lumber in B.C., January 11	40
Luxuries in War Time, June 7	41
Manitoba Flaxgrowing, May 24	22
Manufacturers' Association, Growth of, June 14	8
Manufactures Essential to Canada, June 14	5
Manufacturers Form Deputation, March 22	10
Metal Prices Here High, January 11	42
Milling Profits in Canada, May 31	36
Mineral Industry, Expansion of Essential, February 8	36
Mineral Production in Canada, 1917, March 15	24b
Motorize Farming This Year, June 21	5
Munition Output is Large, Canada's, March 8	24
National Inventory of Industrial Organization, January 18	5
New Brunswick Coal, Development of, June 21	32
New Brunswick Railways Pass to Public, June 7	41
New Brunswick's Fuel Possibilities, April 5	14
New Industry for Halifax, June 7	39
Newsprint Industry, Control of, Feb. 1	22
New Steel from Old, June 28	18
New Westminster's Progress, March 8	24
Next Best Customer, June 28	7
Niagara Falls Cynamid Plant, Jan. 11	37
Nickel Output, Canada's, March 22	18
N.S. Steel Co., March 15	22
N.S. Steel, Shipbuilding Plant in, March 22	30
Oil-producing Deposits of Canada, June 21	6
One Thousand Ford Tractors Purchased, February 15	45
Ontario Fall Wheat a Failure, May 17	16
Ontario Farmers and Banks, March 22	43
Ontario's Agricultural Conditions, June 7	24
Ontario's Farm Conditions, April 19	36
Ontario's Workmen's Compensation Act, February 15	7
Opportunities for Canada Research, March 15	5
Our Water Powers and Fuel Situation, April 19	32
Pacific Coast Conditions, May 24	24
Pacific Great Eastern Passes to Government, March 1	34
Packers, Limit Profits on, March 15	32
Paper Situation, Wider Investigation of, January 11	6
Part of Empire, Canada as, March 1	14
Power Available at Quebec, April 26	40
Production Census, How Canada Will Take, February 8	5
Production Costs, Comparative, Mar. 8	30
Production of Bread in Canada, May 31	42
Production of Grain in 1917, May 17	32
Progress of St. John, May 24	32
Pulp and Paper Industry, Crisis in, February 15	36
Pulp and Paper Industry, March 15	34
Pulp and Paper Industry, Outlook in, January 11	42
Pulpwood Resources of Canada, Estimate, June 14	46
Quebec Crops Value, February 15	5
Railroad Business, Prospects of, May 17	28
Railroad History, Making, June 21	41
Railroads Handling Freight, How They Are, February 22	46
Rails Nearly Complete, Arrangements for, March 15	10
Rails on Lines Not Vital, To Take up, January 11	34
Railway Earnings Satisfactory, Feb. 1	12
Railway Equipment, Large Expenditure on, March 15	41
Railway Equipment Orders, Large, March 22	34
Railway War Board, Work of, Jan. 18	24
Readjustment of Industry, March 22	20
Research, Opportunities for Canada, March 15	5
Riordon Co.'s Shipments Moving Fast, March 15	10
Road Improvements to be Restricted, June 14	36
Roads and Production, February 1	22
Salmon Controversy, Sockeye, Feb. 1	42
Salmon Fisheries, B.C., Feb. 22	50
Saskatchewan Agriculture to be Promoted, May 10	34
Saskatoon District, Conditions Good in, June 7	24
Seeding in the West, April 19	30
Shipbuilding Activities, Canada's, March 1	48
Shipbuilding Enterprises, New, Feb. 8	48
Shipbuilding in Australia, May 10	24
Shipbuilding in B.C., Feb. 1	56
Shipbuilding on Vancouver Island, Jan. 25	7
Shipbuilding Orders of $64,500,000, Canada Has in Hand, March 22	35
Shipbuilding Progress, Halifax, June 28	44
Ships, Construction of, Planned, Jan. 11	37
Should Investigate Fuel Resources, March 1	18
Silk Imports Increase, June 28	7
Sockeye Salmon Controversy, Feb. 1	42
Sockeye Salmon in B.C., March 1	36
State Merchant Fleet, Cost of Our, May 17	5
State Merchant Marine, Canada Should Have, March 29	5
Steamship Deal, March 8	28
Steel, Canada's Capacity to Produce, March 29	28
Steel Industry in British Columbia, April 26	24
Steel Industry in B.C., May 3	36
Steel Merger Conferences, March 22	26
Steel Merger is on the Way, Big, February 22	5
Steel Products, Wider Range of, February 22	12
Steel Rails for Canadian Railways, March 15	34
Steel Shipbuilding, Concerning, Mar. 8	20
Steel Shipbuilding Plant in N.S., March 22	30
Steel Ship Plates, Canada to Make, March 29	35
St. John Harbor Survey, March 8	24
St. John, Progress of, May 24	32
Successful Search for Substitute (Pine Oil), March 29	30
Toronto Electric Light Company, June 21	42
Toronto Hydro-Electric System, June 28	30
Trade After the War, March 1	46
Trade Balance Has Grown, How Canada's, March 8	8
Trade Balances and Credits, March 29	30
Trade, Canada's January, March 15	42
Trade, Can We Maintain, January 11	5
Trade, Loan to Canada Will Help, March 8	52
Trade of Canada for March, May 17	37
Trade Opportunities with Brazil, May 24	5
Trade, Organizing for, January 18	20
Trade Preference, Inter-Imperial, Feb. 8	24
Transportation, A Defect in, May 31	12
Transportation Tax, May 17	28
U.S. Coal Exports, January 18	16
U.S. Crops, January 11	47
U.S. Exports to Canada, February 1	16
U.S. Immigration, May 10	32
U.S. Industrial Preparation, May 3	44
U.S. Steel, Canadian Holding of, Jan. 18	16
U.S. Trade with Canada, February 15	46
Value of Canada's Farm Lands, Mar. 8	20
Vancouver May Purchase Electric Railway, May 24	22
Victoria Industrially in 1918, June 14	18
Victoria's Industrial Progress, May 10	34
Victoria, The Garden City of Canada, May 31	26
War Industries Board Suggested, January 18	36
War Orders in Canada, Value of, March 15	36
War-Time Business and Profits, Feb. 15	26
War Trade Board Created, February 15	22
War Trade Board's Activities, Mar. 1	46
Water Power, To Develop, January 25	36
West, Conditions in the, April 26	14
West Indies and Canada, March 15	7
Western Conditions Satisfactory, Apr. 5	34
Western Outlook, The, May 3	32
Wheat via Panama Canal, March 1	18
Wider Range of Steel Products, Feb. 22	12
Wool Produced in Manitoba, Sale of, January 18	36
Workmen's Compensation Act, Ontario's, February 15	7
Workmen's Compensation in Ontario, June 14	14
World Trade Largest in History, Jan. 18	24
World's Crop Data, January 25	48
World's Wheat Production, June 21	46

BONDS AND MUNICIPAL CREDIT.

	PAGE
Acton, Ont., March 22	26
Alberta Bond Sales, June 21	30
Alberta Bonds, Issue of, June 7	48
Alberta Prevents Sale of Securities, March 15	41
Allied Bonds in New York, March 15	28b
Alliston Debentures, May 24	12
April Municipal Bond Sales, May 3	30
B.C. Bond Issue, May 24	44
B.C. Conditions in, April 12	32
B.C. Estimates, April 9	46
B.C. Issue Not Sold, May 31	44
Bond Dealers' Association, Feb. 15	24b
Bond Market, Activity in, January 18	8
Bond Offering, Montreal's, February 22	38
Bond Situation, Four Alberta Cities Discuss, February 1	36
Bonds, Nova Scotia Sells, March 29	8
Bonds, Provincial Government, Mar. 1	20
Bradford, Ont., April 19	30
Brampton, Ont., May 3	30
British Bonds, More Funds for, June 7	30
British Market for Canadian Securities, February 22	55
Brockville, Ont., March 8	48
Burlington Sells Bonds, March 29	43

	PAGE
Burnaby Buys Municipal Bonds, June 7	32
Calgary, Alta., February 15	32
Calgary, Alta., June 7	26
Calgary, Alta., June 14	30
Canada's Victory Loan, April 26	6
Canada's Victory Loan, Final Returns of, February 15	10
Canadian Municipalities, Union of, June 28	42
Canadian Northern Note Payment, Jan. 11	37
Canadian Securities in London, Jan. 25	14
Canadians and Their Loan Subscriptions, January 11	53
City of Regina Finances, June 14	20
Control of Bond Issues, January 25	22
Control of Quebec's Municipal Affairs, March 1	5
Cost of Victory Loan, April 19	16
County of Lincoln Bond, April 19	42
County of Lincoln, Ont., May 31	30
County of Northumberland, Ont., May 17	26
County of Wentworth, Ont., April 5	30
Courtnay, B.C., April 5	30
Dartmouth, N.S., June 21	30
Edmonton, Alta., April 19	30
Edmonton, Alta., June 21	30
Edmonton, Alta., June 28	26
Edmonton's Public Utilities, May 24	22
Edmunston, N.B., June 28	26
Essex County Bond Issue, April 19	7
Essex, Ont., June 7	26
European Securities for Year, Jan. 18	14
February Municipal Bond Sales, Mar. 8	38
Fitzroy, Ont., May 31	30
Flour Mills Co., Dividend for, Jan. 11	54
Fourth Liberty Loan in Sight, June 21	39
Government Loans to Provinces, April 19	39
Government Opportunities After the War, April 26	5
Grand Mere, Que., April 26	26
Greater Winnipeg Water District Bonds, June 28	14
Halton, Ont., County of, March 8	48
Hamilton, Ont., May 17	26
Hull, Que., March 8	48
Hydro-Electric Guaranteed Bonds, June 21	42
India's New War Loan, June 21	39
Industrial Bond Issue, March 15	30
Interest Payments on Victory Loan, April 12	7
Investments in Stocks and Bonds, Yield on, January 11	52
January Municipal Bond Sales, Feb. 1	16
Kent County Finances, June 14	30
Kitchener, Ont., June 21	30
Lethbridge, Alta., February 15	32
Liberty Loan, May 10	26
Liberty Loan, Three Billions, March 29	26
Lincoln Bond Issue, April 19	42
Listowel, Ont., April 26	26
Loan for Canada, Half Billion, June 28	5
Loans to Municipalities, May 10	26
London, Ont., March 1	30
Lottery Bonds, Supports, February 22	20
Maisonneauve, Que., January 11	46
Manitoba Public Utilities, February 15	14
March Municipal Bond Sales, April 5	26
Maturing Obligations, January 11	53
May Municipal Bond Sales, June 7	30
Montreal Bond Dealers Will Open New Branch, May 17	34
Montreal Bonds, Sale of, June 7	44
Montreal Bond Issue, April 12	38
Montreal Bond Offering, March 1	30
Montreal Catholic School Commission Bonds, May 10	26
Montreal City Bonds, June 14	37
Montreal, Que., January 18	48
Montreal, Que., February 1	36
Montreal, Que., February 8	50
Montreal, Que., May 31	30
Municipal Bond Sales, January, Feb. 1	16
Municipal Bond Sales, February, Mar. 8	38
Municipal Bond Sales, March, April 5	26
Municipal Bond Sales, April, May 3	30
Municipal Bond Sales, May, June 7	30
Municipal Borrowing, June 7	30
Municipal Expenditures, Cutting Down, May 17	30
Municipalities, Loans to, May 10	26
Municipal Sinking Funds; Short-term Loans, March 22	26
Municipal Statistics of B.C., April 12	42
New Brunswick Bonds, May 31	30
New Brunswick Bonds, June 14	30
New Brunswick Borrows $1,000,000, February 15	8
Newcastle, N.B., June 7	26
Newfoundland Bond Issue, May 31	12
Newfoundland Bond Issue, June 7	8
Newfoundland's Victory Loan, June 14	30
Next Canadian Loan in Fall, May 31	44
Next War Loan, Preparation for, June 28	16
Niagara Falls, Ont., April 5	30
Niagara Falls, Ont., April 26	26
North Vancouver, B.C., March 15	30
Nova Scotia Sells Bonds, March 29	8
Ontario Bonds, May 17	6
Ontario Bonds, More, February 22	58
Ontario Issue Sold at High Figure, May 24	26
Ontario, Province of, May 3	30
Ontario Sells Bonds, February 8	28
Ontario Sells More Bonds, May 31	30
Oshawa Sells Bonds, June 7	16
Ottawa, Ont., February 8	50
Parry Sound, Ont., March 29	26
P.E.I. Telephone Co., March 29	8
Penmans, Ltd., March 8	26b
Peterboro County, Ont., June 21	30
Petrolia Sells Bonds, March 15	28b
Port Moody, B.C., March 1	30
Premium Bonds as Lottery, Denounces, March 15	18
Preparation for Next War Loan, June 28	16
Prince Rupert, B.C., February 8	50
Province of Ontario, May 3	30
Provincial and Municipal Bonds, May 24	42
Provincial Government Bonds, Mar. 1	20
Provincial Government Loan, Another, March 15	7
Provincial Issues, Two More, March 22	42
Public Utilities, Manitoba, February 15	14
Pulp and Paper Co.'s Bond Offering, February 1	54
Quebec and Securities Regulation, Jan. 18	42
Quebec's Municipal Affairs, Control of, March 1	5
Quebec, Que., January 18	48
Quebec, Que., February 8	50
Quebec, Que., April 19	30
Quebec, Que., May 31	30
Raleigh, Ont., March 8	48
Red Deer, Alta., March 8	48
Red Deer, Alta., June 28	26
Red Deer Treasury Bills, June 7	26
Regina Bonds, June 28	16
Revelstoke, B.C., April 5	30
Russian Bonds, Troubles of, Jan. 18	24
Sandwich, Ont., May 10	26
Sandwich, Ont., May 17	26
Sarnia, Ont., June 7	26
Saskatchewan Bond Issue, June 21	30
Saskatchewan Bond Sale, June 14	37
Saskatchewan, March 8	48
Saskatchewan, March 15	30
Saskatoon, Sask., April 19	30
Securities Issues Regulation, Jan. 11	20
Security Prices Steady in New York, May 24	30
Shawinigan Water and Power Co., Jan. 11	53
Sherbrooke, Que., March 29	26
Sherbrooke, Que., April 19	30
Smith's Falls, Ont., March 8	48
Smith's Falls, Ont., May 31	31
Soo Railway Issues Bonds, March 22	34
Strathroy, Ont., June 21	30
St. Catharines Bonds Awarded, May 31	6
St. Lambert, Qne., Feb. 15	31
Three Rivers, Que., March 29	26
Tillsonburg Guarantees Bonds, May 10	12
Tisdale, Ont., May 10	26
Toronto and Hamilton Highway Bond, January 11	24
Toronto, Ont., January 18	48
Toronto, Ont., February 1	36
Toronto, Ont., May 17	26
Toronto, Ont., May 24	26
Toronto, Ont., June 7	26
Toronto's Outstanding Taxes, April 26	24d
Trail, B.C., March 15	30
Trail, B.C., May 17	26
Truro, N.S., May 31	30
Tweed, Ont., May 3	30
Twin City Rapid Transit Co. Bonds, June 28	26
Two More Provincial Issues, Mar. 22	42
Union of Canadian Municipalities, June 28	42
Valuation of Securities, Decline in, February 8	36
Vancouver, B.C., January 18	48
Vancouver, B.C., June 28	26
Victoria, B.C., February 1	36
Victoria, B.C., April 26	26
Victoria, B.C., May 3	30
Victoria, B.C., May 17	26
Victoria, B.C., June 21	30
Victoria Bond Issue, New, April 19	37
Victoria's Lands, Would Re-asesss, March 1	38
Victory Bonds, Advance in Price of, June 14	30
Victory Bond Holders Should Not Sell, February 15	45
Victory Loan and Banks, February 22	18
Victory Loan Bonds, April 19	37
Victory Loan Calculations, February 1	18
Victory Loan, Cost of, April 19	16
Victory Loan Expenses, Details of, May 17	26
Victory Loan, Interest Payment on, May 24	26
Victory Loan, Interest Payments on, April 12	7
Victory Loan Remuneration, May 24	12
Walkerville Has Bonds to Sell, Jan. 18	45
War Bonds, Pegging Price of, Jan. 25	18
War Loan and Savings Bank Deposits, April 19	12
War Loan, New, June 7	44
Washington, Important Visit to, Mar. 1	20
Weekly Municipal Bond Market, Feb. 8	50
Winnipeg, Man., Feb. 1	36
Winnipeg, Man., June 14	30
Woodstock, Ont., June 21	30
Would Re-assess Victoria's Lands, March 1	38
York Township, Ont., March 22	26
York Township, Ont., May 31	30

INVESTMENTS AND THE MARKET.

	PAGE
Abitibi Power and Paper Co.. Ltd., April 26	24d
Abitibi Power and Paper Co., May 10	37
Abitibi Power and Pulp Co., February 8	12
American Sales Book Co., March 29	20
Asbestos Corporation Co. of Canada, March 8	14
Brazilian Traction, Light and Power Co., March 1	8
Brazilian Traction, Light and Power Co., May 10	37
Brompton Pulp and Paper Co., January 11	18
Brompton Pulp and Paper Co., Jan. 18	37
Calgary Power Co., Ltd., June 7	28

	PAGE
Canada Cement Co., March 15	38
Canada Iron Foundries, February 8	14
Canada Steamship Lines, February 8	12
Canada Steamship Lines, March 1	8
Canada Steamship Lines, March 8	14
Canadian Car and Foundry Co., Jan. 11	18
Canadian Car and Foundry Co., Feb. 1	34
Canadian Consolidated Rubber Co., Apr. 5	28
Can. Pac. Railway, March 29	18
Canadian Westinghouse Co., April 5	28
Carriage Factories, Ltd., March 1	50
Civic Investment and Industrial Co., January 11	18
Coniagas Mining Co., January 11	18
Consolidated Mining and Smelting Co., January 18	37
Dominion Canners, Ltd., March 15	38
Dominion Coal Co., March 29	18
Dominion Glass Co., January 11	18
Dominion Linens, Ltd., April 19	46
Dominion Steel Corporation, May 31	8
Duluth-Superior Traction Co., Feb. 1	34
F. N. Burt Co., March 29	18
G.T.R., March 29	18
Hollinger Consolidated Gold Mines, Feb. 8	14
Howard Smith Paper Mills, Feb. 8	12
Imperial Oil Co., January 11	18
International Coal and Coke Co., Mar. 8	8
Intercolonial Coal Co., March 15	38
International Nickel Co., February 8	14
International Nickel Co., March 29	18
Investment Opportunity, April 19	22
Kaministiquia Power Co., January 11	18
Kerr Lake Mines, June 28	14
Lake of the Woods Milling Co., Mar. 1	8
La Rose Consolidated Mining Co., February 1	34
Mackay Companies, February 22	60
Mackay Company, March 1	8
Maritime Telephone and Telegraph Co., March 8	12
Maritime Telephone and Telegraph Co., March 1	7
Monarch Knitting Co., March 8	12
Montreal Cottons, Ltd., March 8	12
Montreal Light, Heat and Power Co., March 1	8
Montreal Light, Heat and Power Co., May 31	8
Montreal Light, Heat and Power Co., June 28	14
Montreal Tramways Co., February 8	14
Montreal Tramways Co., March 8	8
Municipals, Price of, March 22	26
National Brick Co., Ltd., April 19	46
New Brunswick Power Co., March 8	12
North American Pulp and Paper Co., May 24	8
Ottawa Traction Co., February 15	24b
Paton Mfg. Co., March 15	38
Penmans, Ltd., March 8	12
P. Lyall and Sons Construction Co., Ltd., May 31	8
Porcupine Crown Mines, Ltd., Feb. 1	34
Riordon Pulp and Paper Co., March 15	38
Rogers, H. and Co., January 11	18
Shawinigan Water and Power Co., January 11	37
Shawinigan Water and Power Co., January 18	37
Shawinigan Water and Power Co., March 1	8
Shredded Wheat Co., March 1	50
Southern Canada Power Co., March 1	7
Southern Canada Power Co., June 7	28
Southern Canada Power Co., June 28	14
Standard Chemical, Iron and Lumber Co., April 5	28
Toronto Railway Company, February 8	12
Tretheway Mining Company, January 18	37
Tretheway Silver Cobalt Mine, Ltd., March 1	7
Tuckett Tobacco Co., June 14	7
Twin City Rapid Transit Co., Feb. 1	35
Walkerville Light and Power Co., June 14	7
West Kootenay Power and Light Co., January 18	37

ANNUAL MEETINGS.

Insurance Companies.

	PAGE
Aetna Life Ins. Co. of Hartford, Mar. 8	36
Alliance Insurance Co. of Philadelphia, June 14	48
American Insurance Co., March 22	35
British America Assurance Co., Mar. 15	20
British Crown Assurance, June 7	34
British Northwestern Ins. Co., Mar. 8	48
Caledonian Insurance Co., June 7	7
Canada Fire Insurance Co., March 8	36
Canada Life Assurance Co., Jan. 11	52
Canada National Fire Ins. Co., Mar. 1	42
Confederation Life Association, Feb. 1	8
Continental Ins. Co. of New York, January 18	41
Crown Life Insurance Co., March 1	52
Dominion Fire Ins. Co., March 15	28b
Eagle Star Insurance Amalgamation, January 11	49
Excelsior Life Insurance Co., Feb. 8	46
Great-West Life Assurance Co., Feb. 8	18
Growth of Union Casualty Co., June 14	29
Guarantee Co. of North America, Jan. 25	48
Home Insurance Company, February 15	8
Imperial Guarantee and Accident Co., January 25	22
Imperial Life Assurance Co., Jan. 11	56
London and Lancashire Fire Insurance Co., June 7	48
London Assurance Co., June 21	30
London Life Ins. Co., February 15	41
London Mutual Fire Ins. Co., March 1	20
Manufacturers Life Ins. Co., Feb. 22	18
Merchants Fire Ins. Co., January 25	48
Monarch Life Assurance Co., Feb. 1	54
Mount Royal Assur. Co., March 1	36
Mutual Life Insurance Co., February 8	24
National Life Insurance Co., Jan. 11	35
National Life Insurance Co., January 18	22
North American Life Assur. Co., Feb. 8	20
Northern Life Assur. Co., February 22	46
Northwestern Life Assur. Co., March 1	22
Occidental Fire Insurance Co., March 8	20
Queensland Insurance Co., March 29	20
Royal Exchange Assurance, May 24	7
Sask. Life Ins. Co., February 8	36
Security Life Ins. Co. of Canada, March 22	28
Sovereign Life Assur. Co., February 15	16
Sun Life Assurance Co., March 8	32
Travellers Ins. Co., February 8	51
Union Casualty Co., June 14	29
Western Assurance Co., March 15	30
Western Empire Life Ins. Co., Feb. 8	34
Western Life Assur. Co., February 15	8
Yorkshire Insurance Co., Ltd., June 21	18

Banks.

	PAGE
Bank D'Hochelaga, January 25	34
Bank of B.N.A., March 8	16
Bank of B.N.A., April 12	20
Bank of Hamilton, April 19	16
Bank of Nova Scotia, Jan. 25	20
Bank of Toronto, January 11	16
Canadian Bank of Commerce, Jan. 11	26
Dominion Bank, January 25	46
Home Bank, June 28	12
Imperial Bank of Canada, May 24	6
La Banque Nationale, June 7	20
La Banque Nationale, June 21	34
London City and Midland Bank, Ltd., February 1	20
Merchants Bank Annual Report, May 31	36
Merchants Bank of Canada, June 14	20
Montreal City and District Savings Bank, February 22	10
National Bank of Scotland, February 1	44
Northern Crown Bank, January 18	41
Provincial Bank, January 11	54
Royal Bank of Canada, January 18	30
Standard Bank of Canada, March 1	52
Sterling Bank of Canada, May 24	6
Toronto, Bank of, January 11	16
Union Bank of Canada, January 11	32
Union Bank of Canada, January 11	49
Union Bank of Canada, January 18	36

Trust and Loan Companies.

	PAGE
B.C. Permanent Loan Co., March 1	36
Canada Permanent Mortgage Corp., February 1	22
Canada Trust Co., February 22	30
Canadian Guarantee Trust Co., Feb. 15	30
Central Canada Loan Co., January 18	14
Dominion Savings and Investment Society, February 22	54
Great West Permanent Loan Co., April 5	26
Hamilton Provident Loan Soc., Mar. 8	28
Home Inv. and Savings Assoc., Feb. 8	50
International Loan Co., Ltd., Apr. 19	37
Landed Banking and Loan Co., Feb. 22	22
London and Canadian Loan Agency, February 22	30
Midland Loan and Savings Co., Jan. 25	36
Montreal Trust Co., January 25	32
National Trust Co., February 1	31
Ontario Loan and Debenture Co., February 22	58
Oxford Permanent Loan and Savings Society, February 8	36
Premier Trust Co., March 8	50
Real Estate Loan Co. of Canada, Mar. 1	34
Royal Loan and Savings Co., Jan. 25	36
Saskatchewan General Trusts Corporation, June 28	32
Sask. Mortgage and Trust Corp., April 12	22
Standard Reliance Mortgage Corp., March 8	42
Standard Trusts Co., February 22	22
Sterling Trusts Corp., March 8	22
Trust and Loan Co. of Canada, June 28	16
Union Trust Co., February 15	28
Waterloo County Loan and Savings Co., February 22	50
Western Trust Co., April 19	44

Industrial Companies.

	PAGE
Abitibi Power and Paper Co., Feb. 15	32
Abitibi Power and Pulp Co., Feb. 8	12
Asbestos Corp. of Canada, March 8	14
Atlantic Sugar Refineries, Ltd., June 28	16
Brandram-Henderson Co., February 22	50
Brompton Pulp and Paper Co., Jan. 11	18
Canada Cement Co., February 22	36
Canada Foundries and Forgings, Mar. 1	36
Canada Northwest Land Co., March 8	52
Canadian Car and Foundry Co., April 26	28
Canadian Converters' Company, Ltd., June 21	34
Can. Fairbanks-Morse Co., Ltd., Apr. 12	44
Canadian General Electric Co., March 29	42
Canadian Credit Men's Association, June 28	16
Carriage Factories, Ltd., March 1	50
City Dairy Co., March 8	28
Dominion Canners, Ltd., March 8	32
Dominion Foundries and Steel Co., Mar. 22	14
Dominion Steel Corporation's Report, June 21	32
Duluth Superior Traction Co., Feb. 1	34
Eastern Car Co., April 5	48
F. N. Burt Company's Report, Apr. 5	25

PAGE

International Nickel Co., February 8.. 14
International Nickel Company, June 21 34
Mackay Companies, February 22 60
Mackay Company, March 1 8
Montreal Cottons, Ltd., March 8..... 14
Nova Scotia Steel and Coal Co., Apr. 5 12
Nova Scotia Steel and Coal Co., Mar. 8 32
Ottawa Traction Co., February 15..... 24b
Rogers, Wm. A., Ltd., April 19..... 39
Shredded Wheat Co., March 1..... 50
Steel Co. of Canada, March 29..... 44
Steel Co. of Canada, May 10 25
Toronto Paper Mfg. Co., May 10..... 37
White Companies, June 28 14

Municipal.

Bantford Finances, June 21..... 24
Canadian Surety Co., February 1..... 50
Edmonton Finances, June 21..... 20
Finances of Toronto, June 21..... 24
Greater Winnipeg Water Dist., Apr. 12 26
New Westminster, B.C., March 1..... 30
Port Moody, B.C., March 1..... 30
Toronto, Ont., March 1..... 30
Winnipeg's Financial Position, June 21 29

Mining.

Adanac Silver Mines Co., Feb. 8..... 12
Burnaby, B.C., March 1 32
Consolidated Mining and Smelting Co., January 11 35
Consolidated Mining and Smelting Co., January 18 37
Dome Mines, Ltd., June 7 28
Nipissing Mines Co., Ltd., May 24..... 35
Porcupine Crown Mines, Ltd., Jan. 25 27
Porcupine Crown Mines, Feb. 1..... 34
McKinley Darragh Mines, April 12..... 44
Mining Corporation of Canada, June 28 14

Publ'c Utility Companies.

British Columbia Electric Ry., June 7 41
Canada Steamships Lines, Ltd., Mar. 8 14
New Brunswick Power Co., March 8.... 12
Niagara Falls Power Co., March 15..... 8
Northern Ont. Light and Power Co., April 19 46
Ottawa Light, Heat and Power Co., March 1..... 45
Western Power Co. of Canada, Mar. 22 14
Winnipeg Electric Rly. Co., Mar. 22 14
Winnipeg Electric Rly. Co., April 19.... 46

LIFE INSURANCE.

Bank Credits and Life Ins., March 15 20
British Columbia Life Insurance Returns, June 7 14
Computation of Time on Life Policy, April 26 37
Continental Insurance Co. in Canada, January 11 40
Disability Clause in Life Policies, April 19 20
Every Man Should Make a Will, Jan. 25 25
Legislation, Life Insurance, Jan. 18.... 18
Life Companies' War Investments, March 1 24
Life Insurance and Bank Credits, Jan. 18 46
Life Insurance and Bank Credits, Mar. 15 20
Life Insurance and Cost of Living, Apr. 5 34
Life Insurance and Cost of Living (Letter to the Editor), April 19..... 8
Life Insurance Beneficiaries, Feb. 1..... 14
Life Insurance Co.'s Investment in Our Four War Loans, February 15..... 18
Life Insurance Dividends, Reduction in, March 29 8
Life Insurance Dividends, Reduction of, April 19 26
Life Insurance Helps Credit, Jan. 11 38
Life Insurance in Business, April 19.... 24
Life Insurance in Canada, March 15..... 16
Life Insurance Legislation, Jan. 11..... 44
Life Insurance Legislation, January 18 18
Life Insurance Legislation, January 25 34
Life Insurance Legislation, February 1 38
Life Insurance Legislation, February 8 22
Life Insurance Legislation, February 15 14
Life Insurance More Necessary Than Ever, June 28 42
Life Insurance, National Importance of, February 15 34
Life Insurance, Protection of, Feb. 8.. 46
Life Insurance Questions, Some, May 3 20
Life Insurance Returns for British Columbia, June 7 14
Life Insurance, Status and Prospects of, June 28 32
Life Insurance, Surrender of, Feb. 8.... 38
Life Insurance to the Individual and the State, Value of, April 19 18
Life Insurance Transacted in Canada, May 10 42
Life Insurance, Value of, March 8..... 32
Life Liquidation, Prudential, Jan. 25.. 8
Life Policies, Disability Clause in, April 19 20
Life Policy, Computation on Time on, April 26 37
Life Premiums and Losses, June 21..... 18
Loans on Life Policies, January 18.... 30
Medicine Hat Life Underwriters, May 17 30
Montreal Life Underwriters Hold Meeting, March 1 27
National Importance of Life Insurance, February 15 34
Our Four War Loans, Life Insurance Co.'s Investment, February 15 18
Pensions or Insurance, April 12 30
Protection of Life Insurance, Feb. 8.... 46
Prudential Life Liquidation, Jan. 25.... 8
Publish Payments to Policyholders Weekly, April 5 24
Reduction of Life Insurance Dividends, April 19 26
Saskatchewan Life Insurance Co., June 7 22
Some Life Insurance Questions, May 3 20
State Control of Life Insurance, June 14 38
Sun Life Liberality Repeated, April 12 26
Surrender of Life Insurance. Feb. 8.... 38
Vancouver Life Underwriters Meet, March 1 41

FIRE INSURANCE.

April Fire Loss, May 3..... 8
British Colonial Fire Insurance Co., April 19 48
Co-insurance Clause in Fire Policies, March 15 14
December Fire Losses, January 11..... 14
Double Insurance Without Notice, Jan. 18 32
Enormous Fire Loss, May 3 48
February Fire Losses, March 8..... 22
Fighting Life and Property Fire Losses, May 31 20
Fire Insurance and Mortgage Clause, March 8 40
Fire Insurance Business in Canada Last Year, May 17 42
Fire Insurance for 1917, May 17..... 37
Fire Insurance Loss in Alberta, May 10 26
Fire Loss, January, February 8..... 52
Fire Loss, February, March 8..... 22
Fire Loss, March, April 5 25
Fire Loss, April, May 3 8
Fire Loss, May, June 7 34
Fire Loss, Enormous, May 3 48
Fire Loss, Ontario's, March 1..... 12
Fire Losses in War Industries, Feb. 8 54
Fire Policies, Co-insurance Clause in, March 15 14
Fire Prevention in Alberta, June 14..... 46
Fires and Their Causes, April 19..... 36
Fires on Railways, June 14 20
Insurance on Oriental Rugs, March 15 34
January Fire Losses, Ontario, March 29 38
Large Fires in Manitoba, March 15..... 19
Life and Property Fire Losses, Fighting, May 31 20
Manitoba's Fire Waste, January 25.... 28
March Fire Losses, April 5..... 25
May Fire Losses, June 7..... 34
Methodist Church May Carry Fire Risks, February 15 8
Mortgage Clause and Fire Insurance, March 8 40
Ontario Forests, Saving the, April 19.... 30
Ontario's Fire Loss, March 1 12
Ontario's January Fire Losses, Mar. 29 38
Saskatchewan Fire Losses, March 1..... 20
Saving the Forests of Ontario from Fire, April 19 30
Vulcan Fire Insurance in Canada, Jan. 25 36

MISCELLANEOUS INSURANCE.

Accident Co. in Canada, Preferred, March 8 50
Alberta Insurance Act Amendments, June 7 36
Arson, Seven Years' Sentence for, Mar. 22 32
Automobile Danger Increasing, April 12 22
Basis and Practice of Schedule Rating, February 22 44
British Columbia Insurance Companies, June 21 20
Canadian Life Companies, War Mortality of, Jan. 18 20
Case on Liability Insurance, June 28.... 20
Cost of Insurance Reports, June 14..... 24
Empire Life Will Write Sub-Standard Business, February 1 32
Hail Insurance Last Year, March 8.... 50
Important Insurance Amalgamation, April 19 48
Insurance Act Amended, April 26 25
Insurance Agent's Prosecution in Quebec, February 1 16
Insurance Business in Manitoba, June 7 46
Insurance Gathering at Toronto, Important, March 8 42
Insurance in Manitoba, January 25..... 10
Insurance Institute Annual Meeting, May 24 44
Insurance Laws, Uniformity of, Feb. 1 18
Insurance Managers, Reinsurance Advisers, March 8 50
Insurance, Non-Participating, April 26.. 24b
Insurance Reports, Cost of, June 14..... 24
Insurance Written, Large Amount, Apr. 26 16
Is Term Insurance Advisable? May 17.. 22
Japanese Ins. Co. in Canada, Feb. 1..... 8
Judge Sought Insurance Agent, Jan. 25 12
Liability Insurance, Case on, June 28 20
Marine Insurance, March 15 32
Miscellaneous Insurance in Alberta, June 14 38
National Fire Protection Association, May 3 38
New Insurance Application Form, May 24 32
Non-Participating Insurance, April 26.. 24b
Over-Insurance, Evils of, June 21..... 12
Queensland Insurance Co. in Canada, March 22 28

PAGE

Rent and Use and Occupancy Insurance, June 21 22
Sask. Municipal Hail Losses, March 15 32
Schedule Rating, Basis and Practice of, February 22 44
State Insurance Recommended, Feb. 1.... 54
Uniformity of Business Legislation, December 14 16
Uniformity of Insurance Laws, Feb. 1 18

MINING.

Cobalt's Ore Output, April 19..... 24
Gold Output, World's, February 15..... 51
Gold Production was Large, Jan. 11..... 45
Mining in British Columbia, A Plea for, May 31 32
N.S. Mining for the Year, May 31..... 28
Ontario's Metalliferous Production, June 7 16
Plea for Mining in British Columbia, May 31 32
Silver Mining, Important Decision Regarding, May 24 20
World's Gold Output, Feb. 15..... 51
World's Gold Production, May 17 22

PERSONALS.

Aird, Sir John, March 8..... 26b
Aldred, Mr. J. E., March 22..... 40
Alexander, Mr. J. W., May 24..... 8
Appleton, Mr. John, May 31..... 41
Ashe, Mr. F. W., June 28..... 8
Awrey, Mr. G. P., January 11..... 12
Baillie, Sir Frank, January 11..... 16
Balcer, Mr. Leon J., May 24..... 8
Banks, Mr. P. C., May 24..... 8
Barry, Mr. Arthur, April 26..... 8
Bauckham, Mr. C., June 28..... 8
Bell, Mr. James M., February 22..... 38
Bradshaw, Mr. Thomas A., January 11 12
Braithwaite, Mr. A. D. (Cut), Feb. 8 32
Brittain, Mr. C. J., May 31 30
Brock, Lieutenant-Colonel Henry, Jan. 1 44
Bulman, Mr. W. J., June 14 12
Burgess, Mr. Fred. A., June 28..... 8
Bury, Sir George, June 7..... 44
Cambie, Mr. C. (Cut), February 1..... 31
Carruthers, Mr. James, May 10..... 16
Chaplin, C. A., Mr. E. V., April 26..... 8
Clement, Mr. C. S., March 8..... 26b
Collard, Mr. Leonard T., May 17..... 8
Coombs, Mr. F. J., May 31 41
Crawford, Mr. E. S., May 10..... 16
Crossin, Mr. A. L., June 21..... 12
Dineen, Mr. William (Cut), March 8.... 26b
Douglas, Dr. Thomas, June 28..... 8
Drayton, Mr. C. R., June 14..... 28
Dunlap, Mr. D. A., June 14..... 28
Dunstan, Mr. K. J., January 18..... 16
Fisher, Mr. George (Cut), January 11 12
Fleming, Mr. W. R., March 22..... 40
Flood, Mr. H. C., May 10..... 16
Galt, Mr. John, May 17 8
Gillespie, Mr. F. J., May 31 41
Graham, Mr. James, A.I.A., May 31.... 41
Gray, Mr. V. E., M.A., LL.B. (Cut), March 8 ..... 26b
Gray, Mr. William S., May 10..... 16
Greening, Mr. I. B., January 11..... 12
Gundy, Mr. J. H. (Cut), February 22.. 38
Ham, Mr. A. E., June 7 44
Ham, Mr. A. E., June 14..... 28
Hanna, Hon. W. J., February 8..... 32
Hanna, Hon. W. J., K.C., March 8.... 26b
Harper, Mr. J. F., April 26..... 8
Hay, Mr. Edward, May 31..... 41
Heath, Mr. C., June 28..... 8
Heaton, Mr. E. P., February 22 38
Helm, Mr. Walter J., February 22..... 38
Henry, Mr. George, M.P.P., May 31..... 41
Hetherington, Mr. William J., June 21.. 12
Hinton, Mr. W. P., March 22..... 40
Holt, Sir Herbert (Cut), March 15..... 25
Howard, Mr. C. S., March 8..... 26b
Howard, Mr. T. P., June 14..... 12
John Ross Robertson, Death of, June 7 22
Jones, Mr. Owen D., January 11..... 37
Kerr, Mr. J. H., June 28 8
Lamplough, Mr. F., June 28..... 8
Lanskail, Mr. G. J. A., March 22..... 40
Leroy, Mr. E. B., March 15..... 10
Lillie, Mr. J. S., May 17..... 8
Mackay, Mr. Hugh, May 10 16
Mackenzie, Mr. George Innes, June 21.. 12
Mackenzie McClelland, Mr. D., March 22 40
Mackenzie, Mr. H. B. (Cut), March 22 8
Manning, Mr. M. E., May 24 8
Marcotte, Mr. F. M., June 14..... 28
Marler, Mr. Herbert M., June 14..... 28
Marriott, Mr. K. C., January 18 16
Martigny, Mr. Paul de, June 7..... 44
Martin, Mr. H. Milton, January 11..... 12
Martin, Mr. W. H., May 24..... 8
Mooney, Mr. Henry, June 7..... 44
Morrow, Mr. G. A. (Cut), January 18 16
MacDonald, Mr. G. A., March 8..... 26b
McGloin, Mr. Norman L., May 17..... 8
McNeill, Mr. E. F., May 10..... 16
Neely, Mr. C. H., April 19..... 16
Neill, C. E. (Cut), March 15..... 26
Oliver, Hon. John, March 8..... 28
Osler, Sir Edmund, May 24..... 8
Parks, Mr. Robert H., June 14..... 28
Payzant, Mr. John Young, K.C., Feb. 1 31
Pease, Mr. E. L. (Cut).....
Pease, Mr. W. O., June 7..... 44
Pickett, Mr. James K., April 26..... 8
Pitts, Mr. H. H., May 10..... 16
Porter, Mr. John, June 14..... 28
Rodwell, Mr. G. E., May 24..... 8
Rolph, Mr. F. A., March 22..... 40
Rose, Mr. John C., June 14..... 28
Ross, Mr. Victor, May 24..... 8
Ruby, Mr. Chas., May 17..... 8
Ruggles, Mr. J. W., April 26..... 8
Rundle, Mr. W. T. (Cut), February 8 32
Russell, Mr. T. A., March 8 ..... 30b
Seale, Mr. L. H., March 8..... 26b
Simpson, Mr. James, June 28..... 8
Shaw, Mr. H. B., March 22..... 12
Sherrard, Henry A., April 19..... 12
Smith, G. H. (Cut), March 29 12
Smith, Mr. R. Home, April 26..... 8
Smith, Mr. W. L., June 7..... 44
Somerville, Mr. W. H., June 21..... 12
Stewart, Mr. Thomas J., M.P., Feb. 1.... 31
Stovel, Mr. John, January 11..... 12
Sutherland, Mr. H. J., May 10..... 16
Sweeney, Mr. C. L., January 11..... 12
Taylor, Mr. W. J., June 21..... 12
Thompson, Mr. George H., June 21..... 12
Tolley, Mr. W. W., March 22 12
Toronto Stock Exchange Officers, June 21 16
Trees, Mr. Samuel, January 18..... 16
Tyrrell, Mr. Joseph Burr, January 18.. 16
United Canadian Insurance Manager, June 21 12
Vipond, Homer A., Presentation to, Jan. 11 40
Wardlaw, Mr. J. W., June 21..... 12
Webster, Mr. J. L., June 14..... 28
Williams, Mr. Herbert Hole (Cut), June 11 12
Williams-Taylor, Sir Frederick, Jan. 11 20
Williams-Taylor, Sir Frederick, Mar. 8 26b
Williams-Taylor, Sir Frederick, Mar. 22 8
Wilson, Mr. J. T., April 26..... 8
Woodland, Mr. C. W. I., April 26..... 8
Wood, Mr. E. R., June 21..... 12
Wood, Mr. E. R. (Chairman Victory Loan Comimttee), June 28 8
Wood, Mr. S. C., June 28..... 8
Wood, Mr. Thomas, June 28
Workman, Mr. Mark, May 10..... 16
Worley, Mr. Arthur, January 11..... 37
Younge, Mr. R. J., February 22..... 38

MISCELLANEOUS.

Alberta Legislation, May 10 14
Basis and Practice of Schedule Rating, February 15 42
Canada Permanent Acquires New Branch, May 31 26
Coming Revolution, The, May 3..... 34
Dominion Permanent Closes Doors, Feb. 1 33
Dominion Permanent Loan Co.'s Affairs to be Considered, March 15 .....19, 36
Dominion Permanent Loan Failure, Feb. 8 24
Dominion Permanent Loan Statement, Feb. 15 6
Eighteen Nations Fighting Germany, January 25 24
Grand Trunk Staff Changes, May 3..... 24
Influence of War on Mortality, June 7 14
Land Mortgage Co.'s Association, Meeting of, March 22 7
Montreal Office of Martens & Co., Jan. 18 44
New Sask. Trust Co.'s Act, March 1.. 48
One Budget for Entire Dominion, Feb. 1 8
Ontario's Vital Statistics, January 18.... 34
Priority Assistance, Notice to Applicants for, March 15 12
Sale of Shares Act in Saskatchewan, March 1 29
Saskatchewan Co.'s Act, March 1..... 22
Saskatchewan, Land Values in, March 1 6
Saskatchewan's Workmen's Compensation Act, March 1 24
Schedule Rating, Basis and Practice of, February 15 42
Soldiers' Settlement, Progress of, May 10 20
Vacant Lands, Plans to Fill, May 3.... 7
War on Mortality, Influence of, June 7.. 14
Western Canada's Mistake, February 8 34
Western Land Co.'s Prospects, Feb. 1.... 40
Western Legislation Criticized, Mar. 15 22

General Index to Subjects, The Monetary Times, January 4, 1918

	PAGE
Alberta, Premier's Article	16
Automobiles in Canada	124
Bank Clearing Houses, List of	70
Bank Clearings	99
Bank Loans to Municipalities	68
Bank Notes in Circulation	37
Bank of England Rate	62
Bank Rates, European	166
Bankruptcy Act for Canada	72
Barn Fires, Over Five Thousand	190
Billion Dollars of Bullion	130
Bond of Suretyship, Fundamentals of a	204
Bond Prices and the Outlook	176
Bourne's Insurance and Brokers' Days' Chart	218
British Columbia Municipal Finance	124
British Columbia, Premier's Article	15
British Columbia Rural Credits	86
British Consols Record	82
British West Indies and Canada	248
Building Permits	105
Business Profits and Income Taxes in Operation	116
Call Loans Abroad	68
Canada and Spain	250
Canada is Now Dependent Upon Resources	33
Canada's Bond Sales	132
Canada's Municipal Bond Sales	132
Canada's Need of Potash	246
Canada's Premiers Write of Outlook	15
Canada's Special War Measures	134
Canada's Taxation Policy	84
Canada's War Orders to Date	231
Canada's Wheat, Grain, Root and Fodder Crops	268
Canadian Flotations in London	162
Canadian Manufacturers After the War	237
Canadian Ports for Canadian Business	252
Canadian Trade with Britain, France and Italy	90D
Capital Subscription in the United Kingdom, 1909-1917	170
Cash Wheat Fluctuations	98
Casualty and Miscellaneous Insurance	222
Central Gold Reserve	66
Civic Government on Business Principles	84
Coal Problem of Canada Demands National Action	25
Cobalt Ore Shipments	100
Companies Act, Changes in	54
Crop Financing on Fixed Prices	30
Currency, Insatiable Demand for	44
Death Causes of by Occupation	192
Demand for Money is Small	75
Development of Western Canada	254
Diagnosis of Fire Waste	206
Dominion Government Loans Last Year	126
Dominion Loan in United States Last Year	81
Dominion Notes Circulation	58
European Bank Rates	166
Exchange on European Countries, Par of	166
Exchange Quotations	101
Factory Production, Increased	240
Farmers and Life Insurance	206
Fifty Million from Tourist Traffic	60
Fire Insurance Does Not Eliminate Loss	210
Fire Insurance, Unlicensed	212
Fire Underwriting Results	185
Fire Waste, Diagnosis of	206
Fluctuations of Exchange Rates	104
Foreclosure Experience Varied	78
Forests as a National Resource	264
Forgeries in Canada	38
Fundamentals of a Bond of Suretyship	204
Gold Reserve, Central	66
Government Annuities, Benefits of	198
Hail Insurance in Western Canada	224
Halifax Explosion	200
How Interest Rates Have Risen	90
How Much Business Should a Company Write?	181
Individual Trustees is Past, Day of	156
Industry, Pulp and Paper	95
Insurance and Educational Institutions	200
Insurance Legislation, Review of	208
Insurance Notes at Random	202
Insurance, Unpreparedness of Corporate	96
Interest and Rates, Future of	78
International Bank is Proposed	37
Investment Power is Increasing	158
Land Surtax Proposed	89
Large Advances Made by Canada to Great Britain	46
Life Companies and War Mortality	185
Life Insurance as sold by the Regular Companies	186
Life Insurance in Saskatchewan	218
Life Insurance, to Sell	218
Life Underwriting Results	185
Livestock in Canada	237
Loaning Operations, Cost of	172
Loans Abroad, Call	68
Loans to Allies, United States	178
Manitoba, Premier's Article	16
Manitoba's Moratorium, Results of	164
Manufacturing Industry, Statistics of	106
Maturities and New Money	75
Metallic Reserve, Ratio of	50
Metric System Advocated	50
Moneys Coined at Canada's Mint	70
Moratorium Acts and Loaning	76
Mortgage Loans in Canada and States	86
Municipal Finance in British Columbia	88
Municipal Finance in Saskatchewan	119
Municipals, Six Per Cent.	82
National Debt Nearly Billion Dollars	66
National Obligations and Trade	262
New Brunswick, Premier's Article	20
New Securities Issues, Regulation of	52
Notable Prospectuses of 1917	107-115
Nova Scotia's Compensation Act	228
Nova Scotia, Premier's Article	17
Ontario Nickel Resources	258
Ontario, Premier's Article	19
Our Stock Exchanges, Value of	168
Potash, Canada's Need of	246
Prices During and After the War	23
Primary Production in Canada	29
Prince Edward Island, Premier's Article	18
Principal and Interest Payments of	76
Provincial Government Loans	162
Pulp and Paper Industry	95
Quebec, Premier's Article	20
Record Life Insurance Policies Last Year	212
Retail Prices Compared	105
Retrospect and Prospect	7
Review of Insurance Legislation	208
Rural Credits in Alberta	158
Saskatchewan, Premier's Article	17
Seed Grain Liens Are Being Repaid, How the	164
Shipbuilding in British Columbia	235
Silver at Dollar an Ounce	120
Standard Life Insurance	210
Statistics of Canadian Development	97
Stock Exchange Record	139-154
Subscriptions in the United Kingdom, 1909-1917, Capital	170
Three Periods of Development	256
Toronto's Soldiers' Insurance	184
Trade After War, Prepare for	242
Trust Companies' Business Last Year	160
Unlicensed Fire Insurance	212
Unpreparedness of Corporate Insurance	96
United States Ban on Gold Exports	136
United States Factories for Canada	258
United States Loans to Allies	178
Values Are Well Maintained	77
Values for Life Companies, Fixing	214
Values of Canadian Farm Land, Average	174
War Cost, Three Years	34
War Finance and the Allies' Economy	21
War Financing, Three Years	42
Warning to Credit Men	83
War Orders to Date, Canada's	231
War Savings Certificates	79
Was the Fire an Incendiary One?	204
Western Canada, Development of	254
Wheat, Fluctuations of Cash	97
Workmen's Compensation in Canada	226

Index to Statistics, The Monetary Times, January 4th, 1918

	PAGE
Army and Navy Pensions, Canada's	220
Automobiles in Canada	124
Banks Commenced Business, When Our	136
Bank Clearings by Provinces	99
Bank Clearings	95
Bank Notes in Circulation	37
Bank Figures (Compared)	64
Bank of England Rate	62
Bank Loans to Municipalities	68
Barn Fires, Over Five Thousand	190
Billion Dollars of Bullion	130
Bond Sales in Canada	90B
Bond Sales in United States	90A
Bond Prices and the Outlook	176
Bourne's Insurance and Brokers' Days' Chart	216
Building Permits	139
Business Profits and Income Taxes in Operation	116
Canada's Army and Navy Pensions	220
Canada's Bank, Net Profits and Dividends of	52
Canada's Bond Sales	132
Canada's Commercial Balance Sheet	234, 236
Canada's Municipal Bond Sales	132
Canada's Need of Potash	246
Canada's Trade With Italy	91
Canada's Trade With France	90F
Canada's Victory Loan	134
Canadian, British and Other War Loans	28
Canadian Bond Sales in all Markets, Summary	90C
Canadian Flotations in London	162
Canadian Municipal Flotations in London	87
Canadian Ports for Canadian Business	252
Canadian Stock Issues Made During 1917, Principal	166
Canadian Trade With Britain	90D
Capital Subscriptions in the United Kingdom, 1909-1917	170
Casualty and Miscellaneous Insurance	222
Cash Wheat Fluctuations	98
Coal Problem of Canada Demands National Action	25
Cobalt Ore Shipments	100
Commercial Failures in Canada	90
Composit of Canadian Conditions	13
Death, Causes of by Occupation	192
Diagnosis of Fire Waste	206
Dividends and Bonuses Paid by Ontario's Silver and Gold Mining Companies	245
Dominion Government Loans Last Year	126
Dominion Loan in United States Last Year	81
Dominion Notes in Circulation	58
Exchange Rates, Fluctuations of	104
Financial Values Last Fall, During War and After	70
Fire Insurance Transacted in Canada	200
Fire Underwriting Results	185
German War Loans	66
Gold Reserve, Central	66
Grain Shipments	244
Homestead Entries in Canada, 1897-1917	244
Investment and Exchange	101
Immigration to Canada, Statement of	244
Large Advances Made by Canada to Great Britain	46
Life Companies and War Mortality	185
Life Insurance Transacted in Canada	198
Life Underwriting Results	185
Loaning Operations, Cost of	174
Loans Abroad, Call	68
Metallic Reserve, Ratio of	50
Moneys Coined at Canada's Mint	70
Municipal Finance in Saskatchewan	119
National Debt Nearly Billion Dollars	66
Notable Prospectuses of 1917	107-115
Prices During and After the War	23
Primary Production in Canada	29
Retail Prices Compared	103
Seed Grain Liens are Being Repaid, How the	164
Seventy Leading Stock Issues, Analysis of	80
Silver at Dollar an Ounce	120
Stock Exchange Record	139-154
Summary of Clearing House Returns	99
Unlicensed Fire Insurance	212
United States' Ban on Gold Exports	136
War Cost, Three Years'	34
War Financing, Three Years'	42
War Loans, How Four Compare	128
War Loans, German	66
War Savings Certificates	79
Wheat, Fluctuations of Cash Wheat	97
Where Our Bank Branches are Situated	33
Wholesale Prices, Changes in	238, 239

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General Index to Subjects, The Monetary Times, January 4, 1918

	PAGE
Alberta, Premier's Article	16
Automobiles in Canada	124
Bank Clearing Houses, List of	70
Bank Clearings	99
Bank Loans to Municipalities	68
Bank Notes in Circulation	37
Bank of England Rate	62
Bank Rates, European	166
Bankruptcy Act for Canada	72
Barn Fires, Over Five Thousand	190
Billion Dollars of Bullion	130
Bond of Suretyship, Fundamentals of a	204
Bond Prices and the Outlook	176
Bourne's Insurance and Brokers' Days' Chart	218
British Columbia Municipal Finance	124
British Columbia, Premier's Article	15
British Columbia Rural Credits	86
British Consols Record	82
British West Indies and Canada	248
Building Permits	105
Business Profits and Income Taxes in Operation	116
Call Loans Abroad	68
Canada and Spain	250
Canada is Now Dependent Upon Resources	33
Canada's Bond Sales	132
Canada's Municipal Bond Sales	132
Canada's Need of Potash	246
Canada's Premiers Write of Outlook	15
Canada's Special War Measures	134
Canada's Taxation Policy	84
Canada's War Orders to Date	231
Canada's Wheat, Grain, Root and Fodder Crops	268
Canadian Flotations in London	162
Canadian Manufacturers After the War	237
Canadian Ports for Canadian Business	252
Canadian Trade with Britain, France and Italy	90D
Capital Subscription in the United Kingdom, 1909-1917	170
Cash Wheat Fluctuations	98
Casualty and Miscellaneous Insurance	282
Central Gold Reserve	66
Civic Government on Business Principles	84
Coal Problem of Canada Demands National Action	25
Cobalt Ore Shipments	100
Companies Act, Changes in	54
Crop Financing on Fixed Prices	30
Currency, Insatiable Demand for	44
Death Causes of by Occupation	192
Demand for Money is Small	75
Development of Western Canada	254
Diagnosis of Fire Waste	206
Dominion Government Loans Last Year	126
Dominion Loan in United States Last Year	81
Dominion Notes Circulation	58
European Bank Rates	166
Exchange on European Countries, Par of	166
Exchange Quotations	101
Factory Production, Increased	240
Farmers and Life Insurance	206
Fifty Million from Tourist Traffic	60
Fire Insurance Does Not Eliminate Loss	210
Fire Insurance, Unlicensed	212
Fire Underwriting Results	185
Fire Waste, Diagnosis of	206
Fluctuations of Exchange Rates	104
Foreclosure Experience Varied	78
Forests as a National Resource	264
Forgeries in Canada	38
Fundamentals of a Bond of Suretyship	204
Gold Reserve, Central	66
Government Annuities, Benefits of	198
Hail Insurance in Western Canada	224
Halifax Explosion	200
How Interest Rates Have Risen	90
How Much Business Should a Company Write?	181
Individual Trustees is Past, Day of	156
Industry, Pulp and Paper	95
Insurance and Educational Institutions	200
Insurance Legislation, Review of	208
Insurance Notes at Random	202
Insurance, Unpreparedness of Corporate	96
Interest and Rates, Future of	78
International Bank is Proposed	37
Investment Power is Increasing	158
Land Surtax Proposed	89
Large Advances Made by Canada to Great Britain	46
Life Companies and War Mortality	185
Life Insurance as sold by the Regular Companies	186
Life Insurance in Saskatchewan	218
Life Insurance, to Sell	218
Life Underwriting Results	185
Livestock in Canada	237
Loaning Operations, Cost of	172
Loans Abroad, Call	68
Loans to Allies, United States	178
Manitoba, Premier's Article	16
Manitoba's Moratorium, Results of	164
Manufacturing Industry, Statistics of	106
Maturities and New Money	75
Metallic Reserve, Ratio of	50
Metric System Advocated	50
Moneys Coined at Canada's Mint	70
Moratorium Acts and Loaning	76
Mortgage Loans in Canada and States	86
Municipal Finance in British Columbia	88
Municipal Finance in Saskatchewan	119
Municipals, Six Per Cent.	82
National Debt Nearly Billion Dollars	66
National Obligations and Trade	262
New Brunswick, Premier's Article	20
New Securities Issues, Regulation of	52
Notable Prospectuses of 1917	107-115
Nova Scotia's Compensation Act	228
Nova Scotia, Premier's Article	17
Ontario Nickel Resources	258
Ontario, Premier's Article	19
Our Stock Exchanges. Value of	168
Potash, Canada's Need of	246
Prices During and After the War	23
Primary Production in Canada	29
Prince Edward Island, Premier's Article	18
Principal and Interest Payments of	76
Provincial Government Loans	162
Pulp and Paper Industry	95
Quebec, Premier's Article	20
Record Life Insurance Policies Last Year	212
Retail Prices Compared	105
Retrospect and Prospect	7
Review of Insurance Legislation	208
Rural Credits in Alberta	158
Saskatchewan, Premier's Article	17
Seed Grain Liens Are Being Repaid, How the	164
Shipbuilding in British Columbia	235
Silver at Dollar an Ounce	120
Standard Life Insurance	210
Statistics of Canadian Development	97
Stock Exchange Record	139-154
Subscriptions in the United Kingdom, 1909-1917, Capital	170
Three Periods of Development	256
Toronto's Soldiers' Insurance	184
Trade After War, Prepare for	242
Trust Companies' Business Last Year	160
Unlicensed Fire Insurance	212
Unpreparedness of Corporate Insurance	96
United States Ban on Gold Exports	136
United States Factories for Canada	258
United States Loans to Allies	178
Values Are Well Maintained	77
Values for Life Companies, Fixing	214
Values of Canadian Farm Land, Average	174
War Cost, Three Years	34
War Finance and the Allies' Economy	21
War Financing, Three Years	42
Warning to Credit Men	83
War Orders to Date, Canada's	231
War Savings Certificates	79
Was the Fire an Incendiary One?	204
Western Canada, Development of	254
Wheat, Fluctuations of Cash	97
Workmen's Compensation in Canada	226

INDEX TO STATISTICS, SEE PAGE 270.

Who's Who in The Monetary Times

Some brief notes regarding the authors of special contributions to this issue with a record of the pages upon which their articles appear

ARMSTRONG, R. E., St. John.—Secretary board of trade; formerly newspaper man, beginning career on St. John Globe; founded and for over 20 years published St. Andrews Beacon; was mayor of St. Andrews for two years; member of Fishery Commission, 1903, which investigated sardine fisheries of the Bay of Fundy and lobster fisheries of Magdalen Islands; honorary secretary of patriotic fund executive, of Citizen's recruiting committee, of British sailors' relief fund, and of N.B. Tourist Association (Page 252.)

BELL, R. D., Montreal.—Member of Greenshields and Company, stock and bond brokers; after graduation in arts from Lehigh University, was on staff of New York Sun for some years before joining above firm; is a well-known writer and contributor to Canadian and United States financial journals; is now training for service with the United States artillery. (Page 80.)

BAIRD, R., Victoria.—Inspector of municipalities of British Columbia; entered service of the Traders' Bank, and after five years in Ontario was transferred to Saskatchewan; in 1914, following the passing of the new municipal act of British Columbia, which created a municipal department, was appointed to present position. (Page 124.)

BURGESS, C. H., Toronto.—Of C. H. Burgess and Company, bond house; has contributed interesting bond price comparisons to several annual numbers of "The Monetary Times." (Page 176.)

BEER, G. FRANK, Toronto.—President, Toronto Housing Company; member Toronto-Hamilton Highway Commission; member Food Control Committee; is working assiduously, as one chronicler says, "for the better organization of Canadian life and the development of a higher plane of Canadian thought." (Page 89.)

BRAYLEY, H. VICTOR, Montreal.—Is associated with Gunn, Richards, Limited; is civil engineer, having spent 10 years on railway work; later branched into engineering work in connection with the construction of industrial plants, combined with layout and installation of equipment; attention was attracted to possibilities of eliminating waste and inefficiency in manufacturing and importance of procuring better organization and control. In 1913 he induced Gunn, Richards & Company, of New York, to open an office in Montreal; later a separate Canadian company was formed; has been associated with the organization of large Canadian companies and in making financial and other investigations for bankers and investors; has had exceptional opportunities for acquiring intimate knowledge of Canadian manufacturing problems and their possibilities for increased production and profits. His article in this issue is written as from him personally, not in connection with Gunn, Richards, Limited. (Page 240.)

BASTEDO, S. T., Ottawa.—Superintendent of Canadian government annuities; for 27 years an official in the Ontario civil service; 16 years private secretary to Sir Oliver Mowat; seven years deputy commissioner of fisheries; recommended by the Dominion government to Ambassador Bryce as British commissioner under the International Fisheries Treaty between United States and Great Britain; one year Ontario manager for Annuities Company of Canada, which ceased business when government decided to sell annuities. (Page 198.)

BRITTAIN, H. L., Toronto.—Director, Bureau of Municipal Research, Toronto; born New Brunswick, 1874; B.A., University of New Brunswick, in 1895; M.A. in Economics, University of New Brunswick, in 1898; teaching at school and university, 1898-1907; superintendent and business manager of schools, Hyde Park, Mass; reorganized system from standpoint of school hygiene, medical inspection and wider use of school plant for community and school purposes, 1907-1912; with Bureau of Municipal Research, New York, assisted in survey of social service of New York and in budget-making, made administrative survey of school system of Ohio, leading to reorganization of supervision, etc., by act of legislature, 1912-1914; with Bureau of Municipal Research, Toronto, made administrative studies of several departments in Toronto and other cities, special attention to school and health administration, 1914-1917. (Page 84.)

CAMPBELL, R. H., Ottawa.—Director of Forestry; born at Ailsa Craig, Ont., 1867; entered government service in the secretary's branch of the Interior Department, 1887; served as private secretary to the deputy minister and minister; secretary, Canadian Forestry Association; now a director of association; honorary member of the Royal Scottish Arboricultural Society; appointed in charge of the forestry branch in 1907; has published departmental reports, magazine and newspaper articles. (Page 264.)

CARRUTHERS, JAMES, Montreal.—President, James Carruthers & Company, Limited, grain firm; recognized authority on western development and on the grain situation; president, Canada Steamship Lines, Limited; past president, Montreal Corn Exchange; director of Dominion Bank. (Page 254.)

CARSON, A. H. C., Toronto.—President, London Mutual Fire Insurance Company; president, Carson & Williams Brothers, Limited, insurance agents and brokers, Toronto and Winnipeg, general agents for Canada, Millers National Insurance Company of Chicago, Canada Hail Insurance Company; general agents Manitoba, Glens Falls Insurance Company and General Animals Insurance Company. (Page 204.)

CHERRY, PERCY G., Toronto.—Secretary and sales manager, Might Directories, Limited; after graduating in civil engineering from the University of Toronto, became associated with "The Monetary Times" and "The Canadian Engineer"; has been specializing on automobile statistics, lists and information. (Page 124.)

CRONYN, HUME, London, Ont.—Managing director, Huron and Erie Mortgage Corporation and the Canada Trust Company; a well-known authority on mortgage, loan and financial matters generally. (Page 86.)

CURRY, HON. SENATOR NATHANIEL, LL.D., Montreal.—President, Canada Car & Foundry Company, and of several other important Canadian industrial companies; director, Bank of Nova Scotia, Montreal Trust Company, Travellers' Life Insurance Company of Canada, etc.; always well posted on the Canadian industrial situation. (Page 237.)

DORRELL, LIEUT.-COL. G. H., Vancouver.—Member of the English and British Columbia bar; has given special attention to company and trust company law; for many years concerned in the management and direction of the National Land Corporation, Limited, and other land and development companies in England; came to British Columbia in 1911 and joined Canadian Financiers Trust Company the following year. (Page 88.)

DRUMMOND, A. T., B.A., LL.B., LL.D., Toronto.—Formerly in law, later in finance; author and interested in numerous public enterprises; has been an active promoter of research work in Canada, and was the means of bringing McGill, Toronto and Queen's Universities into agreement with the Dominion government for co-operation in scientific research for the benefit of the Canadian manufacturing, mining, and agricultural interests. (Page 248.)

ECKARDT, H. M. P., Toronto.—Formerly in Canadian banking service; prolific writer on banking and finance in leading journals of Canada, Great Britain and United States; frequent contributor to "The Monetary Times"; author of "Manual of Canadian Banking Practice" (published by "The Monetary Times"), and of "A Rational Banking System." (Page 44 and 82.)

FERGUSSON, G. TOWER, Toronto.—Investment banker; member of Toronto Stock Exchange and its president in 1898-99 and 1916-17; head of G. Tower Fergusson & Company, investment bankers, Toronto. (Page 168.)

GIBSON, T. W., Toronto.—Deputy minister of mines for Ontario; has had newspaper, financial and manufacturing experience; was appointed secretary to the Ontario bureau of mines, 1891; director of mines, 1900, and present position in 1906. Acted as secretary of the Ontario Nickel Commission. (Page 258.)

GILBERT, GEORGE, Toronto.—Editor of The Insurance Bulletin, Toronto; an authoritative writer on insurance topics. (Page 96.)

GRAHAM, F. R., Toronto.—Member, investment banking house of Ferguson, Sanson & Graham; financial experience commenced in 1902 when he entered the service of the Traders' Bank of Canada at Hamilton, serving that institution in various capacities, being latterly assistant manager at Toronto; joined the staff of A. E. Ames & Company in 1912, spending two years with that firm before going into business for himself. (Page 95.)

GROSCH, S. P., B.A., LL.B., Regina.—Commissioner, Local Government Board of Saskatchewan; formerly city solicitor, Regina; practised law with Hon. A. G. MacKay, K.C., Owen Sound, Ont., 1907-10. (Page 119.)

GRUNDY, H. P., Winnipeg.—Member of legal firm of Pitblado, Hoskin, Grundy, Bennett & Haig, of Winnipeg, called to Manitoba Bar 1901 and has since practiced law at Winnipeg, specializing in commercial and insolvency matters. (Page 72.)

HAYWARD, M. L., Hartland, N.B.—Born in Carleton County, 1877; attended the Provincial Normal School; held a first-class superior license and served the usual teaching apprenticeship in the New Brunswick schools; graduated B.C.L. at King's, Windsor, N.S., in 1905; admitted as an attorney of the New Brunswick Supreme Court in 1905, and called to the bar in 1906. Has practised at Hartland ever since and has lived the life of the ordinary country lawyer with more or less political dissipation whenever there is an election on. Contributor to "The Monetary Times" and other journals. (Page 38.)

HEATON, E. P., Toronto.—Fire marshal for Ontario province; previously had extensive experience in the fire insurance business. (Page 206.)

LANGSTAFF, M. P., A.I.A., F.A.S., Waterloo, Ont.—Actuary of the Dominion Life Insurance Company, of Waterloo; has been associated with that company for eight years; member of Institute of Actuaries of Great Britain and of the Actuarial Society of America; has written many well-known articles on insurance and finance, among which may be mentioned "Practices of World's Great Banks," "Investments of Life Assurance Companies," "Expense Rates in Insurance," "Collateral Reading for the Insurance Man," and "Facts, Figures and Fallacies of Life Insurance Canvassing." (Page 181.)

LYE, HENRY, Vancouver.—Well-known fire insurance adjuster; frequent contributor to "The Monetary Times"; celebrated his eighty-third birthday last year. (Page 50.)

MACDONALD, J. K., Toronto.—President, Confederation Life Association, Toronto; one of the best-known men in financial and insurance circles; has been associated with life insurance for the greater part of his business career. (Page 214.)

MERRITT, G. W., St. John, N.B.—Manager of the Great-West Life Assurance Company, of Winnipeg, for New Brunswick; was born at Clifton, Kings County, N.B., 1857; always a strong believer in life insurance and carried large insurance on his own life for many years before he entered the work; in 1898, was president of the Union Club of St. John; in 1901, president of the St. John Board of Trade; director in several corporations. On May 1st, 1904, he associated himself with the New York Life as special representative for New Brunswick; on January 1st, 1907, assumed his present position; contributor to insurance journals in United States and Canada; is vice-president of the Life Underwriters' Association of Canada for the Maritime provinces. (Page 210.)

MILLER, E. S., Regina.—Born at Owen Sound, Ont., about forty years ago; entered service of Imperial Life as manager for province of Quebec in 1901; in 1905, went to Winnipeg as western manager, Manufacturers' Life; resigned in 1911 to become superintendent of agencies for an American company with headquarters at Minneapolis; two years later resigned to become superintendent of agencies for another American company at Chicago, where he remained for two years and resigned to return to the Imperial Life in September, 1914, as manager for Saskatchewan. (Page 218.)

MOORE, J. P., A.I.A., Montreal.—Well-known actuary life underwriter; secretary, Mutual Life and Citizens' Assurance Company, Limited, with branch at Montreal; interested in reform of methods of collecting Canadian vital statistics. (Page 192.)

MULVEY, THOMAS, K.C., Ottawa.—Under secretary of state of Canada; born Toronto, 1863; educated at St. Michael's College, Toronto, University of Toronto (scholar), Osgoode Hall, Toronto (first-class honors and gold medal in physics on graduation), Fellow in physics; B.A., barrister-at-law, Osgoode Hall, 1889; assistant provincial secretary of Ontario, 1903; appointed to present position, 1909; one of the founders of the Canadian Magazine and a contributor thereto and to the Canada Law Journal; chairman of the Arts Class, University of Toronto, 1884. (Page 54.)

MURRAY, J. P., Toronto.—Well-known manufacturer. Founded Toronto Carpet Manufacturing Company, Limited, in 1891; chairman, Toronto branch Canadian Manufacturers' Association, 1903, and Ontario vice-president, 1910; practically retired from business in 1911, and devoted much time to various semi-commercial organizations and public interests. Has lectured and written on: "The Development of the Sheep Industry in Canada," "The Standardizing and Marketing of Canadian Grown Wool," "The Golden Rule Between Employer and Employee," "A Word for the Apprentice," and "Labor in Relation to Capital." (Page 246.)

NEWMAN, W. S. Moose Jaw.—District manager, North American Life Assurance Company; member of executive committee, Life Underwriters' Association of Canada. (Page 218.)

NEWSON, W. V., Edmonton.—Born at Charlottetown, Prince Edward Island, 1877; educated Prince of Wales College and McGill University; degrees A.B. and M.Sc., McGill, 1900, 1901; principal, West Kent School, Charlottetown, 1901-1905; science master, Alberta College, Edmonton, 1905-6; entered Alberta government service 1906; appointed deputy provincial treasurer, province of Alberta, 1911; has also held position of superintendent of insurance for Alberta since 1912. (Page 158.)

NICHOLLS, SENATOR F., Toronto.—President and general manager, Canadian General Electric Company; president and director of many other industrial and financial institutions; chairman of Senate special committee on the conservation of Canadian trade. (Page 242.)

ORR, W. H., Toronto.—Associated with the Toronto office of the Aetna Life Insurance Company; formerly a newspaper editor; has an unusually expert knowledge of the life insurance business based on a lengthy experience both as a policyholder and a practical life insurance man. (Page 186.)

PARKER ARTHUR E., Winnipeg.—Secretary, the Western Trust Company, Winnipeg. Born London, England, 1886; came to Canada, 1906; located in North Saskatchewan; admitted to the Institute of Chartered Accountants of Saskatchewan, 1913; degree of Bachelor of Science in accounting received from Saskatchewan University, 1914; entered services of the Western Trust Company same year. (Page 156.)

PATON, V. J., K.C., Halifax.—Chairman, Workmen's Compensation Board, Nova Scotia; born 1866, Kincardine, Ont.; went to Halifax 1880; graduated from Dalhousie College in Arts in 1889, in Law in 1891. Practised in Bridgewater, N.S., with late F. B. Wade until appointed chairman of the Transcontinental Railway Commission, 1904; practised alone until 1914; entered firm of MacLean, Paton, Burchell & Ralston, at Halifax, continuing Bridgewater practice under name of Paton & Robertson. Present appointment, October, 1916. (Page 228.)

PAYNE, J. L., Ottawa.—Comptroller of statistics, department of railways and canals, Ottawa. One of the few men who make government blue books interesting. (Page 256.)

PIERCE, J. F., Montreal.—Assistant traffic manager, Canada Steamship Lines; born Chatham, Ont., 1877; practically all of business career spent in transportation business. Went to Montreal in 1896 as clerk in the traffic department; subsequently promoted to chief clerk, travelling passenger agent; district passenger agent; assistant general passenger agent, and with the merger of the old Richelieu and Ontario Navigation Company into the Canada Steamship Lines, was made general passenger agent; afterwards, assistant passenger traffic manager, and last spring, became assistant traffic manager, having as well as passenger matters, freight jurisdiction over lines Kingston and east. (Page 60.)

PURDY, J. L., Toronto.—City agency of the Canada Life Assurance Company; insurance career began in South Africa in 1905, and began travelling from Cape Town, through practically every town and city on the railroad up to the Northern Transvaal, soliciting for the Norwich Union Life Insurance Company; prior to that had general commercial experience; back to London, England, in 1908, where a link was made with the Norwich Union again; in 1910 was invited to join the soliciting forces of Price, Forbes & Company, at Lloyds, and continued there until 1913, when the call of the overseas dominions again claimed him; came to Toronto, 1913, and straight to the Mutual Life of Canada, and in 1916, joined the Canada Life on its Toronto soliciting staff. (Page 202.)

(Continued on page 163.)

Index to Advertisements

	PAGE
Alberta (Province of)	263
Alberta-Saskatchewan Life Insurance Company, Edmonton	205
Alexander Hamilton Institute, New York City	247
Alliance Insurance Company of Philadelphia	6
Ames & Company, A. E., Toronto	169
Associated Mortgage Investors, Rochester, N.Y.	211
Atlas Assurance Company, Montreal	49
Bank of British North America, Montreal	55
Bank of Hamilton, Hamilton	32
Bank of Montreal, Montreal	45
Bank of Nova Scotia, Toronto	57
Bank of Ottawa, Ottawa	163
Bond and Debenture Corporation of Canada, Limited, Winnipeg	225
British-America Assurance Company, Toronto	227
British Crown Assurance Corporation, Limited, Toronto	227
British Northwestern Fire Insurance Company, Winnipeg	163
Brown & Company, Edward, Winnipeg	74
Browne & Company, W. Graham, Montreal	159
Burgess & Company, C. H., Toronto	169
Butler, Byers Brothers, Limited, Saskatoon	257
Calgary (City of)	131
Canada Industrial Bond Corporation, Limited, Montreal	187
Canada Life Assurance Company, Toronto	223
Canada National Fire Insurance Company, Winnipeg	225
Canada Security Assurance Company, Calgary	169
Canada Standard Loan Company, Winnipeg	133
Canadian Appraisal Company, Limited, Montreal	43
Canadian Bank of Commerce, Toronto	175
Canadian Bond and Mortgage Corporation, Winnipeg	71
Canadian Financiers Trust Company, Vancouver	69
Canadian Guaranty Trust Company, Brandon	259
Canadian Pacific Railway	69
Capital Trust Corporation, Ottawa	61
Chartered Trust and Executor Company, Toronto	63
Colonial Trust Company, Victoria	221
Commercial Union Assurance Company, Limited, Montreal	195
Confederation Life Association, Toronto	265
Consumers' Gas Company, Toronto	61
Crown Trust Company, Montreal	159
Daly & Company, R. A., Toronto	53
Dominion Bank, Toronto	271
Dominion Gresham Guarantee and Casualty Company, Montreal	201
Dominion Life Assurance Company, Waterloo, Ont.	177
Dominion Loan and Securities Company, Limited, Winnipeg	1
Dominion Securities Corporation, Limited, Toronto	201
Eagle and British Dominions Insurance Company, Limited, Montreal	165
Eastern Securities Company, Limited, St. John, N.B.	171
Empire Loan Company, Winnipeg	223
Employers' Liability Assurance Corporation, Toronto	195
Excelsior Life Insurance Company, Toronto	167
Ferguson, Sanson & Graham, Toronto	272
Glens Falls Insurance Company, Glens Falls, N.Y.	177
Great West Permanent Loan Company, Winnipeg	207
Great North Insurance Company, Calgary	203
Great-West Life Assurance Company, Winnipeg	129
Greenshields & Company, Montreal	267
Guarantee Company of North America, Montreal	211
Guardian Assurance Company, Limited, Montreal	127
Gunn, Richards, Limited, Montreal	171
Hamilton Provident & Loan Society, Hamilton	215
Hampson & Son, Robert, Montreal	2
Harris, Forbes & Company, Inc., Montreal	63
Home Bank of Canada, Toronto	133
Hanson Brothers, Montreal	51
Imperial Bank of Canada, Toronto	71
Imperial Canadian Trust Company, Winnipeg	223
Imperial Guarantee and Accident Insurance Company Toronto	215
Insurance Company of North America	165
Le Clerc, Rene T., Montreal	205
London & Lancashire Fire Insurance Company, Toronto	205
London & Lancashire Guarantee and Accident Company, Toronto	1
London and Lancashire Life and General Assurance Association, Limited. Montreal	213
London Guarantee and Accident Company, Limited, Toronto	207
London Life Insurance Company, London, Ont.	

	PAGE
London Mutual Fire Insurance Company, Toronto	217
Lougheed, Bennett, McLaws & Company, Calgary	63
Mackenzie & Kingman, Montreal	167
Manitoba Farm Loans Association, Winnipeg	159
Manitoba, Province of (Financial Statement)	137
Manufacturers' Life Insurance Company, Toronto	203
McDougall & Cowans, Montreal	131
Merchants Bank of Canada, Montreal	47
Mercantile Trust Company of Canada, Hamilton	61
Meredith & Company, C., Limited, Montreal	121
Monarch Life Assurance Company, Winnipeg	193
Montreal City and District Savings Bank, Montreal	67
Montreal Trust Company, Montreal	61
Moose Jaw, City of (Financial Statement)	155
Mulock & Company, Cawthra, Toronto	157
Mutual Life and Citizens' Assurance Company, Limited, Montreal	221
Mutual Life Assurance Company of Canada, Waterloo, Ont.	191
Nay & James, Regina	175
National Trust Company, Limited, Toronto	59
Nesbitt, Thomson & Company, Limited, Montreal	157
Northern Life Assurance Company, London, Ont.	213
Northern Mortgage Company of Canada, Winnipeg	175
Northern Trusts Company, Winnipeg	71
North Western Life Assurance Company, Winnipeg	207
Norwich Union Fire Insurance Society, Limited, Toronto	219
Ocean Accident and Guarantee Corporation, Limited, Toronto	199
Osler & Hammond, Toronto	125
Osler, Hammond & Nanton, Winnipeg	125
Pacific North West Tourist Association	253
Palatine Insurance Company, Montreal	221
Providence-Washington Insurance Company	215
Prudential Insurance Company of America, Newark, N.J.	189
Quebec, Province of	249
Red Deer, City of (Financial Statement)	163
Regina, City of (Financial Statement)	138
Ritz Carlton Hotel, Montreal	177
Robinson & Sons, J. M., Montreal	165
Royal Bank of Canada, Montreal	41
Royal Exchange Assurance, Montreal	197
Royal Financial Corporation, Limited, Vancouver	175
Royal Securities Corporation, Limited, Montreal	123
Sadler, Walter A., Toronto	157
Saskatchewan General Trusts Corporation, Limited, Regina	67
Saskatchewan Life Insurance Company, Regina	205
Saskatchewan Mortgage and Trust Corporation, Limited, Regina	69
Saskatoon, City of (Financial Statement)	173
Short and Cross, Edmonton	63
Sovereign Life Assurance Company of Canada, Winnipeg	193
Standard Bank of Canada, Toronto	47
Standard Reliance Mortgage Corporation, Toronto	135
Stark & Company, John, Toronto	129
St. Cyr, Gonthier & Frigon, Montreal	167
Sun Life Assurance Company of Canada, Montreal	180
Temiskaming and Northern Ontario Railway Commission, Toronto	261
The Molsons Bank, Montreal	57
Toronto General Trusts Corporation, Toronto	59
Traders Trust Company, Limited, Winnipeg	55
Trustee Company of Winnipeg, Limited, Winnipeg	67
Union Bank of Canada, Winnipeg	65
Vancouver, City of	255
Victoria, City of	251
Waterloo County Loan and Savings Company, Waterloo, Ont.	171
Western Assurance Company, Toronto	227
Western Canada Accident and Guarantee Insurance Company, Winnipeg	213
Western Empire Life Assurance Company, Winnipeg	211
Western Life Assurance Company, Winnipeg	209
Western Mutual Fire Insurance Company, Didsbury, Alta.	225
Western Trust Company, Winnipeg	67
Winnipeg, City of	230
Winnipeg, City of (Financial Statement)	161
Winnipeg Electric Railway, Winnipeg	261
Wood, Gundy & Company, Toronto	14

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The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

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Retrospect and Prospect

By FRED. W FIELD

WAR has brought prosperity to Canada because Mars is the dominating customer, ordering in record quantities everything we have to sell. Exhorting us to increase capacity to fill larger orders, he is requiring also that we help finance his purchases. Had Canada been able to borrow abroad in war time, as in former years, it would have sought substantial sums. The closing of the British money markets in 1914 to applications for capital, except for war purposes, turned our borrowing to New York. There we raised substantial sums until that market was closed in April last. We must depend now upon our own financial strength and resources to carry on the nation's affairs, our share of the war, and the financing of British purchases here, which are the pivot of our prosperity to-day.

War conditions have given a realization of what we can do. We know something of our investment power which hitherto we thought did not exist. We know more of the possibilities of factory and agricultural production. We know that the national muscles have successfully passed a severe test. We have much to learn, however, as to economy in production, general organization, marketing at home and abroad, and so on.

In international finance, the Dominion has cut a figure, even though small. Previously its presence in that arena was with cap, and prospectus, in hand. Then it was borrowing abroad hundreds of millions annually. Running up an adverse trade balance, we regarded apprehensively a national debt of less than $400,000,000. To-day, borrowings abroad have been reduced to a minimum. Our four war loans aggregating $450,000,000 were subscribed to the extent of $982,000,000. Credits of more than $400,000,000 have been advanced for British purchases here. At Ottawa, $1,000,000,000 of bullion has been handled since the war commenced. There the Bank of England has a gold depository. There also is one of the largest refineries in the world. We have issued over $100,000,000 of Dominion bonds to fund temporary indebtedness in England. These bonds were used as the basis of Imperial banking credits in the United States and Canada from which payments were made on this side of the Atlantic. Canadian securities have been used by the British government as part of the collateral for their large loans. After the war, Canadian investors will take an increasing share of their own securities.

It is important that we should fully realize that the nation's industrial and agricultural activities and prosperity at present depend almost entirely on war orders. To the end of 1917, the value of such orders placed in Canada by the Canadian, British and Allied governments was not less than $1,800,000,000. They include shells, flour, blankets, wheat, cheese, butter, meats, oats, canned salmon, fish, ships, all the thousand and one things required for war.

Since the outbreak of war, the Imperial Munitions Board has placed in Canada, on behalf of Great Britain, orders for $925,000,000 of munitions. The orders placed last year alone were valued at $263,000,000. Arrangements were made by the Dominion government in the fall to advance $25,000,000 monthly for munitions to the end of 1917. Thus, to date, we have received orders through the Imperial Munitions Board valued at $1,000,000,000 for shells, fixed ammunition, etc.

Our prosperous conditions cannot continue unless we save and invest every dollar possible in war loans. The loans may then be used to establish the credits which Britain needs in order to continue to make her large purchases in this country. Canada's prosperity and activities depend almost entirely upon the extent of our ability to save and invest in the war loans.

War orders are waiting for us in large volume if we can arrange to finance them. If not, the orders will have to go elsewhere, probably to our nearest neighbor, who is doing everything possible, not only to win the war, but also to supply Britain with all she needs, at the same time keeping American prosperity at its record height.

For almost three years, Great Britain has borne the heaviest part of the financial burden of the war for herself, for her allies, and for the Dominions. There is a substantial trade balance against her in the United States because of her large war purchases there. She must, at this time, resort to borrowing funds in the countries in which she is making her war purchases.

Changes in Financial Markets

When the war first broke out, Great Britain agreed to advance Canada £2,000,000 monthly for the financing of its share of the war. This continued for nearly a year when the Dominion was able to finance all its war expenditures in Canada. Britain arranged in the fall of 1916 to loan £30,000,000 for war purposes, to be drawn upon as necessary. Since then, the Imperial government has made advances to finance our war expenditures in England and at the front. The Canadian government has established credits from time to time for British war purchases here. Up to October 31st last we had advanced to Great Britain $403,000,000 and the Imperial government had advanced to us $378,584,160. Of this we repaid $107,612,029 in dollar bonds, leaving net advances to us of $270,972,130. The net amount in our favor, therefore, was $132,027,869.

Since the war commenced, our financial requirements and markets have undergone rapid changes. The British people had invested in Canada prior to the war nearly $3,000,000,000, the greater part in our securities. Upon the foundation of British capital, the Dominion of Canada was built. When the war commenced and London was closed to our borrowing for ordinary purposes, we turned to New York. In 1916, of our total bond issues of $317,000,000 the United States purchased nearly 65 per cent. Previously Britain had purchased from 50 to 80 per cent. of all the bonds we offered each year. In 1915, the United States purchased over 42 per cent. of our total bond issues aggregating nearly $342,000,000. Last year, the New York market was open to us only until April, when the United States entered the war. By special consent of the United States Treasury, the Dominion government obtained in July from New York bankers a two-year loan of $100,000,000. During the remainder of the year, we were compelled to curtail ordinary expenditures and to finance at home.

Increasing Investment Power

The experience has demonstrated the increasing investment power of the country. With the subscription of over $800,000,000 of war loans in two years, the interest payments to Canadians on these issues alone will exceed $40,000,000 annually. In 1915, for the first time, Canadian investors purchased a substantial proportion of the Dominion's bond issues, namely, 44 per cent. In 1916, the figure was 34 per cent. and last year considerably higher again.

As the war continues, the more will its business and finance occupy our attention. By October last, war loans had the right-of-way in Canada, the United States and Great Britain. Little attention was paid to other borrowing. The United States has loaned out of Liberty Loan funds, to Britain and the Allies over $3,883,000,000 since it entered the war. No advances were made to the Dominion in that way, although, as previously noted, we were able to borrow $100,000,000 from New York bankers in July.

A certain amount of borrowing by Canada in the United States is necessary in order that the balance of trade between the two countries may be reduced and exchange in New York made normal. The unfavorable trade balance is indicated by the fact that in the last fiscal year Canada bought from the United States for domestic consumption goods to the value of $654,000,000 as against $290,000,000 purchased by the United States from Canada. At the close of the present fiscal year the balance in favor of the United States will be even more marked. The situation can be remedied by loans in the United States. Canada's credit has been maintained throughout the war. Although a borrowing country when the war broke out, such has been the patriotism of the people and the largely increased value of production, that the Dominion has been able to demonstrate its lending power in a remarkable way.

The $100,000,000 loan in New York in the summer was arranged after a conference with the United States Treasury Secretary McAdoo. Realizing the desirability of Canada establishing credits in the United States to meet adverse balances, he at the same time stated that the United States would "have to keep control over our own situation by determining each foreign offering on its own merits and with reference to the financial conditions prevailing at the time." Mr. McAdoo added it was important "that our commercial and financial relations with Canada shall be conserved in every reasonable way." The $100,000,000 transaction was intended for that purpose. Canada has not obtained advances from the United States through Liberty Loan funds, but we may take it for granted that should such a request become necessary and be made during the current year or later, the United States government will respond in view of the war financing we have done already and propose to do. At the same time, every effort must be made to conserve resources here, so that we may fully subscribe our own war loans.

Government's Taxation Policy

The use of the phrase "conscription of wealth" last year caused a certain uneasiness among those whose savings constitute a vital factor in the business and industrial life of the Dominion and are so essential to the credit and prosperity upon which our efforts in the continued prosecution of the war must largely depend. Sir Thomas White, finance minister, stated last year on behalf of the government that there need exist no apprehension on the part of the public that any action of a detrimental character will at any time be taken with respect to the savings of the Canadian public. On the contrary, it will be the policy of the government in the future, as in the past, to encourage in every way possible the exercise of the thrift and economy resulting in national savings which have enabled Canada to maintain her credit and improve her economic position during the war.

Any taxation to which it may be necessary for the government to resort from time to time will be in accordance with legitimate and established forms of taxation sanctioned by the tradition and experience of British self-governing communities. Last year saw the introduction of a federal income tax which cannot be described as onerous. The government is bearing in mind that Canada is a country inviting immigration and is not likely to become a country of heavy individual taxation. The Dominion's settled policy is that in providing its war expenditure, resort will not be had to taxation upon the farms,

personal effects or incomes of those engaged in our great basic industry of agriculture.

The excess profits tax ended in December, 1917. The income tax will operate this year. During 1918, corporations will pay for 1917 whichever is the larger of the two taxes. If the war continues, the government will be compelled to seek new sources of taxation. In that event the income tax may be increased, the excess profits tax renewed and other measures adopted to increase revenue.

National Financing

Canadian national financing has been carried on satisfactorily. Public works expenditures have been greatly reduced. Our debt increase is due to war expenditures. The Dominion revenues for the seven months ended October last of the current fiscal year totalled $145,719,000, an increase of 11 per cent. over the corresponding period of the previous year. The gain was largely due to customs collections which changed from $75,000,000 to $91,763,000 in the seven months period of the two years respectively. Expenditures on capital account reached $144,213,352, of which $133,254,798 was due to the war, and $10,599,242 was on account of public works. In the previous year the war expenditure for the same period was $127,487,147, and the public works expenditure $13,540,236.

Debt and War Expenditure

On October 31st, 1917, the net debt of the Dominion was $948,236,372. In 1913, before the war commenced, the debt was only $314,000,000. Thus there has been an increase of 201 per cent. in the debt. It is almost entirely due to war. The total increased by $47,000,000 in October last. At that rate, we shall have in March next a debt of over $1,000,000,000. At 5 per cent. per annum, the annual interest will amount to $50,000,000. This sum, with a substantial amount added yearly for a sinking fund, can be met, provided strict economy be practised by governments, from the future revenue of the Dominion and by the people of Canada. In national finance, if debts can be funded, the practical question is that of payment of annual interest. But while this is so, the fact must not be overlooked that debt is debt, a financial obligation and burden upon the body politic, whether owed to investors at home or abroad. Thrift, economy and greater production are three of the ways to meet the interest on this large war debt.

Our war expenditures are approximately $1,000,000 daily. Up to July 20th, last, the war expenditure in Canada was $388,627,000 and elsewhere, $234,600,000, making the total to that date, $623,000,000. Since then, the war expenditures have been approximately $167,000,000, making a grand total of $790,000,000 to the end of 1917.

Trade and Commerce

Our total trade, excluding coin and bullion imports and exports, for the 12 months ended September, 1917, was $2,424,000,000, a record which compares with $1,091,000,000 for the same period of 1913. Thus, in four years our total trade has increased 122 per cent. In the same period, our imports changed from $683,000,000 to $1,004,000,000, a gain of 46 per cent. The exports increased from $408,000,000 to $1,419,000,000, a favorable change of 247 per cent. In these four years, an adverse trade balance of $300,000,000 has been converted into a favorable balance of $415,000,000. By March, it will probably be $500,000,000. The position of the trade balance at the end of September is clearly shown in the following figures:—

	Twelve months ended September 30th. (In millions of dollars.)				
Merchandise.	1913.	1914.	1915.	1916.	1917.
Imports	683	531	417	685	1,004
Exports	408	468	517	1,052	1,419
Unfavorable balance .	275	63	...	...	...
Favorable balance ...	...	...	100	367	415

The figures relating to imports and exports of coin and bullion for the 12 months ended 1914, were $61,000,000. For the three years ended September, 1915-1917, the total was $659,000,000. The striking change in these figures is due to the operation of the Bank of England's gold depository at Ottawa. 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.

High Prices and Volume of Trade

Both high prices and volume of business account for the increase in the value of our trade. To-day, Canada is doing a foreign trade of greater monetary value and has a larger trade balance in her favor than was the case with the United States fifteen years ago. Taking the population of the United States as 100,000,000 and the population of Canada as 7,000,000, our exports were $135 per capita for the first eight months of the current fiscal year compared with $41.50 in the United States. Our favorable trade balance was $32.40 per capita against $21 in the United States in the same period last year. The reversal in the position of the Dominion from a debtor to a creditor nation is important as so much depends upon our balance of foreign trade. In periods during which Canada imports greatly in excess of her exports a debt is created to be liquidated by loans and interest charges to the detriment of domestic commerce. If the value of goods sold abroad exceeds imports, the difference accrues to the country in the shape of income. The stability of a country's prosperity is largely increased by the balance of its foreign trade. A favorable balance means prosperity, just as an adverse balance means, sooner or later, adversity. This rule may seem to be departed from in the case of Great Britain, whose imports greatly exceed exports, but the explanation is found in the fact that Britain is a creditor nation through her large investments in other countries, and receives payment of interest on these investments in goods to some extent. In the case of Canada it will be found that periods of progression and recession in business are coincident with the balance of foreign trade.

Exports of Canadian Products

Of the total exports of Canadian produce for the twelve months ended September, 1917, and valued at $1,381,000,000, manufactures accounted for nearly 50 per cent. or $632,000,000. This is a remarkable increase of $507,000,000 or 405 per cent. in two years. The exports of agricultural products have increased 214 per cent. in the same two years. Taking agricultural products and animal produce together, the total for the year ended September, 1917, was $584,000,000, an increase of 163 per cent. The following table shows at a glance how various groups of Canadian produce have contributed to our export trade during the past three years:—

Exports of Canadian Produce, Twelve Months Ended September,

	1915. $	1916. $	1917. $
The mine	55,428,149	77,436,746	80,598,252
The fisheries	21,362,398	23,274,772	24,993,156
The forest	47,241,070	53,952,950	52,989,554
Animal produce	86,179,377	111,331,332	157,415,287
Agricultural products	136,573,766	396,455,537	427,927,335
Manufactures	125,099,041	361,381,419	632,536,835
Miscellaneous	3,035,284	8,107,248	5,057,557
	474,937,085	1,031,940,004	1,381,517,976

This large volume of trade is abnormal and not upon a permanent basis. It is unlikely to continue beyond the duration of the war. It accounts for the prevailing prosperity in Canada, and has placed the country upon a strong financial basis, but it is well to remember that the figures are inflated by passing conditions. With the conclusion of the war we must seek more permanent sources of foreign trade.

Trade With United Kingdom

With the great increase in trade, the general tendencies of its volume have not changed. For many years, the United States has had about 60 per cent. of our import trade, but the United Kingdom has been our best market. We have been borrowing money in the United Kingdom and selling most of our merchandise there, but we have been buying the greater part of our purchases in the United States. During the fiscal year ended March, 1917, of our total imports valued at $845,000,000, $664,000,000 came from the United States and only $107,000,000 from the United Kingdom. Britain's industries being mobilized chiefly for war purposes, her sales to Canada and exports generally have decreased. On the other hand, of total Canadian exports valued at $1,179,000,000, we sold to Great Britain $742,000,000 and to the United States $280,000,000. The imports and exports of Canadian produce from and to these countries for the past four fiscal years are shown at a glance in the following table:—

Imports. Fiscal year.	United Kingdom.	United States.
1913-14	$132,070,000	$395,565,000
1914-15	90,157,000	296,632,000
1915-16	77,404,000	370,496,000
1916-17	107,096,000	664,219,000
Exports. Fiscal year.	**United Kingdom.**	**United States.**
1913-14	$215,253,000	$163,372,000
1914-15	186,668,000	173,320,000
1915-16	451,852,000	201,106,000
1916-17	742,147,000	280,616,000

The United Kingdom is therefore by far our best customer but we buy most from the United States. The sentiment in favor of stronger trade relations between the United Kingdom and Canada is growing as the war proceeds. British firms will undoubtedly give far greater attention to the Canadian market after the war. The Canadian people are more favorable to the removal of obstacles to British trade in Canada. There are, for example, rules regarding the valuation of packages, valuation for duties, bonding and warehousing, dumping, etc., which should be modified. This can be done with strict regard to the interests of Canadian manufacturers and with advantage to British trade here as against that of foreign countries. Canada has been in the war long enough to determine that enemy trade shall have little place here when peace comes.

The great increase in the exports of our manufactures is an indication of our productive and export power. The factory production in Canada last year is estimated at $2,000,000,000. The exports of manufactures for the twelve months up to September, 1917, were $632,000,000. Our export trade during war time has not been obtained under competitive conditions. War orders have been placed here as fast as we could absorb and finance them. To some extent, this may continue when war ceases but, so far as one can see, peace orders are not likely to be placed as rapidly, in so large a volume or at such high prices as is the case now. The time will come when trading nations will have to compete keenly for their foreign business. New markets will not be opened and old ones extended by the magic of legislative action. Legislatures may be able to help pave the road to greater trade but the manufacturer must push himself along the commercial highway. The work, in the aggregate, of individual manufacturers throughout the Empire, and not legislation, will prove the most serious obstacle to the progress of enemy trade after the war.

Changes in Industrial Position

The Senate Committee appointed last year to enquire into these problems may be able to gather much information but it is largely upon the individual and collective work of manufacturers and traders that a substantial export business can be maintained.

When we were worrying a year ago as to what our munition plants would do as soon as shells were no longer needed, shipbuilding did not appear in the forecasts. Last year, with the end of the war still in the uncertain future, we commenced to pass through one of the readjustment periods so much discussed. Production in certain sizes of shells ceased and in others was reduced. The first stage of the passing of the munitions industry, which was the mainstay of industrial activity in Canada through 1915, 1916 and 1917, was marked by a minimum of disturbance, because of the initiation of shipbuilding enterprises. Many of our basic industries have been suffering from a shortage of labor and can readily absorb part of the surplus from the munition plants, with advantage to themselves and to the country at large. It is highly satisfactory that this first step in the transition from the shell-making business to the ordinary industrial activities of the country is being accomplished, and is likely to continue for some time, on a scale so gradual as to be almost imperceptible in its effects.

If present plans with respect to the building of ships, both wooden and steel, continue to expand, there is every prospect that the shell-making industry may be replaced in due time by another industry in which activity will continue long after the war ends. Its future, when peace comes, must depend largely on the efficiency which Canadian plants develop in the interval. Last year, we received orders from Great Britain for over $46,000,000 worth of ships. The passing of the munitions industry in Canada, however, will be delayed by the receipt of substantial orders by Canadian plants from the United States for shells.

Industrial concerns generally have placed themselves in a strong financial position during the past three years. Large earnings have been used to reduce obligations and to build up working capital, several companies, for example, having redeemed their outstanding bonds which were not due for several years.

Our agricultural production can be maintained largely by the proper selection and direction of immigration.

There has been waste of effort in the way we have settled the land. The settler has been expected to do pioneer work in Northern Ontario, for example, just as our settlers did 50 years ago. The time is approaching when the State will find that ready-made farms and all reasonable facilities is the quickest and cheapest way to make the new settler a substantial asset to the country. The home demand for food products is still great and as yet there is no evidence of the European demand becoming less urgent. It may be necessary for the buyers there to seek some readjustment of the terms upon which they have so far been supplied, and also to make new arrangements for obtaining credit. The importance of this aspect of the question becomes apparent upon comparing the volume of the exports of provisions (the bulk of which are to Great Britain), with that of former fiscal years. Our butter exports, for instance, have increased 917 per cent. in the past four years, exports of eggs, 7,099 per cent., of bacon, 475 per cent., of beef, 3,506 per cent., and of pork, 2,809 per cent. The exports of these five items in 1913 were valued at $39,000,000 and in 1917, $299,000,000.

Primary Production Last Year

With one arm Canada is supporting in the battlefield a worthy cause. With the other the Dominion is speeding its industrial plant to supply munitions, general equipment and supplies to Great Britain and the Allies. The business coming to Canada as a direct result of the war has acted as a pillar of strength to the Canadian industrial situation. That, taken in conjunction with the facts that liquidation of the position has been in evidence for over three years and that a large harvest of agricultural products was gathered and sold at high prices in 1916, with a good crop at good prices last year, obviously gives a wholesome appearance to the Canadian position.

Despite the scarcity of farm labor, production was large. The high prices for farm products and particularly the substantial fixed price for wheat is bringing a large sum to the country this season. Last year the value of our field crops for the first time exceeded $1,000,000,000. The field crops contributed $1,089,000,000 to the primary production of wealth in 1917. In 1914, the value of production from field crops, forests, mines and fisheries was $975,000,000. Last year, it had increased to $1,507,000,000.

The Grain Trade

The first effects of the war on the grain trade of this continent arose from the problems of ocean tonnage, marine insurance, and ocean freight rates. The export of wheat under these conditions became difficult. The British government created an agency in North America to purchase wheat for the Allies generally and Great Britain, France and Italy particularly. This wheat export company, with its vast financial resources and continuous orders for large quantities of grain, became dominant in the grain exchange markets of America, including Winnipeg. With rumors of speculation in wheat, the Winnipeg Grain Exchange investigated but found little illegitimate speculating. As prices continued to rise, however, facilities for future trading in wheat on the Wninipeg exchange were removed. While the action of our exchange did not commend itself at first to the other grain exchanges on the continent, the leading exchanges were shortly forced to take steps almost identical with those taken at Winnipeg.

Last year witnessed the beginning of drastic government regulation of the grain business. In the United States, a grain corporation was created, being the only buyer of wheat at the great terminal markets and the only distributor and seller of wheat from those markets to the American mills, the European Allies, and the neutral countries. Prices were fixed by government commission and future trading was prohibited. The mixing of grades of grain at the terminal markets was made impossible. The government took over the inspection of grain and standardized the grade. Thus the entire grain business of the United States was revolutionized.

In Canada, the government created a board of grain supervisors, its primary functions being (1) to regulate the price at which grain shall be bought and sold, (2) to regulate the distribution. Congress has guaranteed a minimum price of $2 per bushel for the wheat crop of 1918 and has given the president power, should he see fit, to impose a duty upon any wheat that might try to slip into the United States, and without right or title command the same guaranteed minimum. What effect this guaranteed minimum will have upon wheat-growing in Canada during the coming year, it is not possible to say.

Labor and Immigation Problems

Labor and immigration problems demand the serious attention of our authorities, whether we obtain few or many settlers. Time there is now to make plans for the important work of settlement. As Lord Shaughnessy has pointed out, farming should be made so profitable, by educational and financial aid, and the social conditions of rural life should be so improved, that thousands of men with natural inclinations that way will be attracted to agriculture and will succeed at it. Even when that is done, the great majority of the men will have to be provided for in other kinds of work.

Mining Industry

The mining industries of Canada were active throughout the year. The production of minerals in 1915 was valued at approximately $137,000,000. Last year, with higher prices for many of the metals, the value of the output was about $195,000,000. Exports of Canadian mining products for the fiscal year ended March, 1917, totalled $80,698,000 compared with $55,428,000 in 1915. Judging by the frequent indications of mineral wealth in the Dominion and by the records of various mining camps which have been well worked, the output of minerals is only in its beginning. Canada is the world's third largest producer of silver. That record has been accomplished with the assistance of practically one silver mining camp, Cobalt. The production of silver last year was approximately 30,000,000 ounces. This large total was assisted by recoveries from low-grade ores made financially practicable by the high price for silver. The price of 55 pence per ounce, at which silver sold in London in Septembe·, has been matched in only three months of the thirty-three past years. Those months were August, September and October, 1890, in one of which it sold at 54⅝ pence. Except for that brief movement, one must go back to April, 1884, to find the price as high as in 1917. One of the Cobalt mining companies sold in September last 200,000 ounces of silver on a basis to net the company $1.16 7/16 an ounce.

In 1916, only 5 per cent. of the raw material used in the manufacture of iron and steel in Canada was obtained from domestic sources. This means that 95 per cent. was

imported. More partly manufactured materials such as iron and steel are now being imported, but our needs of copper, zinc, lead and other metals, were during 1917 met to a greater extent from our own resources. In British Columbia, refining plants are being established for handling an additional 70,000,000 pounds of copper annually. Some of these have already been installed, and similar developments are taking place with regard to other metals. Some of the metals, hitherto insignificant, have now become important items in our national balance sheet. In 1915 the zinc ore produced in Canada was valued at slightly more than $500,000, but in 1916 the value was $1,000,000 and last year it was still greater. The value of this industry to the Dominion, as in the case of nickel refining, will be greatly enhanced by treating the ore in Canada and by the development of the new processes already referred to. The output of copper in 1915 was 102,612,486 pounds as compared with 125,000,000 pounds last year, and the price in the former year was only 17¼ cents per pound, as compared with an average of 27 cents in 1916.

Future Business Conditions

No one can accurately forecast the trend of business conditions during the coming year, because every few months bring into the situation unforeseen factors, both adverse and favorable. The past year has demonstrated that we cannot depend upon the United States for our financial requirements during the war. That country has advanced to the Allies between April and the middle of December last, a period of about eight months, no less than $3,883,000,000. In addition, it is financing its own war expenditures which are increasing.

The past year has also demonstrated that Canada is prepared to finance itself during the war. This was clearly reflected in the remarkable over-subscription by $268,000,000 of the Victory War Loan of $150,000,000. For the first time, in November last, a large proportion of the population became holders of war bonds. One in ten of our people hold Victory bonds. When the next war loan is necessary, we shall probably be able to equal, if not better, that record. The habit of thrift was given an impetus by the Victory Loan, which was the first step of value towards the education of the people at large in buying government and war securities.

Now thrown upon our own financial resources, as the struggle proceeds we shall become more dependent generally upon our national resources. Just as our financial props, the London and New York markets, were removed by war conditions, so may other outside supports be gradually withdrawn by the exigencies of war. This probability is even now sufficiently outlined for immediate action by the proper authorities. National investigation and organization of resources as applied to war conditions is imperative work.

As an example, the coal problem may be cited. Mr. Arthur V. White, of Toronto, for many years has been drawing special attention to this matter. Emphasis has been given to the very serious distress that might, in any year, develop through fuel shortage. The lessons of former trying experiences of Canada in times of coal shortage, such as in 1902 and 1903, have been pointed out. The chief burden of Mr. White's efforts, however, has been to arouse the people of Canada to a due sense of the extreme seriousness of their fuel situation viewed in its broad national and international aspects. He has lost no opportunity of clearly holding this up as a prime national issue demanding prompt and energetic action on the part of the nation.

In 1910, referring to this subject, Mr. White used the following words which are equally true to-day: "Certainly the people of Canada are in better circumstances to maintain a supply of heat and power if their water-powers, including their full share of international water-powers, are reserved to themselves and not permitted to be exported, except upon terms and conditions which will conserve absolutely the present and future interests of the citizens of Canada. Not only would the water-powers of Canada provide, to a certain extent, a substitute for the coal supply of the United States as a means of furnishing light and heat and power, but control of these water-powers would secure a basis upon which negotiations for coal could be conducted in a possible day of need. Canada would be in a position to exchange, if need be, part of her electric energy for part of the coal supply of the United States. It is obvious, however, that if the United States interests should control both the coal and the water-powers, the situation of Canada would become exceedingly grave."

State Control and Regulation

As in other countries, so in Canada, the rapid growth of State control and regulation has been notable. The importation and sale of coal was placed in the hands of a fuel controller in October. A plan to establish effective control over all packing houses and their profits was announced by the government in November. A board of grain supervisors was appointed to fix the price of grain and to regulate distribution. Food control was established and a controller appointed to fix prices and to regulate supplies of newsprint and bookprint with a view to the requirements not only of Canada but also of the United States. The electric power situation in Ontario is under the jurisdiction of a government power controller. We have in addition the conscription of man power and the regulation of business profits.

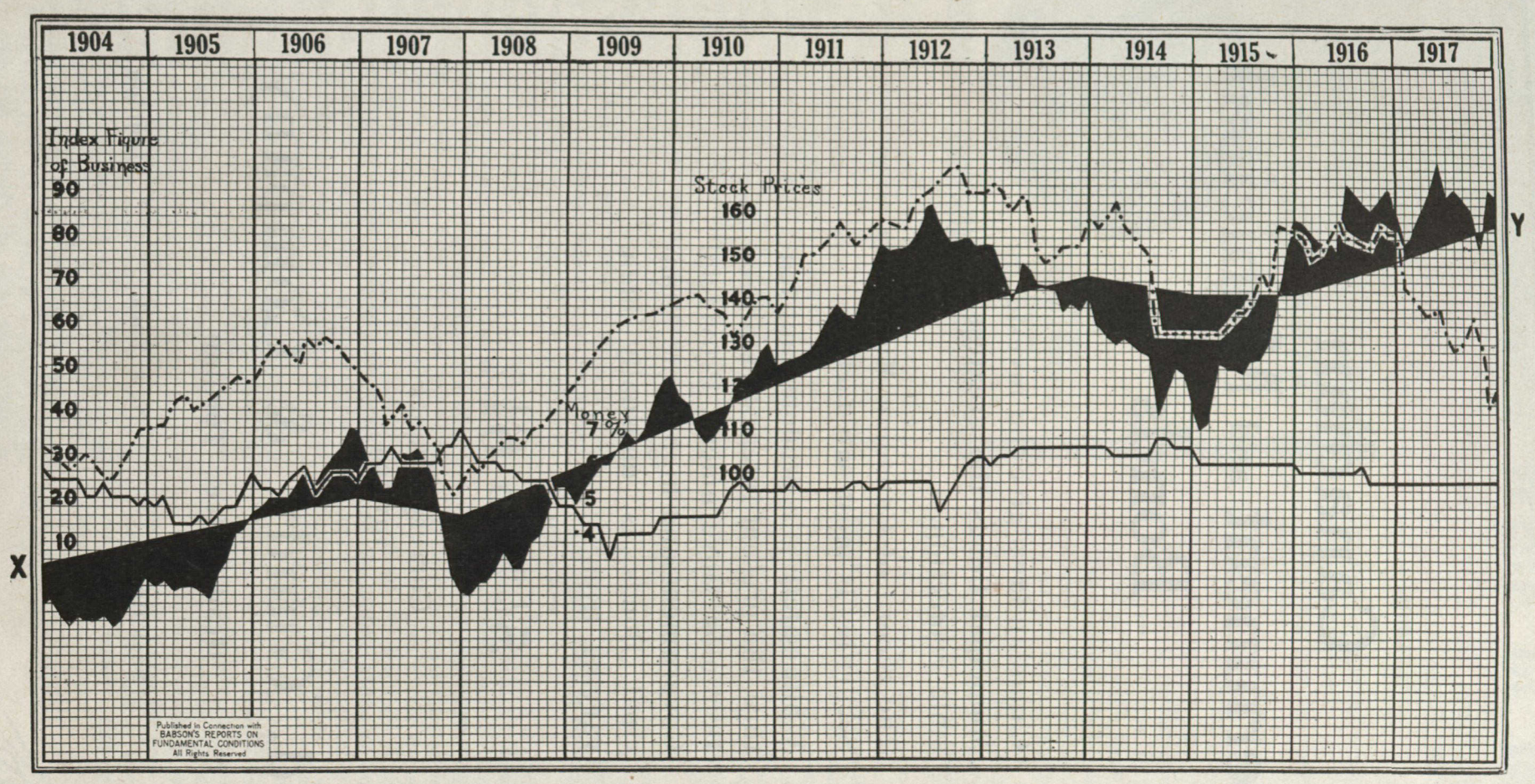
These are substantial indications of the growth of State control and regulation in the Dominion. It seems certain that this tendency will become more marked as the war progresses. Whether State control will remain an important factor in Canadian national life and business after the war is a matter on which opinions are divided. There is a general impression, however, that this factor will at least operate to a greater extent when peace comes than it did prior to the beginning of war.

Test of War

The test of war has proved Canada's mettle. Our achievements in production, war finance, banking, business and in other spheres for more than 3½ years have shown that Canada has been able to demonstrate capabilities which it was thought did not exist. With that knowledge of strength and with the Allied nations slowly crushing the Prussian menace, we may feel confident in our ability to co-operate actively in the prosecution of the war with a view to bringing it to a successful conclusion as speedily as possible. If we give practical recognition now to the vital necessity for organization, with peace as a foundation, we need not fear the problems which may then appear. With the continuance of the war and the growth of our national debt, financial problems will arise. These, in turn, will be counteracted among other things by the development of vast natural resources, increased production and the era of expansion which this country has yet to undergo.

Compositplot of Canadian Conditions, 1905-1917

(Compiled for *The Monetary Times* by Babson's Statistical Organization, Wellesley Hills, Mass.)



THE full black line represents call money rates in Montreal; the broken line shows increase of stock prices; the Compositplot is formed by a number of representative business subjects reduced to a common denominator. These include such subjects as bank clearings, building figures, stock prices, failures, railway earnings, commodity prices, etc. The X-Y line indicates as nearly as possible the normal line of growth in Canada.

The upward movement which recommenced at the first of 1916, has continued right through the past year and indicates that the period of great business activity has not yet ceased. However, the effect of increasing governmental restrictions and taxes, and the growing scarcity of capital are all tending to reduce the margin of profit. This has been reflected in the course of stock prices during 1917, which in November touched the lowest level seen for several years.

As in 1916, the course of business is going to depend very largely on when the war ends, although the longer the war continues the more governmental and financial restrictions will be felt in the industrial world. Certainly, neither Canada nor the United States will enjoy the tremendous profits realized during the first part of the war. At the present time, stock prices are selling below their real values and the stock line should show at least fair recovery during the early part of the year.

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HEADS OF THE CANADIAN PROVINCES TELL OF PAST DEVELOPMENT, OF FUTURE PLANS, AND OF LINKED ARMS WITH OTHER UNITS OF EMPIRE

BRITISH COLUMBIA

British Columbia

By Honorable H. C. BREWSTER, Premier

FACED by the financial stress due to the war and by obligations which the new government found on taking office, the result of an increased public debt and railway bond guarantees, a policy of economy and retrenchment has been imperative. One of the first acts of the administration last year was the framing of a budget which would enable current expenditure to be met out of revenue. Financial returns to date show that this aim is being achieved, and without any loss in the efficiency of the services rendered. Steps are being taken to ensure that the larger revenue which it is necessary to derive from taxation shall be equitably apportioned between all classes of persons and property, to the end that the greater burden shall be justly borne by all in proportion to their strength. Energetic measures are under way to stimulate and encourage settlement of the land and a greatly augmented production.

The province, though feeling the strain of war conditions, in common with the other parts of the Empire, is in a sound and healthy state. Its government and people are meeting the heavy calls upon their men and means, in complete confidence that prudent management of provincial affairs will bring it safely through the crisis to a point where its unparalleled natural resources can be fully developed and utilized. Meanwhile, special demands made by the continuance of hostilities continue to afford an enlarged market for some of her products.

Agriculture has naturally suffered by the absence of so many men from the province on active service, and the greater scarcity of farm labor, but nevertheless the industry shows a satisfactory condition on the whole.

The total area under grain in 1917 was slightly greater than that of 1916 but unfavorable climatic conditions resulted in the decrease in yield, especially in oats, which is the chief grain crop of British Columbia. Fodder crops yielded about 12 per cent. more than in 1916. Field roots show an increase of nearly 60 per cent. in acreage over 1916, but the average yield was hardly up to the standard.

The fruit crop was probably the most satisfactory in the history of that industry, the yield being equal to that of last year, and the much higher prices giving a larger profit to the growers.

Dairying and the livestock industry were generally satisfactory.

The mining activity of the province has continued throughout the year. The preliminary estimate of the output for 1917 shows a small decrease as compared with 1916. The latter period, however, showed a large increase over the preceding annual periods, and the output for the past year was 36 per cent. greater than that of 1915 and 52 per cent. more than the figures for 1914.

The output of copper as a result of the war demands continued to be a feature of the mineral activity during the year, the total output being some 78,000,000 pounds, of a value of $21,250,000, this being an increase in value of $3,500,000 on the output of 1916. The production of silver also showed an increase in value to the extent of over one-quarter of a million dollars, the quantity being 3,000 ounces.

There were mined 24,000,000 pounds of lead and 30,000,000 pounds of zinc. The output of lode-gold was cut in half, chiefly due to the shutting down of the Rossland mines for several months. The aggregate value of metals produced in ten months covered by the preliminary estimates available at this writing is in the neighborhood of $31,000,000. In addition, there was something over $9,000,000 in value of coal, coke and miscellaneous mineral productions, making a total of about $40,000,000 for ten months as compared with an output of $42,290,462 in 1916.

The decrease in the production of coal is largely due to the shortage of labor and labor troubles, and this in turn was reflected in the greatly reduced output of coke ovens and the consequent hampering of smelting operations.

There has been a remarkable increase in the lumber production of British Columbia during the past year to the extent of at least one-third over the cut of 1916. The quantity of logs scaled during ten months of 1917 was greater than that during the whole of 1916 and practically one-third greater than during the whole of 1915. The war demands for aeroplane timber has resulted in the trebling of the cutting of spruce and the doubling of the cutting of larch since the beginning of 1917, while shipbuilding demands have resulted in a large increase in the production of Douglas fir.

For ten months ended October 31st, the quantity of timber of all varieties officially scaled amounted to 1,305,625,000 feet, board measure, as compared with 1,280,263,000 feet in 1916 and 1,017,683,000 feet in 1915.

The fisheries of the province have given a satisfactory production during the past year. There has been a large demand for the inferior qualities of fish and there is every reason to believe that this demand will continue and increase.

H. C. Brewster.

MANITOBA

Manitoba

By
Honorable
T. C. NORRIS,
Premier

MANITOBA has prospered exceedingly during the year 1917 and the coming of the New Year finds us not only still ready and willing but increasingly able to bear whatever burdens the fourth year of the war may bring.

Weather conditions during 1917 were not altogether ideal. Some districts reaped the largest crops on record, others reaped but little; the average over all the province was distinctly better than for the previous year. Increased prices tell the real tale of Manitoba's new prosperity. It is conservatively estimated that the cash return from all farm products will run from sixty to seventy-five million dollars more than in 1916.

Manitoba farmers, generally speaking, have never been in better condition to carry on. Mild weather throughout the greater part of October and November allowed for a record plowing in preparation for the spring. Stock is in excellent shape and farmers everywhere are heeding the call for intensified production. It is a notable fact that they are doing this quite as much because they realize it as a war duty as because of the profits that may accrue.

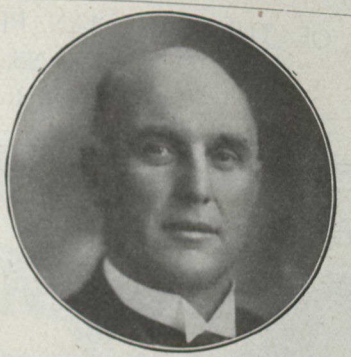
There has been a further and gratifying increase in mixed farming, for which Manitoba is so admirably adapted. The increase in dairying made it possible to export over 90 car-loads of creamery butter as against some 50 car-loads in 1916. Honey production was greatly increased in spite of a rather unfavorable season. There is certain to be at least an equal increase during the coming year in all these lines as the farmers are responding splendidly to every appeal for greater effort.

Out of her prosperity Manitoba is giving lavishly toward the winning of the war. Every appeal for funds has met with quick and generous response. Subscriptions to the Victory Loan constitute a record in which every citizen may take lasting pride. The people of this province are well settled into the collar in all war effort. There is a spirit of determination, of willingness to make sacrifices, of confidence in the certain outcome, in which there is no room for pessimism. Manitoba will carry on.

There is one other matter to which I would like to refer. That is the steadily increasing interest in education evinced by all classes of the population. This has been particularly apparent during the year just closed. I doubt if any other development could offer so much promise for the future of the prairie province.

T. C. Norris

ALBERTA



Alberta

By
Honorable
C. STEWART,
Premier

JUDGED by the usual standards of business economy, the general situation in Alberta is sound and encouraging. Crops have been a good average and have been carefully and successfully harvested. It is estimated that the principal field crops will yield 155,265,000 bushels, as compared with 135,748,000 for 1916. The total crop value for last year at prevailing prices was probably $170,000,000. In addition to this, the dairy industry of the province, through systematic grading and the consequent world marketing of cream and creamery butter, has shown during the last few years increases of over 30 per cent. annually. These increased returns from field and dairy are so much fresh capital added to the resources of the province, being immediately available for a more intensive development of agriculture and the live-stock industry.

That this new capital is immediately available is witnessed by the general extension of farm improvements —buildings, fences and machinery—during the last few years. Through this, our farmers are better equipped to-day to meet the demand for increased production than they have ever been, and may be depended upon to do their duty by providing the necessary foodstuffs for the good of the Empire at large.

Good crops and high prices have caused a considerable demand for farm land. Values have risen from 25 per cent. to 75 per cent., according to locality. Notwithstanding labor shortage, due to the heavy enlistment of men from the rural districts as well as from the cities and towns, no great inconvenience has followed up to the present, for, owing to the co-operation of the railway and the government, help for seeding and harvesting has been secured from Eastern Canada and the United States. Splendid weather prevailed throughout the thrashing period and extended well up to the end of November, thus enabling more than the ordinary acreage of fall plowing to be done in preparation for the crop of 1918.

The prosperity of the farming communities is reflected in the towns and cities by increased wholesale business and bank clearances. Wholesalers report increases from 20 per cent. to 25 per cent., and their collections the best in the history of the province.

Alberta being essentially an agricultural province at the present time, these conditions are a source of great gratification to our people, and no doubt will be to Canada as a whole—taking into consideration the fact that Alberta forms a no small part of the granary to which the Empire at present looks as the source of their food supply.

Chas Stewart

SASKATCHEWAN

Saskatchewan

By
Honorable
W. M MARTIN,
Premier

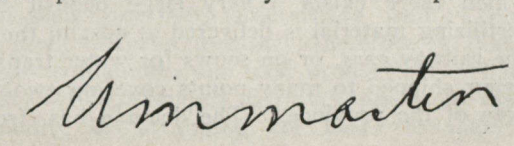
TO say that remarkable progress has taken place in the province of Saskatchewan during recent years is to state a fact with which every one is familiar. There is no doubt, however, that the province to-day is in a better condition financially than ever before. True, the effects of the real estate boom have not altogether passed away, but speaking generally, the farmers on the plains and the merchants in the towns are in a better financial position to-day than at any previous time.

The crop of 1917, while not so large as in two former years, is on account of the prevailing high prices worth perhaps $125,000,000 more than in any previous year, and while the production of livestock is not so great as we hope to see in a very few years, it is worthy of note that there were in 1916, four times as many horses, two and one-half times as many cattle and four times as many hogs in the province as in 1906.

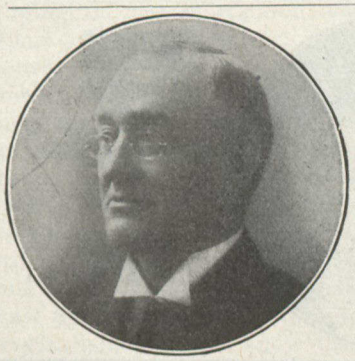
The people of the province have been very active in every patriotic effort; in fact there is no province in the Dominion which has done better work for everything in connection with the war than has the province of Saskatchewan. The Patriotic Fund has been self-sustaining. In 1916, the people here contributed a larger amount in cash per capita for Red Cross purposes than any province in Canada; as a matter of fact, one-quarter of the total cash contributions in Canada in 1916 to the Red Cross, came from the province of Saskatchewan, and there are to-day in the province one-third of all the organized branches of the Red Cross in Canada.

Saskatchewan is also proud of the fact that its allotted share of the Victory Loan was oversubscribed by several million dollars. This is the more remarkable when it is remembered that the contribution is made up almost altogether of small subscriptions, for we have no accumulation of wealth such as exists in the cities of the province of Ontario; and, moreover, our rural population, comparatively speaking, is much larger than that of any other province.

Our people are industrious and progressive. While we have in some portions of the province a mixed population, education and scientific methods are making rapid strides and we are looking forward with every confidence to a glorious future and the development of a people on the central plains of Canada, of which the whole Dominion and the British Empire will have every reason to be proud.



NOVA SCOTIA



Nova Scotia

By
Honorable
G. H. MURRAY,
Premier.

AFTER three years of war it cannot be said that industrial conditions in Nova Scotia have been adversely affected to a serious degree. In agriculture the season has been, on the whole, favorable. The hay crop was an average one, while fair yields of roots and potatoes are reported from an increased acreage. The pastures were excellent throughout the main portion of the season, and the dairying industry continues to make progress. Farmers are placing an increased value on the presence of livestock on the farm and more animals are being kept. The apple crop was larger, proportionately, than elsewhere in Canada and is being shipped principally to consumers in Ontario.

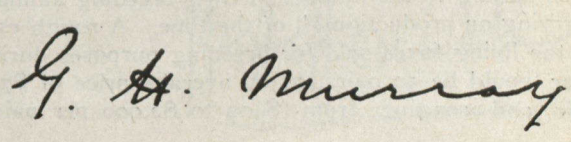
Our fishermen have had one of the best years in the history of the industry. Not only was the catch greater than that of 1916 but prices ruled higher. Both inshore and bank fishermen fared exceedingly well. The bait supply was regular and there was a gratifying decrease in the dog-fish pest.

In the lumber industry cutting was reduced owing to scarcity of labor and the lack of shipping. Prices ruled about the same as in the previous year but the export was under that of 1916.

The total output of coal was below the production of 1916 owing, principally, to the scarcity of tonnage and the lack of skilled labor. For these reasons shipments up the St. Lawrence declined somewhat heavily. The production of limestone was about equal to that of the previous year, while the output of gypsum was lower.

The manufacturers report a favorable year with a strong demand for all their products. In certain lines a sufficient supply of raw material was difficult to obtain regularly and a shortage of labor was also felt. In general, however, conditions are satisfactory owing to the variety of our resources and to the fact that there is no vital interdependence among our manufacturing industries. A large amount of war material was manufactured during the year.

It is realized that if we are to supply our share of the silver bullets that will ultimately win the war the business of the country has to be maintained. We must supply not only the men necessary to uphold our fighting strength at the front but also the supplies that will render their presence there effective. Nova Scotia endeavors to do her part in both directions.



PRINCE EDWARD ISLAND

Prince Edward Island

By Honorable A.E. ARSENAULT Premier

THE foremost productive industry of Prince Edward Island is farming, upon which three-fourths of our people are mainly dependent for their livelihood. Mixed farming is carried on, of which the raising of field crops, the production of butter and cheese, of beef, pork, eggs and poultry are the main branches. Our farmers have had a good year, notwithstanding the drawbacks of a late spring and a scarcity of farm labor, the latter mainly due to the enlistment of about 3,000 of our young men in military service. Under the stimulus of high prices and patriotic motives approximately the usual acreage was under cultivation, resulting in a full average of production which commanded higher prices than ever before, making the field crop of 1917 the most valuable that was ever produced on the Island. The crop reports of the department of agriculture show that the season's production was valued at $12,390,600.

The urgency of high prices and the desire to increase production led to the cultivation of small plots in the city and towns of the province. The estimated value of these small-plot crops is from $85,000 to $90,000. Regretably, no statistics are at present available to show the quantities and values of beef, mutton, lamb, pork, poultry, eggs, butter, cheese potato, starch or farm, or farm and factory production. The season was a most favorable one for pasturage, but the reports show a slight falling off in the milk production. Eggs are known to have been produced in larger quantity and sold at higher prices than ever before, while poultry has fallen off in quantity, though commanding unprecedented prices. In consequence of the war, nearly all farm livestock has been enhanced in value, but statistics are wanting to show what the value produced, or the increase or decrease in numbers has been. An exception to the general rule is horses, for which this province has been famous in past years, but for which stationary or lower prices than in former years, now prevail, owing to the prevalence of motor cars diminishing the demand for horse flesh abroad.

Closely related to the farming industry and forming a branch of the livestock branch is the silver fox breeding industry. The food for the foxes comes from the farmers, the ranches are located on the farms and farmers are the most numerous class of shareholders in the many fox companies. Very few of the companies have paid any dividends since the first year of the war, but they have been adding to the number of their breeding animals and carrying on production all of the time. A rough estimate of the living foxes sold for breeding purposes during the year would be 50 pairs, at an average price of $750 per pair and ranging from $400 to $2,000 per pair, say, $37,500. It is thought that 1,500 pelts may be taken off and sold, a less quantity than last year but of decidedly better quality, owing to the weeding out of the inferior and less profitable animals, which took place last year. These, at present rising prices and the good demand existing, should realize an average of $300 each or $450,000. Prices obtained for last year's fox pelts ranged from $100 to $1,400 each, but averaged about $250. About 1,500 young silver foxes were born and reared during the season. A fair estimate of the value produced in our fox ranches in 1917 would be about $500,000.

The value of our dairy products, as set down in the census of 1911, was $1,639,475, and of animals sold and slaughtered, $2,411,252, making a total of $4,050,727. These classes of farm products do not vary greatly in quantity, from year to year, but prices have greatly advanced since 1911. In like manner, the value of poultry slaughtered in this province in the census year was $694,144. It is a moderate estimate that the classes of farm products named in this paragraph, at the present high price, would total $5,500,000 to $6,000,000.

We have, then, this summary of farm production in 1917: Value of field crops, $12,390,600; dairy products, eggs, poultry and animals sold and slaughtered, $6,000,000; production of fox ranches, $500,000; a grand total of $18,890,000.

Without including the foxes, this gives an average production of over $1,300 per farm for each of the 14,369 farms, many of which are small, in this province. In the last census year the average produced value per farm of field products, animals and their products, and fruits, was, in Prince Edward Island, $885; in New Brunswick, $584; and in Nova Scotia, $460. Two important improvements have contributed to the prosperity of our farmers this year and cannot fail to be of increasing utility and value in the future. The car ferry between Port Borden, Prince Edward Island and Cape Tormentine, N.B., has been recently put in operation by the Dominion government as a freight carrier and already has transported hundreds of carloads of farm products en route to the markets of the world. It will be of increasing value in the months to come when ordinary navigation will be obstructed by the ice. When this enterprise is made complete by the broadening of the gauge of the Prince Edward Island Railway to the continental standard, it will save the cost and delay of twice transhipping produce from cars to steamer, and from steamers to cars; it will give to Island producers and shippers the use of heated freight cars in winter, and of refrigerator cars in summer for perishable products, hitherto denied them; it will double the frequency of mails to and from the mainland; it is hoped to constantly guarantee constant daily steam communication across the straits during winter and summer, in place of the serious interruptions caused by the ice in past winters; it will largely facilitate tourist travel; it should enable manufacturing industries to be established and profitably maintained on this side of the straits where such were hitherto impossible owing to the want of dependable transport in winter; and finally, it will make Prince Edward Island an integral part of the Dominion in a sense that it has never been.

The provincial government, some years ago, constructed and equipped at Midgell a plant for the dredging and shipping of mussel mud, a most valuable fertilizer, of which there exists a very large deposit there. This fertilizing material is delivered at cost to the farmers, on the railway cars, or on scows for water transport, and is being shipped to many points covering two-thirds of the area of the province. The demand has, from the first,

greatly exceeded the yearly increasing supply, and should the last weeks of the open season for this work prove favorable, the output for the past year will total 1,500 carloads.

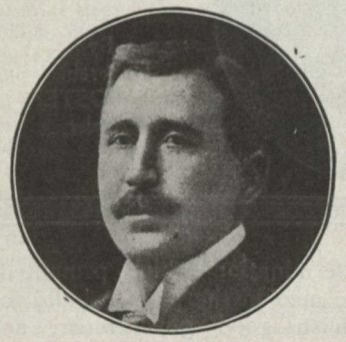
It will be seen from the above recital why the farmers of Prince Edward Island are more prosperous than ever before and with a brighter outlook toward the future. They form so large a proportion of our population that their prosperity means a like measure to many others, especially the mercantile class. At the same time, the high cost of living, the cost of food and coal, is severely felt by those living in the towns and villages who are dependent upon salary or wages.

Next to farming, our fisheries constitute our most valuable asset, the production usually being from $1,000,000 to $1,200,000 yearly. Lobster fishing and canning usually makes up from one-half to two-thirds of this total. During 1917 the spring fishery of lobsters was not as productive as usual and fall fishing was permitted, with the result of a considerable additional catch, but still the total will come short of some previous years. A fair estimate of the value of our fisheries production this year would be about a million dollars.

Trade has been, and is, good; money fairly plentiful. There is no want of employment and it is felt on all sides that the province is on a solid basis of material prosperity.

A. K. Anscomb

ONTARIO



Ontario

By Sir WILLIAM HEARST, Premier

IN three great branches of production, namely, agriculture, mining and lumbering, the past year has been one of more than ordinary activity in the province of Ontario. Early in the year fears were entertained that the agricultural yield would fall below the average, although every consideration of interest and patriotism required that production should be maintained at the highest possible standard. The farmer had to contend with the difficulty of obtaining labor, and with the scarcity of seed in certain varieties, as well as the increased cost in all. It was necessary, therefore, to take immediate steps to maintain our food production. This was done, first of all, through patriotic appeals to the farmers; secondly, by arranging for loans to them; thirdly, by securing and supplying seed; fourthly, by enlisting the support of labor from urban centres and distributing it among the farmers; and fifthly, by encouraging the use of traction machinery throughout the province. These efforts met with a most encouraging response. Not only was the food production of the province maintained unimpaired, in spite of adverse circumstances, but it was materially increased. We have under cultivation to-day in Ontario 300,000 more acres of land than we had during the years immediately preceding the war. Last year we were fortunate in having field crops much above the average and in some instances new records were established. Our reports indicate that the income of the farmers last year from these sources will be at least $50,000,000 better than in an ordinary year. It is very satisfactory to know that Ontario has an ample supply of fodder, thus assuring the prospects for the live stock and dairy industries. Altogether, our experience during the past year has vindicated the policy of stimulating farm production. I need not point out what this means to the general prosperity of the province, as well as to keeping down the cost of living, but I would earnestly commend it as a real contribution to the cause of liberty, and I emphasize that fact not merely as a source of satisfaction to Ontario but rather in the hope that it will be an incentive to the farmers of this province to maintain and increase our productiveness during the critical times that are still ahead of us.

I have indicated that our mining activity has been well maintained. In this respect the war has created a greater demand and has also imposed a special duty. Our production has been increased by the necessities of the Allies for nickel and copper and there has been an exceptional demand for silver. The result is that the production of these metals for the first nine months of 1917 was at least $2,000,000 in advance of the same period for 1916. The production of gold has been affected by the increased cost of mining without any compensating advantage in price and has consequently fallen slightly below its previous record. Figures that we have obtained for the first nine months of 1917 show that the mineral output of Ontario exceeded $43,000,000.

Another important industry is that of lumbering, which was considerably restricted by the early war conditions. We find now that this industry has largely recovered and is again in a satisfactory condition. The highest bids ever made for pine and pulpwood areas were realized last year and there is a good demand for the output of our mills at satisfactory prices.

Besides these three great sources of wealth, which I have specially mentioned because they come more directly within the sphere of the provincial government, we have our great manufacturing concerns which have been maintained up to the limit of available labor and raw material. Altogether, therefore, Ontario has done well during the past year and has every reason for hopefulness and confidence in the future. If there is a danger in our outlook, it is that in our prosperity we may forget the conditions that prevail elsewhere, and perhaps fail fully to realize how solemn and binding is our obligation to bear our full share of the burden of the great struggle through which the world is passing.

W. H. Hearst

QUEBEC

Quebec

By
Sir LOMER GOUIN
Premier.

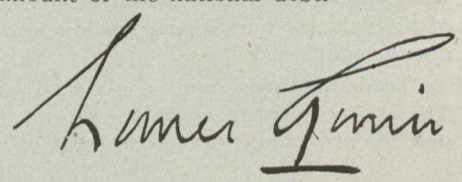
NOTWITHSTANDING the industrial development of the province of Quebec, agriculture always remains its first and principal industry. The prosperity of the agricultural class is both the essential condition of general prosperity and an excellent barometer for indicating the economic situation. Thanks to the excessively high prices of food supplies, farmers are in the receipt of handsome incomes and enjoy an enviable ease. They are prosperous and they are equally patriotic. They know that with their scythes and with their ploughs they can be useful to the Allies and assist in the triumph of the great cause for which they fight. They recognize the importance of largely increased production and since last spring they have been resolutely at work. They have largely made up for the scarcity of labor by the persistency of their own work and thus succeeded in cultivating a much more considerable extent of land than ever before.

Unfortunately, this generous effort did not produce all the good results which were hoped for, and irreparable damages were caused to the crop by the torrential and continued rains. Nevertheless, the harvest was still very satisfactory, of which there can be no better proof than savings which the farmers have realized and which they have placed in the banks. I see another proof of their prosperity in the fact that the Canadian banks continue to open new branches in our country districts where they are certain to find any number of well-filled purses.

At this time, when complaints are made almost everywhere of the transportation service, the government for the purpose of facilitating the circulation of traffic, has vigorously continued the policy which it inaugurated several years ago, of improving our carriage roads. We have to-day several main arteries connecting the principal centres of the province, and in the course of last season we have been able to finish the Quebec-Montreal road and have commenced a new route between Three Rivers, Grand Mere and Shawinigan. We are now studying several projects which we shall endeavor to carry out in the near future. In short, we are now supplying the province with a system of roads which may well be its pride and which already contributes to its prosperity.

The industrial future of the province of Quebec is mainly to be found in its forests and its water powers. Nowhere else are there such favorable opportunities for the manufacture of paper. We possess these incalculable riches—motive power and raw material in abundance. Since 1910, the date at which we prohibited the export of wood cut on the Crown domain, several companies have established workshops here which are to-day extremely important, and the consumption of pulpwood manufactured into pulp or paper in this province has increased from 340,000 tons in 1910 to nearly 1,000,000 tons in 1916. The pulp and paper industry is now enjoying with us an era of prosperity. In order to enable this industry to develop itself and to manufacture cheaply by utilizing its water powers under the best possible conditions, the government has constructed important dams at the head of two of our principal rivers to regulate the flow of the waters. These dams will soon be finished, when that of the St. Maurice will be the largest reservoir in the world, its capacity being about four times that of the famous Assouan Dam in Egypt, which was built by the Imperial government several years ago at the cost of many millions of dollars.

In short, the possibilities of our province are as immense as its resources and when we recall the fact that Quebec forms but a part of Canada, we may surely be permitted to be optimistic and in no sense to despair of our country's future, notwithstanding the dark days through which we have been passing since 1914, and despite the large amount of the national debt.



NEW BRUNSWICK

New Brunswick

By
Honorable
W. E. FOSTER,
Premier

THE spirit of determination which prompted our people and public men in the past to build for the future, to establish good government, and to struggle for democratic principles, animates their descendants to-day, when between twenty and thirty thousand men from New Brunswick have or are taking a part in the struggle in France and Flanders to preserve the liberty of the world and to oppose the aggression of the German for and his allies.

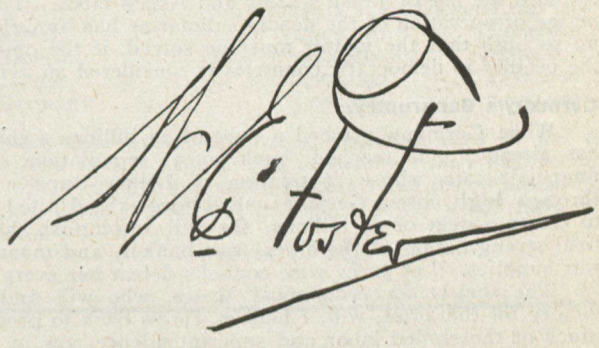
With such an army at the front, in training or inscribed on the roll of honor as killed, wounded or missing, New Brunswick has every right to expect to share in the fullest measure in that development which will come after the war, particularly when, as we hope and expect, in the flood of immigration from the Old Country there will be plans for the settlement of soldiers upon the land, which should be one of the greatest features of the work of reconstruction. The government of New Brunswick, while grappling with present-day problems, is looking ahead to these larger possibilities in the future.

Through the energy of our forefathers we found that railway development in our province had been amply provided for. There is no portion of the Dominion better served by railways, so far as mileage goes at least, than the province of New Brunswick. We are looking forward to the day when the branch lines, which are so important in developing the interior of the country, which mean so much to the transcontinental roads, will be considered as part of a greater railway system. It is of the greatest importance that the people in those sections affected by the many branch lines in this province should at as early a date as possible have some assurance for the continuance of the system.

Definite objectives have been marked for the agricultural department. Increase in livestock, encouragement of wheat growing, institution of creameries, getting in touch with wider markets, all form part of the programme of the minister of agriculture. Agricultural education is receiving more attention in the school system.

Establishments of such plants as the new mill of the Bathurst Lumber Company and of Frasers Limited, at Edmundston, goes to show that the future holds much for one of New Brunswick's greatest industries though lumber operators and manufacturers are handicapped just now by the shortage of shipping. To supply this tonnage shrinkage should be one of our first duties and there are already indications that public-spirited men are awake to this need with the formation of several ship-building companies and keels already laid at St. John, once queen of shipbuilding ports.

Total trade of $220,000,000 passing through St. John in one year indicates the great importance of that city as one of the gateways of the Empire. Back of this gateway lies a rich and fertile province, resources yet undeveloped, possibilities yet untouched.



War Finance and the Allies' Economy

Canada and United States Must be Economical Assets of the Allied Nations—Japan's Army, Asia's Labour—The Relation of the Kaiser to High Prices—How the Tonnage Question Will Stand This Year

By JOHN STUART THOMSON.

IN my article in *The Monetary Times* Annual, January, 1916, I urged that the most economical assistance to the Allied cause that the United States could render, would be to loan Great Britain even up to the sum of twenty billions. *The Monetary Times* wrote an editorial calling attention to my plan, in issue of April 13th, 1917, I beg to repeat my suggestion. It is the quickest and most economical method of winning the war. Britain can then finance Japan, and probably some of the neutrals and bring the war to a prompt and victorious close.

I stated that this plan would be more effective than taking millions of mechanics from the industrial field and sending them over the Atlantic as combatants to choke the Commissariat's present difficulties. I saw no military or economical objection to sending 700,000 United States troops to the French front. I have no Pacificism "up my sleeve" in my economical advice. If it is finally necessary that every one of us shall go over, I believe in thoroughly crushing the Teuton. All my own family near and far are in the war, either in the Anzac, Canadian, British or American armies, and I am "fighting with my mouth" as Lord Roberts said, which the army doctors tell me is the best way, after my campaigns for civilization in the tropics.

Help of Economists.

Cool economists must and will win this war. Britain will require during twelve months, 12,000,000 tons of food, and 20,000,000 tons of munitions and supplies from the western side of the Atlantic. Italy also will need supplies. I quote Lord Northcliffe, who writes in New York World, October 2nd, 1917: "Sir Joseph Maclay, the British controller of shipping, has stated that unless the United States constructs 6,000,000 tons of shipping annually (not one-third of this is apparent), the military efforts of the United States will be crippled from the start. Nothing less will supply a million over-sea troops against the growing submarine menace."

The British controller of shipping's report reads as follows:—"It is reasonable to expect that Germany will destroy by next spring (Mrach, 1918), 200 vessels more than can be built in the meantime. The question the United States must face is whether it will be possible for her to send any substantial force to France next spring without such a drain on the world's shipping as will subtract just that much from the fighting strength of the other allies, as her own forces will add. However large and powerful the army which the United States trains during the winter, it may be rendered absolutely useless as an addition to the fighting forces, if there are no ships to transport it, except at the cost of stopping the flow of vital necessities to the present armies."

Assets of Allies.

It is essential that Britain shall maintain the United States and Canada as economical assets of the allies. How the United States is measuring up as a foil to Germany is illustrated as follows. In 1914 the United States exported $27,000,000 of dyes, drugs and chemicals. In 1917 the figures were $185,000,000. In explosives the comparative figures were six millions against one billion. In tonnage the United States should one year hence have four or five million against two million in 1914. In gas and hydro-electric power, the jump forward is similar. he United States budget for 1917 is as follows:—

Dr.	
Loan, allies	$7,000,000,000
Army	6,890,019,661
Navy	1,605,098,458
Aviation	694,000,000
Shipping	1,040,000,000
Draft	8,658,413
Food control	173,846,400
Insurance	176,250,000
Emergency fund to President	100,000,000

	Cr.
Bond bill, April 24	$7,000,000,000
Bond bill, September 24	8,538,000,000
War revenue bill	2,500,000,000
Regular revenue	1,333,000,000
Total	$19,371,000,000

After waiting patiently for several years to see if the allied strategy could conquer the submarine (I myself offered plans of a sleuth-sub) or win a military decision, I finally came out in *The MonetaryTimes* of November 10th, 1916; *The Monetary Times* Annual of 1917, and in the press generally in the United States, and urged that the policy of attrition be now cast away and a military decision be sought, through the use of Japan's army and Asia's labor. The long period of operation of the deadly submarine has brought costs up so high that the matter must be solved, if the opinion of the peoples in democratic countries is considered an asset.

Germany's Bankruptcy.

When Germany reached a debt of 23 billions (which she has already) she reached bankruptcy, repudiation, and a financial state whose foundation is hollow paper. When through high costs, Germany shall force the United States to create a debt of 40 billions, she will accomplish the practical strangulation of the allies' war banker, and manager of war supplies. Let us by wise councils defeat her every effort.

The sought for economical Moses, who will find quick victory for the allies, will, I believe, throw back to production much of the skilled labor and superintendence now in United States camps and restore it to the allies supply market. The British made this error in the first year of the war. Millions of United States troops cannot be supplied overseas in addition to the allied armies now there. Italy's military representative also expressed this view on page 1, magazine section of New York Times, September 23rd, 1917.

Safe Pacific Seas.

I urge the use of the safe Pacific sea lanes; the prompt use of Japan's and Italy's full army force; the abundant use of Asia's cheap labor, to maintain Russia; with these forces to crack Austria, and encourage Hungary, Bohemia, Poland and neutrals to join the allies, as more of the world's policemen against the German rioter, pirate and brigand.

Here is the proof that the allies must listen to an economical Moses to save the cause. Silver to-day is over par. That means that the Kaiser is making the allies pay over one dollar for a piece of silver that costs 50 cents when the war began. Coke has risen from $1.50 to $14.50 in the general market. Cotton was 6 cents a pound in 1914; to-day it is 25 cents. Shipping tonnage was $50 a ton in 1914; to-day it is $300, although the United States government holds the Steel Trust down to $65 a ton for government steel.

Increase of Costs.

Coal, bread, aeroplanes, shoes, sugar, powder, medical supplies, skilled and unskilled labor,—everything is rolling up, and bringing the allies' war banker (the United States) day by day nearer to financial distress and social discontent, for it must be remembered that the United States is fighting for no territorial gains. A debt of 40 billions in the United States will spell economical disease, and therefore revenge for the Kaiser. Criticism is growing. Hear the New York World (an administration organ), September 22nd, 1917: "No wonder American consumers watch with misgiving some of the prices which the government, influenced by producers and handlers, is putting upon indispensable commodities. To-day on all sides, war earnings are furnishing a precarious basis for over-capitalization and pyramiding of profits. The burden thereby placed upon the shoulders of American consumers grows heavier at an alarming rate. The country cannot carry it. Prosperity will presently crumple beneath it." I will interrupt here to say, that price fixing by the government will not be a success, if the government does not also become distributor to a sufficient degree to control the unpatriotic distributor, who is generally a foreigner, in the large cities.

The submarine has been the factor in this troubled economical and strategical history. But the United States and Canada must be economically saved before Britain's problem is looked into. During Britain's wars, you must maintain the dollar before you worry about the value of the pound sterling. It will never do to let the Kaiser ruin our war bankers on the western side of the Atlantic. If the United States is saved through a more efficient and economical policy, then Britain can be economically saved after the war, because she can throw the German colonies into the credit side of the scale, and again become the world's leading banker.

The captured German colonies must be retained by Britain, every acre of them. The United States will not tolerate Imperial German Colonies hereafter, or the Imperial pirate flag in any port. Moreover, Britain, France, Japan and the United States must see that Russia remains our economical and political ally, or economical hardship and another war with Teutonic Europe are ahead of all of us. Only the use of Japan's army can bring this about, as we in Canada and the United States are fully cognizant of the fact that the Germanic north-Russians have betrayed us and are surrendering balances for the German's use on the peace table. The political and economical fight now is not only to conquer Germany. It is to hold Asia and Russia to our side after the war, until solvency, rehabilitation and permanent peace are achieved.

After the War.

Britain's economical troubles will come after the war. I mean as a publicist in the United States to support her retention of the German colonies, so as to save her post-war finance on behalf of the allies, to whom she has loaned, or will loan, 10 billion dollars.

The leadership required during the battles of post-war taxation will call for genius and honesty not inferior to any military leadership that the war has evolved, in the respect that it is easier to spend money than to find it. The massing of classes will involve more men than any army has held. One of the most conspicuous problems is the taxing of war profits and income, in which the United States is less drastic than any of the allies. Britain's tax is much higher. The people will seek a leadership, which will change both of these policies. Britain will require more capital to develop the German colonies. Therefore, she will reduce taxation of profits and incomes. America will find that she must provide larger sinking funds for her debt, and she will be compelled to tax profits, skilled labor and incomes more heavily than she is doing. However, I realize that both the United States and Canada are developing countries, and capital must be encouraged to remain here. American politics have always surrendered to excessive skilled-labor charges. Britain has controlled her labor charges, sometimes rather too drastically.

Steps Taken by United States.

The nationalization of industries, transportation, raw material, coal and food supply, and special munitions in the United States is one of the most remarkable economic features of our finance. Tens of thousands of cars have been saved in the daily shortage. There was a 22 per cent. gain in tonnage carried per car, and only 3 per cent. increase in equipment. Freight is routed by the National Railway Director to the most available terminal. Formerly the individual railways fought for the long haul; or the shipper, seeking cheaper steamship rates, demanded a popular port. The steamships, too, preferred a popular passenger port. Both together glutted one terminal and left a score of others not fully employed.

In various industries, including shipbuilding, the government sometimes guarantees cost, plus 10 per cent. This is an old system of elastic construction contract instituted by the Erie Railroad decades ago. The government under this plan practically guarantees no strikes. But private finance in the United States is unalterably opposed to government ownership during peace times, the activities of politicians being hated and distrusted more than in any other nation. The de-nationalization of many industries will, therefore, ensue in the United States with the close of the war. If the large shipping tonnage is de-nationalized, then America must provide a subsidy to enable private ship owners to equalize the cheaper wages paid in Japan, and other countries.

Government's Achievements.

The United States government has cut private charters on the Atlantic down to $5.75 a deadweight ton a month, from a figure twice to three times that price. The United States also assesses on excess profits. Soft coal has been cut from $6 and more, to $2 at the mine; copper from 30 to 23. Its pre-war price was 13. The United States government is endeavoring to mobilize in the Federal Reserve Bank (which answers to the Bank of England and the Bank of France) the nation's three billions of gold, and 12 billions of banking resources. Only half of these resources are at present nationalized.

The United States government has therefore mobilized 262,000 miles of railway; has practically nationalized 27,000 factories; has nationalized advertising and most of the periodical press; has partially nationalized public opinion through the censor; has nationalized women's and boys' clubs; has diverted women to men's work, and therefore suspended during the war the domestic and cultural life of the nation, to that extent. The United States government, at date of writing this article, is the only government to-day which is running the war as a party war, its war cabinet representing only the Democratic party. To strengthen the conduct of the war, I am one of the publicists who recommend the admission of all parties on a pro-rata basis to the war cabinet, as in Britain, Canada, France, etc.

As to Tonnage Losses.

The concealment of tonnage losses is an error, for we must maintain confidence in our home countries, which are democratic, and fight better when they know the truth and all the truth, no matter how harsh it may be. The Anglo-Saxon has hated doctored, concealed and colored opinion since the days of Runnymeade. The Kaiser knows all about the tonnage losses. If he did not know, the tonnage price would tell that archfiend, namely, $50 per ton as the pre-war rate; $250 per ton, present charges. This means that Britain has lost over one-quarter of her tonnage, and she is not building over 2½ million tons a year. Japan, too, knows Britain's losses. President Matsumura, of the Osaka Shosen Kaisha (Steamship Company), recently wrote in the Japan Advertiser: "Great Britain has lost nearly 45 per cent. of her tonnage, i.e., nearly 9,000,000." I disagree with this, as these figures are excessive. Lord Northcliffe in the New York World of October 2nd, 1917, says: "The whole system of publishing the figures of submarine sinkings, is misleading. I do not believe that any substantial progress has been made in stopping the submarine depredations."

Britain is a glorious fighter martially and economically. She will close the war as a leader in merchant marine, and with the most economical opportunities for maritime rehabilitation. She will have two new great allied maritime assistants. The tonnage record will probably be as follows:—

	1914.	Close of war (1918.)
Britain	22,000,000	17,000,000
America	5,000,000	7,500,000
Japan	2,000,000	4,000,000
Germany	5,000,000	2,000,000

More than navies or armies, economy wins in war and peace, and that is why in *The Monetary Times* of December 3rd, 1915, I eagerly supported Britain's suggested blockade of neutrals. Had it been put in then, the war would have been over now.

(Continued on page 29)

Prices During and After the War

Inflation has Appeared in Every Belligerent Country — National Debt Increases — Present Purchasing Power and High Prices May Remain for Years After War

By W. W. SWANSON.

THE price problem is of surpassing importance to the industrial and economic life of the nation. Men of affairs are prone to become impatient in dealing with what they consider theoretical discussion, but theory must be understood if right practice in business life is to be pursued. Theory, in fact, is little more than analysis of right practice; and at this juncture of events there is no question that stands so much in need of searching analysis as price movements and their effects upon present and future industry. The present article will deal briefly with the probable tendency of prices at the close of the war, and the bearing of this tendency upon the economic interests of labor and capital in Canada.

A nation's place in the world of trade depends upon its efficiency in production, whether in manufacturing or agriculture. Efficiency, in its simplest terms, is a matter of costs, and cost study has been made the basis, therefore, of every thorough-going plan for securing the highest production at the lowest possible expense. It must not be thought, however, that high money costs are the deciding factor in industrial supremacy. The United States and Canada pay as high wages to labor as are given anywhere in the world; and yet the Republic has rapidly pushed its way to the forefront in commerce and trade, and Canada, considering its resources in materials, labor and capital, has made scarcely less progress. Not high wages, but high production in proportion to capital expenditures, is the key to supremacy in commercial competition in the open markets of the world.

Canadian and American workmen have been efficient, more than holding their own with poorly-paid labor in Europe because of their high standard of living. It has been proved beyond peradventure, both before and during the war, that the labor force which is permitted to retain its resiliency through right working conditions, both of hours and wages, gives the most effective results. We are not so much concerned here, however, with hours of labor as with wages, because it is upon the latter that the standard of living depends. Unfortunately, in several of the leading financial journals on this continent, veiled threats have been made against labor to the effect that wages will be deeply cut into at the close of the present struggle.

The whole argument is based upon problematical conditions in international trade after the war, in which it is asserted that cut-throat competition will be in evidence as never before. Wages, it is said, must fall sharply to permit Canadian and American producers to hold their own against Europe. In our judgment there could not be a more short-sighted policy—unless prices also decline in the same proportion. This, we propose to show, will not likely be the case. High prices for food, raw materials and manufactured products will obtain at the close of hostilities; and in that event labor must receive a fair reward in terms not only of money, but of actual income, if the Dominion and the United States hope to achieve material success.

And Canada ought to be in a position to pay decent wages as well as to increase its economic efficiency, when Armageddon shall have become history. At the outbreak of war this country was indebted to Europe and the United States to the extent of not less than 3,000 million dollars. The national debt will have been increased by the end of 1917 by 1,000 millions. Nevertheless, it must not be forgotten that the Dominion, as far as the national debt is concerned, is much better off than at the outbreak of hostilities. High prices for agricultural and manufactured products always favor the debtor, whether the debtor be an individual or a nation. Now, it is a matter of undisputed fact that commodity prices have advanced at least 90 per cent. since August, 1914; and, therefore, with half the effort previously required in production—the only way in which any debt can be paid—our obligations to Europe and the United States may be met. We shall be worse off, economically, only with a serious decline in prices after the war; and to the writer materially lower prices are not in sight for a decade at least.

Turning for a moment to the present labor situation on this continent, it is clear that the apparently high price of labor is deceptive. The mass of the people, while fortunately fully employed, are having a struggle to make ends meet. This aspect of the problem is dealt with by a leading New York brokerage concern as follows:—

"It is because we think that prices have about reached the breaking point, and because we think that high prices are paralyzing industry, and the high cost of living is maddening the poor people and making them turbulent and rebellious that we are ceasing to be bullish, even on most of the industrial stocks. The strain on our industrial and economic mechanism is becoming so great that some important

part will almost surely give way soon. . . . Millions of workers are eating less food because they cannot buy the usual quantities. Real estate in our greatest centres has become almost unsaleable. Something, besides the war, is going to happen soon. This is no time to be poor."

The statement is over-pessimistic, but it contains much of truth. Food prices, in particular, have gone skyrocketting to such an extent that the pinch of living is felt severely by the working classes. It is time to consider whether the shibboleth, "supply and demand," will longer suffice as an answer to those who ask an explanation for the underlying causes of the present prices of food. Certainly, during a war where the entire material and spiritual forces of the nation must be mobilized for victory, price manipulation of food supplies can have no moral or social sanction. Men may play in the stock market if they wish, but not with human life.

High Prices and Stagnant Industries.

On the other hand, let no one imagine that high prices have brought sudden wealth to all Canadian manufacturers, or even to a large proportion of them, popular conceptions to the contrary notwithstanding. High prices have paralyzed many peace industries. The building trades are stagnant, railway construction is dead. The sensational decline in railway securities, even of seasoned stocks and bonds of such premier roads as the Pennsylvania, proves conclusively that capital has suffered no less than labor because of the war. The high cost of materials, increased wages, and the enormously enhanced cost of rolling stock have laid a crushing burden upon carriers, both in the United States as well as in Canada. Rates and prices must, therefore, advance, as far as the peace industries are concerned, before such enterprises can be completely rehabilitated and yield a profit to those whose energy and capital have been invested in them. Simply stated, a sharp and sudden decline in prices would lay industry and commerce prostrate. Price changes must be adjusted over a comparatively long period if economic stability is to be maintained and regained.

Turning directly to an examination of probable price movements, it is evident that no clear-cut conclusion can be drawn without discovering the fundamental factors that operate in the field of prices at the present time. What are those factors? The loss of a considerable percentage of the world's shipping is one factor in the situation. And yet, the loss of world tonnage—taking replacements into consideration—is scarcely more than 10 per cent. up to the present time. It should not be overlooked that ocean transportation, in any event, has no bearing upon the price of food products in America, so far as imports are concerned.

On the other hand, it is certainly not so much the decrease in tonnage as the shortage of food supplies among the European belligerents that has raised the prices of agricultural products in Canada. Land transportation has had little or no effect on prices, as the railroads of this continent are more efficient than ever. Taking one year with another, the world's output of cereals and foods has been as great since 1914 as in the years immediately preceding the struggle. True, some 25,000,000 men are in the field engaged in destruction instead of production, and supported by an army of workers in the home countries of at least equal size. Nevertheless, the unusual energy of labor, both of men and women, in the factories and fields of the belligerent countries has more than made good the wastage of labor caused by the war; and capitalistic enterprises are keyed up in efficiency as never before. Obviously, the usual reasons advanced by way of explanation of high prices will not do. We must look elsewhere for the cause.

Small Fortune for a Hat.

The clue that leads out of the labyrinth is found in the fact that prices were advancing from 1895 to 1914; and that every previous great war, under which similar conditions obtained, marked advancing prices. These conditions were an increase in the circulating media of the nations at war and an increase in the volume of credit in general. The fundamental fact in the period, 1905-1914, was the enormous increase in the world's output of gold—an increase that outdistanced demand, and led to a lowering of the value of the yellow metal. In the Napoleonic struggle prices rose in all European countries, including the United Kingdom, because of large issues of paper money, not immediately convertible into gold.

Every student of history will recall the bizarre prices that marked economic life in the American Revolutionary War, when the printing presses of the colonies were set busy turning out continental notes. As these notes depreciated in value prices shot skyward, and the phrase, "Not worth a continental," became proverbial. Both in the Northern States, as well as in the Confederacy, "promises to pay" were freely emitted, with resultant chaotic conditions, due to high prices, in trade and commerce. If one lives in Mexico to-day, it costs a small fortune in paper money, to buy so much as a hat.

The leading index numbers of the world—including those of the London Statist, Bradstreet's, the United States department of labor, and that of our own deparment of labor—indicate, although constructed after different principles and of different lists of commodities, a surprising uniformity in their interpretation of general price movements. This goes to show that the operative factors are not merely local, but world-wide in their scope.

Inflation is Everywhere.

Inflation has appeared without exception in every belligerent country, due not only to the increased volume of currency in circulation, but to enormously augmented debts. The total gold money in circulation in the forty principal countries of the world, for example, increased from $3,827,000,000 in 1895 to $8,560,000,000 in July, 1917. Silver coinage and circulation showed a slight decrease, there being $3,825,000,000 in circulation in 1895 as against $2,600,000,000 in 1917. Silver will be, probably, more largely used as currency after the war—but that is another story. "Uncovered paper" increased from $2,178,000,000 in 1895 to $13,500,000,000 in July, 1917. It is important to observe that the total volume of money in circulation for the leading forty countries of the world increased from 1895 to 1917 150 per cent., while the world's population, during the same time, increased only 13 per cent.

There has been a great increase in the issue of "uncovered paper" during the four years of the war. In 1913 paper money issues stood at $2,799,000,000, while by July, 1917, they amounted to $13,500,000,000. The increase in gold and silver circulation has been small since the outbreak of hostilities, while paper money issues have increased 400 per cent.; and the end is not yet. Paper issues among the leading European belligerents in the years 1913 and 1917 are given in the following table:—

Country.	1913.	1917.
United Kingdom	$115,000,000	$ 660,000,000
Germany	262,000,000	1,613,000,000
France	326,000,000	2,900,000,000
Italy	182,000,000	661,000,000
Russia	.....	4,285,000,000

It is quite easily seen from a study of this table why, among other things, the mark has fallen in Germany and the rouble in in Russia.

Increase of National Debts.

But inflation has come about from another direction and has been occasioned by an even more potent force—the increase of national debts among all belligerents. The total debts of the world for successive periods from 1895 to 1917 are seen in the following table:—

Year.	Amount.
1895	$ 28,750,000,000
1913	43,840,000,000
1915	56,904,000,000
1916	96,950,000,000
1917 (July)	106,000,000,000

It has been estimated by the Mechanics' and Metals' Bank, of New York, recently that for every month the war lasts not less than $5,000,000,000 is added to the debt of the world, and that by August, 1918, the total world debt will stand at the staggering sum of $150,000,000,000. It may be recalled, in this connection, that interest upon the debt of the world in August, 1914, required for its payment $2,000,000,000, while by the end of 1917 for that purpose not less than $5,000,000,000 will be needed.

It is evident that bonds and stocks, created for war purposes, pass current among financial concerns as cash; but, much more, they may be pledged at the banks as a basis for loans against which cheques may be drawn. We are unable to believe that this volume of actual and potential purchasing power will be materially diminished within a decade after the close of the war; hence, high prices will prevail.

Coal Problem of Canada Demands National Action

A Solution of a Vital National and International Question Outlined — Our Natural Resources Not Inexhaustible — Canada's Present Dependence Upon the United States for Coal — The Dominion Possesses Independent Fuel Resources Which Must Be Developed

By ARTHUR V. WHITE

So much has been said, drawn from seemingly authoritative sources, respecting the "unbounded extent of the natural resources of Canada," that it is little wonder the popular view is entertained that Canada's resources are practically unlimited, and perpetual prosperity only waits upon their fuller development. For Canadians, however, to hold and be governed by such a view is to live in a "fool's paradise."

Little more than a decade ago, a large majority of the people of the United States believed that the natural resources of their country were unbounded, and that there was hardly any limit to material progress based upon their development. Even in that country, however, there were many who did not share these views, and through their efforts special investigation was made respecting the actual conditions of the natural resources of the nation.

Natural Resources of United States Exhaustible

The President called for a conference of the governors, leading officials and experts of all the States of the Union.

Addressing the conference on the 13th of May, 1908, the President stated:—

> "This nation began with the belief that its landed possessions were illimitable and capable of supporting all the people who might care to make our country their home; but already the limit of unsettled land is in sight, and, indeed, but little land fitted for agriculture now remains unoccupied save what can be reclaimed by irrigation and drainage. . . . We began with an unapproachable heritage of forests; more than half of the timber is gone. We began with coal fields more extensive than those of any other nation and with iron ores regarded as inexhaustible, and many experts now declare that the end of both iron and coal is in sight. . . . The enormous stores of minerals, oil and gas are largely gone. . . . Our natural waterways are not gone, but they have been so injured by neglect and by the division of responsibility and utter lack of system in dealing with them that there is less navigation on them now than there was fifty yars ago. Finally, we began with soils of unexampled fertility, and we have so impoverished them by injudicious use and by failing to check erosion that their crop-producing power is diminishing instead of increasing. In a word, we have thoughtlessly, and to a large degree, unnecessarily, diminished the resources upon which not only our prosperity, but the prosperity of our children and our children's children must always depend."

Canada's Natural Resources also Exhaustible

No country possesses, within its own borders, more varied and extensive resources than the United States, yet it is now recognized that many of these are within measurable distance of exhaustion. This fact was so clearly demonstrated that prompt action by the trustees of the nation became imperative. So far as one can judge, natural resources from the 49th parallel to the Gulf of Mexico are better situated, geographically, and must always be more desirable than those from the 49th parallel to the Arctic ocean; thus, by reason of situation, Canada's usable natural resources are in variety and extent less than those of the United States.

Those who have observed the rapid disappearance of many of the natural resources of Canada and the present alarming rates at which some are being consumed, realize that the situation, as a whole, is one of great gravity. Consequently, true conservation in Canada is as great, if not greater, a necessity than in the United States.

On the 6th of December, 1917, at the annual meeting of the Bank of Montreal, its president, referring in hopeful terms to Canada, said: "Our natural resources are unbounded and our credit is irreproachable."

Now, as a matter of fact, our resources are not unbounded, and our very credit is involved in the use we are making, and shall make, of the resources at our disposal. Many of these, as just stated, at present rates of depletion, and without proper methods of conservation being rigidly applied, are within measurable distance of exhaustion. By way of illustration: There was a time—and not so very long ago either—when the buffalo and the carrier pigeon existed in the United States and Canada in countless millions. To-day they are gone.

Resources Must be Wisely Used and Conserved

It is true that some resources, such as minerals—perhaps more especially coal, oil and gas—if used, must in time, necessarily become exhausted. On the other hand, such resources as the soil, plant growth, waterways and ground waters, may be conserved and transmitted to posterity unimpaired, or at least unabused, just as a good husbandman passes on his farm in an improved condition to that in which he received it. The policies advocated by the Commission of Conservation of Canada have aimed at passing on to succeeding generations in an improved condition the heritage of the natural resources of this country.

By intelligent and thrifty use, the natural resources of Canada may beneficently serve the needs of a large population. If, however, Canadians become really dependent upon necessary commodities supplied them by other countries, they must be prepared to accept the circumstances in which they may suddenly find themselves if the supply of such commodities is cut off. Such circumstances will be aggravated by any abuse of our assets.

Coal Scarcity and Coercion

There is, apart from food, raiment and shelter, perhaps no single commodity which has been found so necessary for the maintenance of life and for the carrying on of commerce and transportation as fuel—chiefly coal. During the past few months the public interest has been keenly aroused respecting the nation's fuel supply and increasing dependence upon hydro-electric energy. The present war conditions are going to drive home to Canadians as never before the tremendous gravity of their position with respect to fuel.

Countries like Norway and Sweden, Denmark, Holland and Switzerland—countries, indeed, which are neutral—are practically dependent upon the warring nations for coal, and have found themselves seriously curtailed in obtaining this commodity. They have been forced to recognize the momentous fact that the countries which possess coal are able, absolutely, to dictate the terms upon which coal will be supplied to others.

Norway and Sweden are short of coal. Both Great Britain and Germany have released coal to these countries in exchange for food. Britain has required European neutral ships calling for coal to bring cargoes of foodstuffs or other desirable commodities. Holland must get its coal from Germany, which consents to supply it only in return for large quantities of food, especially vegetables and meat raised on Dutch soil. Holland at present has open to her no other market in which to secure coal. From Switzerland, Germany demands cash at the rate of 40,000,000 francs monthly for nine months at five per cent. in return for a monthly delivery of 200,000 tons of coal; and within the last month it has been reported that Germany has liberated some hundreds of agents instructed to secure control of the hydro-electric resources in Switzerland, so that, with these under their direction, and in control, also, of the coal supply, Germany would more completely dominate Switzerland. One of the chief factors

which has existed in connection with Alsace-Lorraine has been that Germany wishes to maintain this outlet for her coal and in return derive from these areas the supply of iron which she herself lacks. The necessities of life—not the precious metals—are the real arbiters of exchange.

Portion of Canada Dependent Upon United States for Coal

Now, a very large portion of Canada—and for this one may hold in mind much of the populated territory extending, say, from Quebec to Winnipeg—has become increasingly dependent for its fuel supply upon the coal fields of the United States, and absolutely dependent upon that country for its annual supply of some 4,500,000 tons of anthracite coal.

In addition to the use of imported anthracite coal for fuel for heating and domestic purposes, large quantities of bituminous coal—some 10,000,000 to 14,000,000 tons—are also imported from the United States, largely for power purposes.

The known anthracite coal fields of the United States are within measurable distance of exhaustion. Upon this point there seems little difference of opinion. The time during which the supply will last, at rates of consumption existent prior to the war, is placed at about one hundred years. Doubtless, in the near future, the United States will feel compelled to conserve this valuable commodity, and the exportation of it may be largely restricted, if not entirely cut off.

There are available scores of examples, arising out of the present war conditions, where the United States has found it necessary to place stringent embargoes upon natural and manufactured products.

If Canada is to be in a position to command special consideration under possible restricted conditions, she must realize the value of her own resources and have them strictly under national control in order that she may be enabled to deal on a basis of *quid pro quo*. When the commodities of commerce are exchanged there must, of course, be a substantial basis for barter. When Germany demanded gold from Switzerland she offered to exchange coal. Suppose that the United States, in the conduct of her commerce, concluded that it was in the general interest of her citizens only to *barter* coal for certain commodities which she specially required, what desirable commodities has Canada to barter?

Canada an Exporter of Electrical Energy

Other than the products of her agricultural lands, mines and forests, there are certain resources in Canada of unique and special value. One of these is the hydro-electric energy which may be developed from Canada's waters, including her equity in international waters. At the present time the United States is importing from Canada about 275,000 horse-power years of electrical energy.* Many factors, of course, enter into the determination of the equivalent of this electrical power in terms of anthracite coal. Electric power has great advantage for many purposes over steam. Speaking in round figures, and taking cognizance of some of these special factors, the electrical power now imported by the United States would be the equivalent of probably not less than 3,000,000 tons of coal—it may be a quantity substantially greater.

Canada has been richly endowed with water-powers, although those serviceable from the standpoint of present economic development should be carefully conserved so that they may be used in the general public interest.

Any estimate for the water-powers of Canada must be presented and considered with a due appreciation of its limitations. The following table representatively sets forth the water-power situation in Canada. By no means may all the water-powers be economically developed:—

Estimate of Water-Power Resources of Canada **

Province.	Total possible horse-power.	Developed horse-power.
Ontario	5,800,000	760,000
Quebec	6,000,000	640,000
Nova Scotia	100,000	26,000
New Brunswick	300,000	15,000
Prince Edward Island	3,000	500
Manitoba	.....	76,000
Saskatchewan	3,500,000	33,000
Alberta		
North-West Territories		
British Columbia	3,000,000	250,000
Yukon	100,000	12,700
Total	18,803,000	1,813,200

Men far-sighted in the fields of industry and finance have foreseen the extent to which present and future generations will be increasingly dependent upon power, whether it be steam or hydro-electric.

Concentration of Control

In the United States, for many years past, special efforts have been made to concentrate control of water-powers. Most of the water-powers which are more readily capable of economic development in Canada, as well as in the United States, either have been already developed or are privately controlled. Concentration of ownership is a noticeable feature of this control. It has been authoritatively published that in the United States, in 1913, about 6,300,000 horse-power was controlled by ten groups of interests. This concentration is still going on. Owing both to provincial and federal legislation, it has not been possible for interests so readily to obtain control of water-powers in Canada. Efforts, however, are continually being made to secure the rights for such desirable water-powers as are yet vested in the Crown. The efforts made by the powerful financial interests behind the Long Sault Development Company to obtain control of the almost unequalled power rights at the Long Sault rapids, on the St. Lawrence River, are still in mind.†

Power Monopoly

The public cannot be too well informed respecting the extent to which they may be compelled to pay tribute to those concentrating hydro-electric powers, by reason of the control which such interests have over the distribution and supply of electrical energy.

In this connection no words are better fitted to express what is going on than those of Mr. Gifford Pinchot when he states:—

> "And whoever dominates power, dominates all industry. Have you ever seen a few drops of oil scattered on the water, spreading until they formed a continuous film, which put an end at once to all agitation of the surface? The time for us to agitate this question is now, before the separate circles of centralized control spread into the uniform, unbroken, nation-wide covering of a single gigantic trust. There will be little chance for mere agitation after that. No man at all familiar with the situation can doubt that the time for effective protest is very short. If we do not use it to protect ourselves now we may be very sure that the trust will give hereafter small consideration to the welfare of the average citizen when in conflict with its own."

Respecting the water-powers of the United States and the attempt to create a monopoly of same, Mr. Roosevelt, in accurate, prophetic terms, as true for Canada as the United States, has stated that:—

> "The people of this country are threatened by a monopoly far more powerful, because in far closer touch with their domestic and industrial life, than anything known to our experience. A single generation will see the exhaustion of our natural resources of oil and gas, and such a rise in the price of coal as will make the price of electrically transmitted water-power a controlling factor in transportation, in manufacturing, and in household lighting and heating. Our water-power alone, if fully developed and wisely used, is probably sufficient for our present transportation, industrial, municipal and domestic needs. Most of it is undeveloped, and is still in National or State control. To give away without con-

*Respecting various phases of this subject, consult an article by Arthur V. White on the "Exportation of Electricity," which appeared in the *University Magazine*, October, 1910, pages 460 *et seq.* Consult, also, *Toronto World*, March 18th, 1912; also, "Exportation of Electricity—An International Problem: Relation of a Possible Coal Embargo by United States to a Curtailment or Stoppage of Canada's Electric Power," by Arthur V. White, in *The Monetary Times* of January 5th, 1917, pages 21 *et seq.* Consult, also, *Annual Reports of Commission of Conservation*, Ottawa.

**See *Conservation*, Ottawa, for December, 1917.

†For a review of the water-power situation on the St. Lawrence River, consult report of recent annual meeting of the Commission of Conservation, Canada; also *Electrical News*, Toronto, 15th December, 1917.

ditions this, one of the greatest of our resources, would be an act of folly. If we are guilty of it, our children will be forced to pay an annual return upon a capitalization based upon the highest prices which 'the traffic will bear.' They will find themselves face to face with powerful interests entrenched behind the doctrine of 'vested rights' and strengthened by every defence which money can buy and the ingenuity of able corporation lawyers can devise. Long before that time they may, and very probably will, have become a consolidated interest, dictating the terms upon which the citizen can conduct his business or earn his livelihood, and not amenable to the wholesome check of local opinion."

This prophecy of the ex-President is daily in process of fulfilment. In view of all the exigencies facing her—both national and international—Canada cannot afford to have great water-powers, like those of her boundary waters, pass into the hands of powerful private interests, but must retain full command of all the nation's resources.

Common Aims and Aspirations a Great Asset

Nothing is further from the thought of the writer than to suggest that it is, or that it would become, the arbitrary desire of the United States to deprive Canada of the coal which at present is so necessary to life in Canada. It is important, however, to take cognizance of the fact that a nation, pressed by the demands of its own people, may be compelled, under certain conditions, to deprive other nations—in part, at least—of even the necessaries of life until the needs of its own citizens are met. No country can be expected to send out of its confines that which is essential to the very existence of its own people.

Canada is, indeed, exceedingly fortunate in being neighbor to a country whose national aims and sympathies are so akin to its own. Our great Ally to the south has extended to Canada specially generous consideration in the present coal shortage. Dr. H. A. Garfield, United States Fuel Controller, has announced that recognition will be given to Canada's needs for coal as though she were one of the States of the Union.

No one can contemplate the hearty efforts made to relieve the suffering begotten of the Halifax catastrophe without placing the greatest value upon the readiness of our neighbors to co-operate where assistance is really needed. In response to the distress of Halifax the governor of Massachusetts telegraphed assuringly: "The people of the Commonwealth of Massachusetts are ready to answer any call that may be made upon us. Massachusetts stands ready to go the limit in rendering every assistance you may be in need of." The governor of Maine telegraphed: "Any help Maine can give is yours," while many others sent corresponding messages. Sentiments like these, however, cannot better be summed up than in the inspiring message sent by President Wilson to:—

"His Excellency the Governor-General of Canada:

"In presence of the awful disaster at Halifax the people of the United States offer to their noble brethren of the Dominion their heartfelt sympathy and grief, as is fitting at this time, when to the ties of kinship and community of speech and of material interests are added the strong bonds of union in the common cause of devotion to the supreme duties of national existence."

Obviously, so long as such sentiments govern men's actions, the people living on the North American continent cannot be deprived of that which is essential to their existence; nevertheless, with the growing scarcity of coal, the United States, no matter what her goodwill or desire for exchange of commodities, may not be able to cope with the prevailing need, and Canadians must be prepared to help themselves by the development of their own fuel resources in a way that they have never done before. There is no doubt that if this effort is made, the United States, in the spirit and disposition recently manifested in the statements above quoted, will see that Canada is fairly dealt with. We should not, however, trespass unduly upon friendly accommodation.

Coal Resources of Canada

The alternative open to Canada, and it is this to which special attention is directed, is to develop, and that as rapidly as possible, her own fuel and power resources, and by co-ordination of transportation and other cognate agencies to provide for the early annual distribution, including reasonable reserves, of fuel to all communities in the Dominion. In some respects it is more important to move coal and have it adequately stored and distributed throughout Canada than it is to move the grain out of the country.

The coal fields of Canada may conveniently be divided into four main divisions:—

(1) The bituminous coal fields of Nova Scotia and New Brunswick.

(2) The lignites of Manitoba and Saskatchewan, and the lignites, sub-bituminous and anthracite coal fields of Alberta and the eastern Rocky Mountain region.

(3) The semi-anthracite and bituminous fields of Vancouver Island, Queen Charlotte Island and the interior of British Columbia, and the lignites of Yukon.

(4) The low-grade bituminous and lignites of the Arctic-Mackenzie basin.

The coal areas and estimated quantities for the different provinces are shown in the following table. There should, of course, for practical consideration, be a substantial reduction made in these quantities, due to waste in mining operations:—

Estimated Coal Resources of Canada*

Province	Area of Coal Lands Square miles.	Semi-Anthracite Tons.	Bituminous Tons.	Sub-Bituminous Tons.	Lignite Tons.
Nova Scotia	521		10,691,000,000		
N. Brunswick	121		166,000,000		
Ontario	10				
Manitoba	48				27,500,000
Saskatche'an	13,406				176,000,000
Alberta	81,878	845,900,000	217,918,000,000(a)	932,053,000,000	65,793,000,000
Brit. C'l'mbia	6,045		77,923,000,000(a)		29,095,000,000
Yukon	2,840		275,000,000(a)		5,715,500,000(b)
Northwest Territories	300				5,159,000,000(b)
ArcticIslands	6,000		6,600,000,000		5,280,000,000
Tota	111,169	845,900,000	313,573,000,000	932,053,000,000	111,286,000,000

(a) Includes some anthracite coal. (b) Includes some sub-bituminous coal.
*Consult "Coal Situation in Canada" by W. J. Dick, in *Transactions of the Canadian Mining Institute*, 1916.

Canada's coal and coke production in 1916 was as follows*:—

	1916 Short tons
Nova Scotia	6,912,140
New Brunswick	143,450
Saskatchewan	281,300
Alberta	4,559,054
British Columbia	2,584,061
Yukon	3,300
Total	14,483,395
Distribution of coal production:	
Sold for consumption in Canada	10,701,530
Sold for export to United States	1,451,075
Sold for export to other countries	284,513
Total sales	12,437,118
Used by producers in making coke, etc.	804,814
Used for colliery operation and by workmen	1,241,463
	2,046,277

Peat Resources of Canada

Respecting the peat bogs of Canada, Dr. Eugene Haanel, Director of Mines, Canada, from time to time, has strongly urged the necessity of developing our peat resources, and at the recent annual meeting of the Commission of Conservation of Canada he gave an able, forceful and serious address upon this subject which the people of Canada cannot too carefully consider. Dr. Haanel again affirmed the commercial and economic practicability of peat production. Throughout

*From figures issued by Mr. John McLeish, B.A., F.S.S., Chief of Division of Mineral Resources and Statistics, Ottawa.

Canada there have already been discovered areas of peat bog estimated to aggregate 37,000 square miles. According to a broad estimate by Dr. Haanel, and assuming an average depth of bog of six feet, this area corresponds to over 28,000,000,000 tons of peat, having a fuel value equivalent to over 16,000,000,000 tons of good coal. Manitoba, Ontario, Quebec and New Brunswick have peat bog areas aggregating 12,000 square miles.

Canada Must Bestir Herself Respecting Her Fuel Resources

Anthracite coal as a fuel is a luxury. Within the last twenty-five years many farmers and citizens especially in outlying communities who formerly utilized only wood, now use anthracite coal. It became easier and more convenient for the farmer to haul his coal from the railroad siding than to go into the bush and chop his year's supply of wood. Now, what opinion would be expressed respecting a farmer who allowed his family to suffer great privation, through failure in the supply of anthracite coal, if within ready access was a wood lot from which ample fuel supply could be obtained? Obviously, the opinion expressed would be that the farmer had better take up his axe and make available such fuel supply as was within his reach and control.

This illustration is not offered by way of suggestion that farmers and many others may find full relief by resorting again to "the woodpile." It is, however, applicable to Canada at large. A great portion of this Dominion, like the farmer, has become dependent upon others for coal. If this supply is gradually, but seriously, curtailed, or even finally cut off, there is no more excuse for Canada remaining unsupplied with fuel than for the farmer in the case of our illustration. We have already cited the extensive character of the undeveloped fuel resources of this Dominion.

Canada, even though she may regret being deprived of the luxury of clean-burning anthracite coal or the easily-delivered bituminous coal, must, nevertheless, arouse herself and bestow the necessary intelligent labor upon her own fuel resources in order to make them available for her national needs. Absolutely, no time is to be lost. Governments—both federal and provincial—in Canada should utilize to the fullest possible extent the results of research and investigations already made, the knowledge of which is possessed by able members of a number of government departments.

It is not the intention again to emphasize the distress which is at present upon the country in connection with its *annual* fuel supply from the United States. Canada has had repeated warnings in this respect. The lessons of the coal shortage of 1902-1903 were soon forgotten. The indications in 1915 were unmistakable for a shortage in 1916; conditions in 1916 indicated a worse state of affairs for 1917; and present conditions forebode increasing distress for 1918. Let it be appreciated that Canadians need never expect to have electrical energy replace coal and other fuel for heating purposes except to a relatively limited extent.

The present coal shortage, with its perplexing difficulties, is being ably and conscientiously dealt with by Canada's Fuel Controller, Mr. C. A. Magrath. Hence it is more the purpose of this statement to draw attention to the fuel and power situation in its broad national and international issues.

Fuel Problem Can be Solved

Once a broad national policy has been determined, financial and other assistance should be promptly rendered to enable sane and businesslike development of Canada's lignite, peat and other fuel resources for the benefit of the nation, to be carried out by competent technical officials entrusted with this great and honorable responsibility.

There is no need to start again learning the A. B. C. of this fuel problem. Officials of the government of Canada, such as those in the Geological Survey, Department of Mines, the Commission of Conservation and other organizations, have knowledge of existing conditions and of practical means by which much of the stress may be relieved. To carry out these measures of relief and to place Canada in a reasonably independent position with respect to fuel will take time; but there is no doubt that if matters are dealt with in a broad, statesmanlike manner, and the necessary encouragement of financial and other assistance is given to those who are competent to handle same, Canada will, at a minimum of effort and expense, be relieved of a menace with respect to her coal supply which threatens not only her economic life, but the physical life and well-being of a large proportion of her citizens.

Statements to the effect that we cannot afford to produce and transport our peat or our lignites, because the cost may be even a few dollars more a ton than imported coal, are simply ridiculous. Anthracite coal, due to war conditions, is now practically unobtainable in the countries of Western Europe. In the winter of 1916, for such coal as was available, France was paying about $40 per ton and Italy $50 per ton. Recent reports from these countries state that coal at present is selling at $60 per ton. Now, Canada imports annually about four and one-half million tons of anthracite from the United States. Suppose that circumstances prevailed for a year such as would make the citizens of Canada willing to pay even a fraction of the advance in European countries—say, $10 advance—this would amount to about $50,000,000. When one thinks in such terms of increased *yearly* outlay, surely a million dollars, or even a few millions of dollars if necessary, placed at the disposal of technical officers, assisted by men of sound commercial judgment, in order to get our own lignite and peat resources under national development, constitutes so intrinsically small a sum in comparison to the results as to be practically unworthy of debate.

From the foregoing we clearly perceive that there is no need for Canada, with her vast resources of fuel and water-power, to go cold or to have her industries throttled by reason of power shortage; but Canada may have a sore trial in both these respects unless every possible effort is speedily made to deal with the fuel and power situation in a comprehensive manner.

Shall it weakly be said, "There is a lion in the way"? or, with confidence in Him to Whom belongs "the earth and the fullness thereof," and Who ever guides men in all honest effort, will Canadians forthwith assume the responsibility of this fuel question and unite in energetic action until this great national problem is satisfactorily solved?

Number of Subscribers to Canadian, British and other War Loans

The number of subscribers to the Canadian war loans was as follows:—

Date.	Amount.	Number of subscribers.
November, 1915	$100,000,000	24,862
September, 1916	100,000,000	34,526
March, 1917	150,000,000	40,800
November, 1917	150,000,000	802,000

The number of subscribers to various war loans has increased in most countries, with the exception of Germany, as the war has progressed. The following table shows the results of Great Britain's three large war loans in this respect:—

Date.	Amount.	Number of subscribers.
November, 1914	£ 350,000,000	100,000
July, 1915	616,000,000	1,100,000
February, 1917	1,000,312,950	8,000,000

Of the total number of subscribers to the third British war loan, 5,911,000 represented purchases of war saving certificates.

The number of subscribers to the second Liberty Loan of $3,000,000,000 (oversubscribed by $1,617,532,300) was 9,400,000.

The number of subscribers to the first Liberty Loan of the United States of $2,000,000,000 was 4,000,000.

The subscribers to German war loans have been as follow:—

Date.	Amount.	Number of subscribers.
September, 1914	$1,115,000,000	1,177,235
March, 1915	2,264,000,000	2,694,063
September, 1915	3,025,000,000	3,966,418
March, 1916	2,678,000,000	5,279,645
September, 1916	2,674,000,000	3,810,696

Primary Production in Canada Last Year Was Valued at $1,507,687,000.

THE value of production in Canada last year from field crops, forests, mines and fisheries was approximately $1,507,687,000, compared with $1,275,734,812 in 1916. The details for the past four years are printed at the foot of the page, the figures for 1917 being necessarily to some extent estimates of government departments and of *The Monetary Times*, but well within the mark, as previous estimates have shown:—

Production Doubled Since 1908.

The value of production (field crops, mines, fisheries and forest products) each year since 1908 has been as follows:—

	Total.
1908	$ 703,590,000
1909	816,274,000
1910	701,085,000
1911	901,709,000
1912	909,358,000
1913	907,311,000
1914	975,379,706
1915	1,071,219,879
1916	1,275,734,812
1917	1,507,687,000

For the first time on record, in 1917 the value of Canada's field crops was over $1,000,000,000. This was due to the high prices prevailing. Details are printed in the crop stories in the Industrial Section of this issue.

Mineral Prices High.

The prices of many mineral products during 1917 were higher—in some cases much higher—than the ruling prices of 1916. In other instances lower prices prevailed, as in the case of zinc. Taking all features into consideration, Mr. John McLeish, chief of division of mineral resources and statistics, Ottawa, tells *The Monetary Times* that the total value of the mineral production during 1917, compiled on the the usual basis, will probably exceed, and possibly considerably exceed the value for 1916. This will not mean, necessarily, however, that the mining industry has contributed more to our national requirements. In fact, we might have a smaller production of every important product, which, on account of higher prices would in the aggregate show an increased value of production in the mining industry. There was probably not any very great change in respect to the quantities of metals produced last year from Canadian sources except possibly in the case of zinc.

Amongst non-metallic mineral products generally, there was not a startling increase in any particular commodity, but in many products prices were higher. On the whole, it may no doubt be said that the mining industry had under the circumstances a very successful year in 1917.

Primary production.	1914.	1915.	1916.	1917.
Field crops	$ 638,580,000	$ 825,370,000	$ 886,494,900	$1,089,687,000
Forests	176,672,000	172,880,000	172,830,000	173,000,000
Mines	128,863,075	137,109,171	177,201,534	195,000,000
Fisheries	31,264,631	35,860,708	39,208,378	50,000,000
	$ 975,379,706	$1,071,219,879	$1,275,734,812	$1,507,687,000

Labor was difficult to obtain and the efficiency of labor was considerably depreciated because of the war's withdrawals. The strikes amongst the miners of Southern Alberta in the spring of the year will be somewhat reflected not only in the coal output but also in the production of metalliferous ores in British Columbia.

Output of Fisheries.

It is not possible yet to make a close estimate of the total marketed value of the fisheries production for 1917, but the indications in November pointed to a very considerably greater value than in 1916, is the statement to *The Monetary Times* of Mr. G. J. Desbarats, deputy minister of the naval service, Ottawa. For example, the value of the various kinds of sea fish at the point of landing on the Atlantic and Pacific coasts for the six months' period, April to September, 1917, was $19,325,547 against $12,493,143 for the same period in the preceding year.

The value of forest products for the three years, 1914-1916, are as follows:—

Forest Products.	1914.	1915.	1916.
Lumber, lath and shingles	$ 67,500,000	$ 69,750,000	$ 66,075,000
Firewood	60,500,000	60,650,000	62,000,000
Pulpwood	15,500,000	15,750,000	19,975,000
Fence-posts and rails	9,500,000	9,000,000	8,000,000
Cross-ties	9,000,000	3,500,000	3,750,000
Square timber exported	400,000	480,000	185,000
Cooperage	1,900,000	1,400,000	1,250,000
Poles	700,000	500,000	575,000
Logs exported	850,000	1,325,000	850,000
Tanning materials	22,000	170,000	140,000
Round mining timbers	500,000	680,000	750,000
Miscellaneous exports	300,000	175,000	280,000
Miscellaneous products	10,000,000	9,500,000	9,000,000
Total	$176,672,000	$172,880,000	$172,830,000

Mr. R. H. Campbell, director of the Forestry Branch, Ottawa, who has supplied *The MonetaryTimes* with the above figures, writes: "As regards 1917, it is much too early for any exact figures of the values. I think, however, in the absence of any very definite information on the subject that these would probably run at about the same figures as those of 1916."

WAR FINANCE AND THE ALLIES' ECONOMY

(Continued from page 23)

He who in Britain, Japan, United States, the colonies and France can jump into leadership in solving the problems of politics, taxes, labor charges, tonnage, industry and finance, will save the cause of civilization and also of his nation. If any pseudo-leader proposes to place the returned heroes (who have disengaged their breasts from the tyrannous bayonets of the Teuton and Turk) under the bondage of the debt-usurer, he will not long remain a leader of that kind of finance or politics.

While I am a territorial expansionist, I am Gladstonian enough to say that this war must be paid off as soon as reasonably possible. Russia, Poland, Hungary, Bohemia, Serbia, Belgium, Roumania, and Holland must be economically retained by the allies to help pay off the war. Tariffs must be erected against German goods, not only to pay off the war but to hasten German democratization. The German must learn that it pays in pocket to keep his bond. The Teuton must be forced to emigrate where we can watch him and de-militarize him. The Latin, Asiatic and colored races, nations and countries, must be fitted in better to meet the cogs of allied economics, so as to help pay for the war, which the allies largely fought on their behalf against their plotting Hun enslaver.

The total expenditures by all nations for 3 years of war is 90 billion dollars, fighting 20 million men. The total ex-

penditures of the United States in a year will be 20 billion dollars, of which 7 billion is a loan to the fighting allies.

Great Britain has fought 4,000,000 soldiers and 1,000,000 sailors and 20,000,000 tonnage for 3 years; has loaned her allies 6 billion dollars; her total cost for a little over 3 years being 25 billion dollars; 6 billions coming from revenue, and 19 billions being additional debt.

This is the most magnificent spectacle of war that the world has ever seen or will see. Instead of the war solving all problems, it will have solved two great racial and dynastic problems, but will have created hundreds of other problems worthy of the great character and metal developed in the allied ranks by the war.

The increased number of bonds now uniting the English-speaking nations in particular and the allies in general, are decidedly the promise and the guarantee of the world's peace and redemption from past woes.

Army, Navy and America.

Canada has proved that she can raise and fight an army of half a million men much more economically than the United States can. The future military defensive arm of this hemisphere should, therefore, be left mainly to Canada, and the United States should make a specialty of the naval arm,—both nations working in unison in international peace work.

As America is a greater exporter than Britain during the war, the American dollar rules the world's money markets, but the British pound sterling will regain its exchange supremacy finally, especially if Britain retains Germany's colonies. America's exports are now running near 9 billions, and her imports 2½ billions of dollars. Many problems and their needed solutions in Canada and America are similar. We are like as two peas in the economical pod; just as we are brothers of the blood and of the new international bond.

CROP FINANCING ON FIXED PRICES

Canadian Millers and the British Government Have Practically Bought the Whole of Our Wheat

The last stage of the 1916-1917 wheat crop movement was financed with prices fixed, the basic price for No. 1 Northern being $2.40 per bushel; and for the whole of the 1917-1918 movement the fixed price of $2.21 per bushel is apparently to prevail. While these prices have been satisfactory on the whole, notes of criticism are sounded from time to time in the West, as some agriculturists there are of the opinion that a higher level should obtain. In fixing the prices the Canadian government evidently followed the lead of the Washington authorities. Critics have pointed out that inasmuch as Canada exports a larger proportion of her total yield, she is not interested, to the same extent as the United States in keeping down the price. Another point of criticism is that as the western farmers during the early fall were obliged to devote their time to plowing and other work in preparation for the 1918 seeding, they were unable to get the 1917 wheat to market as promptly as they wished, and thus they lost money in interest, etc., on the carrying of the grain. So it was claimed that the fixed price should rise so much per month to cover the carrying charges. However, most people are agreed that the price that has been set gives Canadian farmers, and the western farmers especially, a very good profit; and it is the general feeling that we should not endeavor to levy an exorbitant toll on the hard pressed consumers of the mother country who are bearing a much heavier war burden than we are called upon to shoulder.

Changes in Financing.

Naturally the fixed price has caused some changes in the methods of financing the crops. The price fixing has been accomplished by other regulating activities on the part of the government. Under the arrangement that has prevailed during the season, practically the whole of Canada's surplus production goes to Great Britain. Canadian millers are allowed to fill their requirements, and nearly all the rest of the grain is bought by the British purchasing agents. The British government sees to it that the European allies are provided with such foodstuffs as they need; but to avoid competition the supplies purchased in America are taken by practically the one organization. This means that there are only the two buyers for the grain deliveries of the farmers—the millers and the agents of the British government. As the prices are fixed, competition is reduced to a minimum. Also as there is no prospect of speculative profit through holding the stuff back, the aim of the farmers has been to get rid of their produce as quickly as possible so as to save interest and other carrying charges.

There was no startling change in the personnel of the grain buyers at country points. In most cases at a given point the buying would be done by the same local millers, outside millers, and elevator companies, as in previous years; but the elevator companies not in the milling business would be virtually buying on commission for the British agents or for millers not otherwise represented there. The banks would be obliged to ship currency as usual to the various buying points in the country—owing to the extraordinary price level they would require to send unusually large amounts of currency. Also at banking points where such arrangements prevailed, the local buyers would draw on their principals at Winnipeg or other centres, from day to day, for the funds they needed to take up the daily deliveries. The local shippers would be continually turning in their sight on demand drafts on Winnipeg with bills of lading attached.

At the Big Centres.

The great changes in crop financing methods occurred at the centres—Winnipeg, Toronto and Montreal, particularly at Winnipeg. The grain itself moved as rapidly as possible to the milling centres and to the seaports; while the drafts and credit instruments representing the produce converged heavily on the principal financial centres. Every day during the grain season each bank in Winnipeg having an important branch system in the wheat fields, would receive from its branches scores of grain drafts, many of them for large amounts. Practically all of these drafts would be collected through sending them via the clearing house, into the banks carrying the principal shares of the credit to the British government and the banks carrying the accounts of the big milling companies. So the loans to the British agents and to the big millers would speedily reach large amounts. To counterbalance this there would be a striking decrease in the credits granted to the elevator companies or grain firms ordinarily doing a large export business. These latter concerns, though buying actively, would turn the stuff over immediately and keep their own loans down to the minimum. Also the loans at country branches to farmers and local dealers would be considerably less than in normal years.

Payment of Bank Loans.

Apparently the new arrangement did not permit of realization on exports quite so expeditiously as in former years. Ordinarily when the grain is placed on board the lake carrier at Fort William or Port Arthur, it is open to the bank to send the demand draft and shipping bills at once to New York for negotiation, and the bank thus got its money back very quickly. The present arrangement provided for the payment of the bank loans by the British government on arrival of the grain at the seaports. It is said that the sharp movement of the American exchange in Canada's favor towards the end of September was largely due to the action of Canadian banks in bringing home their New York balances for the purpose of carrying the special grain credit during the preliminary or intermediate stage.

In connection with produce loans during a normal season or year, it has been customary for the banks to lend up to a certain percentage of the value of the merchandise assigned as security. A margin of 10 per cent. or more was considered necessary as protection against falling prices. With this contingency removed it would be practicable to lend closer to the actual value—providing that the banker knew the loan would not be carried for a long term. Of course if there were a prospect of a standing loan, the bank would keep down the percentage advanced, so as to leave an ample margin for taking care of the interest storage, insurance, etc. But in case of the ordinary short produce loan which would be paid off within a month or six weeks, and in case of which the grade or quality of the grain has been officially established, it would be practicable to lend an amount close up to the value—because the banker could rest assured that at the end of a month, or two months, the value of the grain would be unchanged.

BANKING

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up	$16,000,000	Rest	$ 16,000,000
Undivided Profits	$ 1,664,893	Total Assets	$403,980,236

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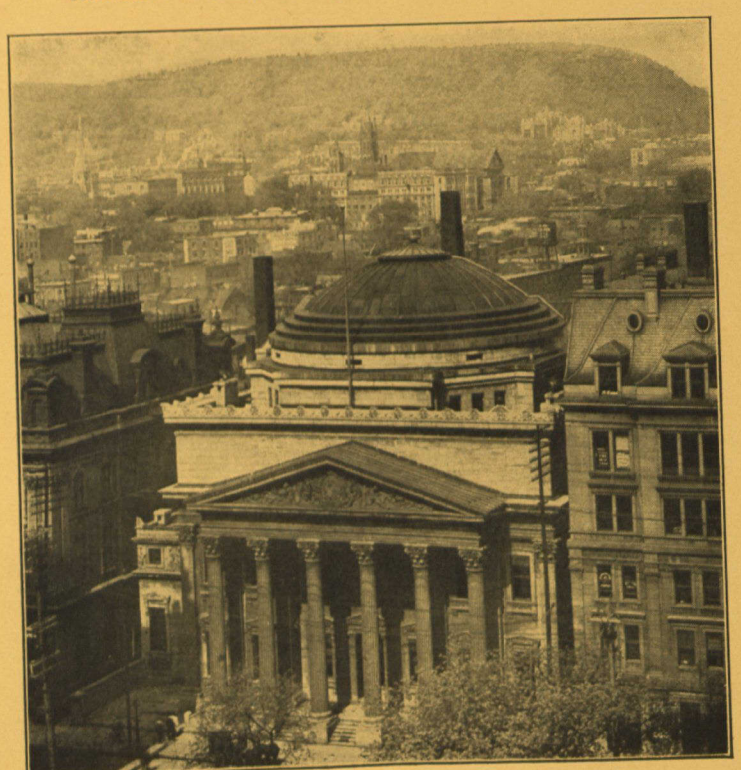

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Head Office: MONTREAL

BANKERS IN GREAT BRITAIN

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LIVERPOOL	The Bank of Liverpool, Ltd.
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NEW YORK	The National City Bank.
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BOSTON	The Merchants National Bank.
CLEVELAND	The First National Bank of Cleveland.
PITTSBURG	The Bank of Pittsburg, N.A.
DETROIT	The First and Old Detroit National Bank.
BUFFALO	The Manufacturers' and Traders' National Bank.
SAN FRANCISCO	First National Bank of San Francisco.
SAN FRANCISCO	The Anglo and London-Paris National Bank.
MINNEAPOLIS	Northwestern National Bank.
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INDIA, CHINA & JAPAN	Hong Kong and Shanghai Banking Corporation.
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PERU	W. R. Grace & Company.

Canada Is Now Dependent Upon Resources

Our Inability to Borrow Abroad Will Probably Prove a Blessing in Disguise —Relation of Misuse of Borrowed Money to Economic Troubles—Financially, Canada is "on Her Own."

By SIR FREDERICK WILLIAMS-TAYLOR, LL.D.

THE past year has shown that as the war proceeds, we are being made to depend to a greater extent upon our own resources. Prior to the war, Canada was a heavy borrowing country. Among the early effects of world-wide belligerent conditions, was the closing of the London, and later, New York money markets. Thus this young nation, with a well defined habit of borrowing abroad, was suddenly confronted with the loss of the only two available markets. For the first time since Confederation, therefore, the Dominion is cast upon its own financial resources. In passing, we may note, too, that as the war continues, we will be compelled to develop more rapidly certain of our natural resources. The United States is restricting various exports to Canada, because of war conditions and we will be required, for similar reasons, to depend more upon our own stores for supplies for our part in the successful prosecution of the war.

Thrown upon their financial strength, largely an unknown quantity, the people of Canada have proved themselves equal to the severe test. The subscription of the Victory Loan, to the extent of $418,000,000 by 802,000 subscribers, is an outstanding proof of this.

As I recently pointed out, the cessation of the flow of British and foreign capital to this country, for the present, at least, will have far-reaching consequences. On the one hand, industrial development will be checked, but, on the other hand, the inability to borrow may prove a blessing in disguise, once we have adjusted our affairs to the changed conditions. It is well for us to learn to do without financial assistance, especially as the country at large already has a debt abroad, the interest on which runs into the great sum of about $500,000 per day. So long as the stream of money flowing into the country was uninterrupted, it was difficult, if not impossible, for our people to see the necessity for economy. Personal extravagance is still conspicuous in many directions, but presently economy will become general—from high motives, we hope; if not, then from stern necessity.

I have pointed out in *The Monetary Times* and elsewhere on several occasions that our misuse of borrowed money is in great measure responsible for some of the chief economic evils that have come upon us. I refer especially to the inflation which before the war started the increase in the cost of living, and to the creation of debt unrepresented by productive investment. Now that the inflow of money is suspended, we must practise economy, till the soil, produce to a greater extent the manufactured goods we require for our own use, until we emerge a wiser and a better people in a sounder economic position.

We must admit that the present Dominion of Canada has been built largely upon the foundation of British capital. Our development could never have reached its present stage but for moneys borrowed abroad. Canada, consequently, is grateful, first, to Great Britain, and secondly, to the United States, for the assistance they have thus given to the remarkable progress which our country has made, particularly during the past twenty years.

Our country abounds in natural wealth. We have an industrious and virile population. With the proper combination of courage and caution, capital and labor, energy and ideals, we shall be successful in recovering our economic balance and demonstrating to the world that we have profited materially from the lessons of experience.

WHERE OUR BANK BRANCHES ARE SITUATED

BANK	Ontario	Quebec	Nova Scotia	New Brunswick	P. E. I.	British Columbia	Manitoba	Saskatchewan	Alberta	Yukon	U. S. A.	England	France	Newfoundl'd	Mexico	West Indies	B. Honduras	British Guiana	Co-ta Rica	Venezuela	TOTAL
British North America	21	7	1	5	....	16	9	24	4	1	2	1	....	....	....	....	....	....	....	....	91
Commerce	92	79	16	4	5	42	23	61	50	2	4	1	....	1	1	....	....	....	....	....	381
Dominion	61	4	....	....	....	2	10	4	5	....	....	1	....	....	....	....	....	....	....	....	87
Hamilton	59	....	....	....	....	8	25	22	10	....	....	....	....	....	....	....	....	....	....	....	124
Hochelaga	15	90	....	....	....	....	3	4	4	....	....	....	....	....	....	....	....	....	....	....	116
Home	27	3	....	....	....	2	6	7	1	....	....	....	....	....	....	....	....	....	....	....	46
Imperial	74	2	....	....	....	15	3	18	14	....	....	....	....	....	....	....	....	....	....	..	126
Merchants	103	30	2	1	....	8	19	22	52	....	1	....	....	....	....	....	....	....	....	....	238
Molsons, The	50	39	....	....	....	3	2	....	4	....	....	....	....	....	....	....	....	....	....	....	98
Montreal	60	37	13	10	1	26	7	10	9	....	3	2	....	3	1	....	....	....	....	....	182
Nationale	2	77	....	....	....	....	....	....	....	....	....	....	1	....	....	....	....	....	....	....	80
Northern Crown	25	....	....	....	....	7	22	55	4	....	....	....	....	....	....	....	....	....	....	....	113
Nova Scotia	64	10	30	33	7	3	2	5	4	....	3	....	....	19	....	12	....	....	....	....	192
Ottawa	63	13	....	....	....	1	8	9	1	....	....	....	....	....	....	....	....	....	....	....	95
Provinciale	10	68	....	6	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	84
Royal	123	52	54	19	5	38	4	37	28	....	1	1	....	6	....	47	1	3	2	4	425
Standard	98	1	....	....	....	1	2	1	14	....	....	....	....	....	....	....	....	....	....	....	128
Sterling	43	1	....	....	....	....	4	2	....	....	....	....	....	....	....	....	....	....	....	....	50
Toronto	68	9	....	....	....	4	8	21	9	....	....	....	....	....	....	....	....	....	....	....	119
Union	89	9	1	1	....	7	46	96	54	....	1	2	....	....	....	....	....	....	....	....	306
Weyburn Security	....	....	....	....	....	....	....	19	....	....	....	....	....	....	....	....	....	....	....	....	19
TOTAL	1147	531	117	79	18	183	203	428	267	3	15	8	1	29	2	59	1	3	2	4	3100

Three Years' War Cost: $100,000,000,000

All the Belligerents Combined Are Spending At the Rate of at Least $100,000,000 Daily —Canada, One of the Youngest Participants, is Putting $890,000 Daily Into the War—Interesting Estimates Made During the Past Year.

BY the middle of July Canada's expenditures on account of the war had totalled $623,000,000. Our daily war costs are $890,000. To the end of 1917, therefore, our war costs were approximately $693,000,000. These figures do not include expenditures made by the various provincial governments, municipal corporations, or private individuals.

"Our war expenditure is very heavy, and is growing from day to day," said the finance minister in the House at Ottawa, on July 25th. "I have had a statement prepared by the assistant deputy minister of finance, showing the outlay since April 1 of the present year. The statement I have received as to the period from April 1, 1917, to July 20, 1917, shows that our total revenue was $78,276,000 and our total expenditure (ordinary, capital and special), $40,800,000, leaving a balance of $37,000,000 for war expenditure. In other words, since April 1 of the present fiscal year we have paid our way in respect to ordinary, capital and special expenditures, and we have $37,000,000 to the good. The figures may not be mathematically accurate, but they represent a close estimate.

Total War Outlay.

The total war expenditure of Canada to July 20 this year in Canada was $388,627,000, and the total war expenditure elsewhere than in Canada, including maintenance of troops in France, from September, 1916, to July 20, 1917, based on 117,000 troops, was $234,000,000, or a grand total on account of war expenditure of $623,000,000."

The finance minister added that war expenditure in Canada from April 1 to July 20, 1917, amounted to $39,702,000.

Vast War Expenditures.

Here is a statement of Great Britain's expenditure since war began, and an estimate for the year to March 31, 1918. As far as possible the items under the head of votes of credit are as announced from time to time in the House of Commons. Interest, both on pre-war and war debt, represents actual payments made during the periods specified. As regards "ordinary supply services," etc., the actual local taxation and other consolidated fund payments have been taken for the different periods and have added thereto the due proportions of the total expenditure for ordinary supply services for the respective years:—

Period,	War Expenditure: Expended from votes of credit. £	War Expenditure: Interest on war debt. £	Other Expenditure: Interest on pre-war debt, ordinary supply services, etc. £	Grand aggregate of expenditures. £
1914-15.				
240 days, August 4, 1914—March 31, 1915	573,167,000	2,172,000	81,996,000	657,335,000
Per day	2,388,100	9,050	341,700	2,738,900
1915-16:				
366 days	1,399,652,000	39,911,000	119,595,000	1,559,158,000
Per day	3,824,000	109,000	326,800	4,259,800
1916-17:				
365 days	1,973,665,000	107,467,000	116,981,000	2,198,113,000
Per day	5,407,300	294,000	320,500	6,022,200
1917-18:				
35 days to May 5	261,000,000	6,088,000	12,403,000	279,581,000
Per day	7,457,000	174,000	357,000	7,988,000
330 days to 31 March, 1918	1,714,000,000	188,412,000	108,388,000	2,010,800,000
Per day	5,194,000	571,000	328,000	6,093,000
Total for 1917-18 (est.)	1,975,000,000	194,500,000	120,881,000	2,290,381,000
Per day	5,411,000	533,000	331,000	6,275,000

Great Britain's War Bill.

According to The London Statist, Great Britain's war bill is as follows:—

Year.	War expenditure (a). £	Met out of Revenue. £	Per cent. of war exp. %	Loans. £	Total revenue and loans. £
1914-15*	575,339,000	81,996,000	14.2	565,778,000	647,774,000
1915-16*	1,439,563,000	217,172,000	15.1	1,165,319,000	1,382,491,000
1916-17*	2,081,132,000	456,447,000	31.9	1,627,188,000	2,083,635,000
	4,096,034,000	755,615,000	18.5	3,358,285,000	4,113,900,000
1917-18, April 1 to May 5*	267,088,000	38,105,000	14.3	204,135,000	242,240,000
Total to May 5, 1917	4,363,122,000	793,720,000	18.2	3,562,420,000	4,356,140,000
1917-18, May 6 to March 31†	1,902,412,000	479,614,000	25.2	1,447,646,000	1,927,260,000
Probable total March 31, 1918	6,265,534,000	1,273,334,000	20.3	5,010,066,000	6,283,400,000

(a) Includes loans and advances to Allies and Dominions.
*Actual. †Estimated.

Total Cost of War.

The cost of the war to the belligerent nations, from the beginning to August 1, 1917, has been figured at a slightly lower total by chairman Fitzgerald of the appropriations committee of the United States House of Representatives at Washington, than by The Wall Street Journal, and decidedly more economically than the calculations of the Manchester Guardian.

According to chairman Fitzgerald, total expenditures of all belligerents, exclusive of the United States, was $86,047,400,000 to August 1. The Manchester Guardian placed the aggregate cost at $107,500,000,000, omitting United States expenditures; while The Wall Street Journal figured more modestly at $89,721,500,000, after allowing for advances by some of the entente nations to others, and by Germany to its satellite nations, but including $1,629,000,000 expenditures by the United States.

As Mr. Fitzgerald may have authoritative sources of information which makes his figures of special interest, his estimates are reproduced here alongside those of the Manchester Guardian and The Wall Street Journal (last three ciphers omitted):—

Country.	Chairman Fitzgerald.	The Wall Street Journal.	Manchester Guardian.
United Kingdom	*$18,500,000	$26,705,000	*$ 27,500,000
Germany	21,300,000	19,750,000	25,000,000
Russia	15,000,000	14,250,000	17,500,000
France	15,327,400	16,530,000	15,000,000
Austria-Hungary	12,800,000	9,700,000	12,500,000
Italy	3,120,000	5,050,000	5,000,000
Other belligerents	.....	6,329,000	5,000,000
Total	$86,047,400	$98,314,000	$107,500,000
Less advances	.....	8,592,500	.....
Net cost	$86,047,400	$89,721,500	$107,500,000

*British Empire. The Wall Street Journal's figures are for the United Kingdom only, war expenses of the overseas dominions being included in "other belligerents."

Advances by Nations.

Estimates by the Manchester Guardian contain nothing to indicate whether it includes in its British figures advances to Allies. The Wall Street Journal's estimates include these advances. Mr. Fitzgerald has made allowance for such advances, but, on the other hand, he includes the expenditures of the overseas dominions, which makes his figures appear a bit low; that is, if Washington press dispatches quote him correctly in making his figures apply to the British Empire.

Apparently the figures of the Guardian and The Wall Street Journal relating to Italy are rather high. Since these estimates were originally published, Washington dispatches have referred to official reports from Rome placing Italy's war costs, up to July, at $3,500,000,000. Mr. Fitzgerald has

probably erred as much on one side in this case as the two publications have on the other in estimating up to August 1.

It is interesting to note that while the tabulations of Mr. Fitzgerald's estimates placed the total at slightly over $86,000,000,000, he said in the course of his speech that "the total expenditure by the nations engaged in war since it began three years ago is approximately $90,000,000,000."

Discussing Mr. Fitzgerald's estimate, The London Statist said:—"If we add the expenditure which has been incurred since, we shall not be far out if we further estimate the total at practically 20,000 millions sterling. It has to be remembered that these figures are estimates, because while the information regarding the war expenditure of Great Britain leaves a good deal to be desired, it is far more comprehensive than is the case with the other belligerents. The figures given in the following table may be taken as approximately accurate so far as the Great Powers now engaged in the struggle are concerned:—

Entente Powers.	
Great Britain	£ 4,910,000,000
France	2,820,000,000
Russia	3,630,000,000
Italy	1,160,000,000
	£12,520,000,000
Central Powers.	
Germany	£ 4,700,000,000
Austria-Hungary	2,580,000,000
	£ 7,280,000,000
Aggregate total cost	£19,800,000,000

Smaller Powers Left Out.

"We have left out the smaller powers, because Great Britain on the one hand, and Germany on the enemy side, are financing them to a large extent, and to include what little information is obtainable would probably result in counting the same figures twice over. From the figures before us it would appear that the war is costing the whole of the belligerents combined, roughly, 20 millions sterling a day. This does not include the expenses of the United States, which, according to a treasury statement issued in September, amounted during the month of August to nearly five millions a day, bringing up the grand total to about 25 millions sterling for every day the war continues. The total for Great Britain amounts to 4,910 millions sterling, which includes all expenses rightly chargeable to this war, of which an advance of 1,100 millions sterling to the Allies and Dominions forms part, but excludes the peace expenditure on the army and navy. Of this amount, some 670 millions sterling will be provided out of taxation, the balance by means of loans."

Of war expenditures by other nations, The Statist says:—"The estimated amount paid and to be paid into the French treasury from the beginning of the war to the end of September, 1917, is £3,220,000,000, from which has to be deducted a total of 640 millions sterling, being the normal peace expenditure for the period. In addition, it is understood that France has given credits mainly to the smaller allied powers who have obtained supplies in connection with the war amounting to about 240 millions sterling. Deducting this from the peace expenditure, we get a sum chargeable to expenses incurred purely in connection with the war of 2,820 millions sterling.

Russia's War Credit.

"The only means we have of getting at the actual cost of the war to Russia is a statement of the minister of commerce at the recently held National Conference at Moscow, when the minister stated that the cost of the war during the first three years of its continuance amounted to 34,500 million roubles, and taking the rouble at the par of exchange, this would amount to 3,630 millions sterling. Of this amount, about 670 millions sterling is understood to be represented by loans to Russia from her allies.

"As far as we are able to ascertain the figures, the total war expenditure of Italy, deducting the normal peace figures, during the first three years of the war amounted to 1,160 millions sterling.

"Of the enemy powers it is naturally exceedingly difficult to obtain reliable information. It is, in fact, only obtainable from neutral sources. As far as we are able to gather the facts, Germany appears to have spent up to the present time about 4,700 millions sterling and Austria-Hungary 2,580 millions. It will be seen from the table published above that the aggregate war expenditure of all the belligerent powers, excluding that of Japan and the United States, amounts to practically 20,000 millions sterling. In addition, it will be noted that we have not included various allied states as, for example, Brazil, which is assisting in the policing of the South Atlantic. But these states, although incurring considerable expenditure, are not, of course, spending at the rate of several millions a day. It will have been noted that M. Klotz, the French Minister of Finance, in September, in proposing a further vote of credit, stated that the total votes would amount at the end of 1917 to over 4,000 millions sterling. This sum, it will be seen, largely exceeds the figure in our table, but it includes expenditure which has not yet been tabulated, and which was, therefore, not accessible to us when the table was made up, and in addition large advances to the allied powers, part of which, but not the whole, is included in the table."

War's Cost, £20,500,000,000.

A week later, discussing its own estimate of £20,000,000,000, The London Statist said:—

"The French estimate was below the actual cost by some 2,000 millions, owing to the fact that the figures were only partially available at the time we drew up the table. In addition, we made no calculation of the expenses of the smaller powers; and, particularly, we omitted those powers which, while rendering assistance to the common cause, have not their armies actually represented at the various fronts. Bearing these facts in mind, we shall not be far wrong if we estimate the total cost of the war to all the powers engaged at roughly 25,000 millions sterling:—

Entente Powers.	
Great Britain	£ 4,910,000,000
France	2,820,000,000
Russia	4,350,000,000
Italy	1,160,000,000
	£13,240,000,000
Central Powers.	
Germany	£ 4,700,000,000
Austria-Hungary	2,580,000,000
	£ 7,280,000,000
Aggregate total cost	£20,520,000,000

The following table of The New York Post estimates the world's war costs as they were incurred from the day of the war's beginning, August 1st, 1914, to the day of the third anniversary, August 1st, 1917:—

	Total military costs.
1914 (August 1 to December 31)	$ 7,900,000,000
1915	26,200,000,000
1916	35,650,000,000
1917 (January 1 to August 1)	27,700,000,000
Total, three years	$97,450,000,000

Per Capita Expenditures.

Entrance of the United States into the conflict occurred in April, 1917, and expenditures of that nation have increased so rapidly that the average expenditures for the early part of 1917 have given way to a much higher average. The Entente Allies, with the United States, are now spending in excess of $110,000,000 daily in prosecuting the war. The Central Allies are spending nearly $45,000,000. The disparity is explained by the different conditions under which the embattled groups are fighting, by the needs of the Allies to spend large sums in keeping their navies and mercantile fleets at sea, by the different system of pay in the armies, by manufacture and transportation. War's money is now largely expended in the laboratory, the foundry, and the machine shop, and, in the case of the Allies, an important part is expended in costly steamship and railway transportation.

Pro-rated over the entire population, the cost of the war means much more to Great Britain than any other belligerent. France is second on the list, Germany third, the United States fourth, and Russia last. If we take simply the figures of direct military costs, without making allowances for loans made or received by any government, we find that the war is costing Britain $279 yearly for each inhabitant. It is costing France $180 for each inhabitant, Germany $144, the United States $103.

The following is an estimate of the United States treasury department (issued on October 9th last), of the cost of the war to August 1st, 1917:—

Entente Allies.

Expenditures.	Aggregate.	Present daily.
United Kingdom	$26,705,000,000	$25,000,000
France	16,530,000,000	18,500,000
Russia	14,250,000,000	15,000,000
Italy	5,050,000,000	7,000,000
United States	1,629,000,000	19,100,000
Other allies	3,250,000,000	5,000,000
Total	$67,414,000,000	$99,600,000
Less advances to their allies and dominions	$ 7,992,500,000	$22,900,000
Net total	$59,421,500,000	$76,700,000

Teutonic Alliance.

Germany	$19,750,000,000	$25,000,000
Austria-Hungary	9,700,000,000	13,000,000
Bulgaria and Turkey	1,450,000,000	2,000,000
Total	$30,900,000,000	$40,000,000
Less advances to their allies and dominions	600,000,000	.....
Net cost	$30,300,000,000	$40,000,000

Grand Total.

Entente allies	$59,421,500,000	$76,700,000
Teutonic allies	30,300,000,000	40,000,000
	$89,721,500,000	$116,700,000

United States War Cost.

Exclusive of loans to the Allies, it is estimated by the United States treasury department that there will be spent for war purposes $10,735,807,007 during the present fiscal year (to end June, 1918). Ordinary government expenditures will run this up to $11,651,193,993.

Adding loans, which, it is estimated will reach $7,500,000,000 before the end of the fiscal year, the grand total is brought to $19,151,193,993. Nearly one billion of this is for ordinary expenditure and will be taken care of by taxes now in force. The grand total for war purposes, including loans to the allies, might be figured at $18,235,807,007.

The Russian finance minister issued in September a statement of the financial position of Russia, showing that the expenses of the war up to September 14th, had amounted to 41,000,000,000 ruble. (Par value of ruble is equal to 51.2 cents). The war costs are still further increasing, owing to the demand for higher wages and the increased price of necessaries.

The direct expenditure on the war by European governments is estimated as follows by an English writer who has made a special study of the subject:—

British Empire	$ 27,500,000,000
Germany	25,000,000,000
Russia	17,500,000,000
France	15,000,000,000
Austria-Hungary	12,500,000,000
Italy	5,000,000,000
Other belligerents	5,000,000,000
Total	$107,500,000,000
Total lives lost in the war	9,750,000
Total wounded	23,500,000
Total permanently disabled	12,000,000
Total loss of population	14,250,000
Total prisoners	4,250,000
Total direct war expenditure	$107,500,000,000
Total property destruction	$6,000,000,000
Total tonnage destroyed	9,500,000
Total tonnage compulsorily laid up	8,500,000

Cost of Other Wars.

The cost of wars to other nations have been as follows:—

Dates.	Countries engaged.	Cost.
1793-1815	England and France	$ 6,250,000,000
1812-1815	France and Russia	450,625,000
1828	Russia and Turkey	100,000,000
1830-1840	Spain and Portugal (civil war)	250,000,000
1830-1847	France and Algeria	190,000,000
1848	Revolts in Europe	50,000,000
1854-1856	England	371,000,000
	France	332,000,000
	Sardinia and Turkey	128,000,000
	Austria	68,600,000
	Russia	800,000,000
1859	France	75,000,000
	Austria	127,000,000
	Italy	51,000,000
1864	Denmark, Prussia, and Austria	36,000,000
1866	Prussia and Austria	330,000,000
1864-1870	Brazil, Argentine, and Paraguay	240,000,000
1865-1866	France and Mexico	65,000,000
1870-1871	Germany	954,400,000
	France	1,580,000,000
1876-1877	Russia	806,547,489
	Turkey	403,273,745
1900-1901	Transvaal Republic and England.	1,000,100,000
1904-1905	Russia and Japan	2,500,000,000
	Expense of wars, 1793-1860	$ 9,243,225,000
	Expense of wars, 1861-1910	14,080,321,240
	Total	$23,323,546,240
	The cost of the Balkan wars	1,264,000,000

The following is an estimate of the New York Annalist of the direct cost of the war for four years from August 1st, 1914, to August 1st, 1918, provided the war continues:—

DIRECT WAR EXPENSES—AUG. 1, 1914, TO AUG. 1, 1918, PROVIDED WAR CONTINUES.

Direct cost to—	1914, Five months, Aug. 1 to Dec. 31.	1915, Twelve months.	1916, Twelve months,	1917, Seven months, Jan. 1 to Aug. 1.	Twelve months, Aug. 1, 1917, to Aug. 1, 1918.	Four years, total direct cost.
United States	.....	.....	.....	$ 2,200,000,000	$10,800,000,000	$ 13,000,000,000
Great Britain	$ 900,000,000	$ 5,250,000,000	$ 7,600,000,000	7,000,000,000	13,250,000,000	34,000,000,000
France	1,600,000,000	4,600,000,000	6,600,000,000	3,800,000,000	7,200,000,000	23,800,000,000
Russia	1,300,000,000	4,400,000,000	5,600,000,000	3,700,000,000	6,500,000,000	21,500,000,000
Italy	.....	650,000,000	2,300,000,000	1,700,000,000	2,850,000,000	7,500,000,000
Belgium, Serb, Rumania, Portugal	600,000,000	1,500,000,000	1,650,000,000	1,000,000,000	1,850,000,000	6,600,000,000
Entente Allies	$4,400,000,000	$16,400,000,000	$23,750,000,000	$19,400,000,000	$42,450,000,000	$106,400,000,000
Germany	2,200,000,000	5,400,000,000	6,800,000,000	5,200,000,000	9,900,000,000	29,500,000,000
Austria-Hungary, Turkey, Bulgaria	1,300,000,000	4,400,000,000	5,100,000,000	3,100,000,000	5,800,000,000	19,700,000,000
Central Allies	$3,500,000,000	$ 9,800,000,000	$11,900,000,000	$ 8,300,000,000	$15,700,000,000	$ 49,200,000,000
Total, all	$7,900,000,000	$26,200,000,000	$35,650,000,000	$27,700,000,000	$58,150,000,000	$155,600,000,000

INTERNATIONAL BANK IS PROPOSED

It Would Handle Post-Bellum Financial Problems—Explanation of the Scheme

An international bank to handle the financial problems that will arise after the war is a project that has been suggested in France. The plan was proposed last year by M. Andre Citroen, a well-known manufacturer of war material. He says:—

"Among the many problems which will have to be solved by the representatives of the belligerent nations at the close of hostilities will be the balancing of the world's financial accounts, and the means I suggest for doing this are that a bank of the nations should be created with the power of issuing an international and compulsory currency throughout the world, or at least in the belligerent countries, victorious and vanquished.

"This bank will have the sole right to issue and fix the value of the new money and decide the quantity of notes to be issued. This new money will not have its counterpart in gold as formerly, for the war has shown that without a counterpart in gold it is possible to issue a certain quantity of bank notes, the value of which is based on the credit of the fighting nations.

"In this new system the value of the newly created bank note, which we will call the simplex, will be based not on the credit of one country alone, but on all the nations. One could fix its approximate value, however, in relation to gold, which will still remain a product of international exchange. It will be decided, for example, that three simplex represent a gramme of gold, thus bringing the value of a simplex note down to about the value of a franc. Each nation will receive a number of simplex notes corresponding to the sacrifices made by her in the war, such as the amount of money spent, the cost of reconstruction, and pensions for widows, orphans, and invalided soldiers. From their total allotment of notes the vanquished nations will have deducted an amount corresponding to the war indemnities which will be fixed according to the wrongs committed.

Withdraw Notes Issued During War.

"The financial difficulties of the warring countries will be solved with the help of these international bank notes, and by the withdrawal from circulation of all those notes which have been issued during the war, such as rentes, defense bonds, bank notes, etc., and these will be replaced solely and simply by the international currency. As soon as this operation has been completed no country will have any war debts, and consequently no more war charges, and this will thus obviate one of the greatest and most important difficulties—namely, the crushing of the taxpayer when the war is over by taxes which will absorb the greater part of the revenue of a country.

Effect of New Currency.

"The second phase of the operation will consist in utilizing and in placing this formidable quantity of paper currency. The holders of rentes and bonds will no longer have revenues represented by coupons, but will have in their hands this international money. It will be necessary that they should utilize it in investing in shares capable of bringing them interest. There will be a decrease in the rates of interest on money. Shares which brought in 5 or 6 per cent. will rise in value, but the interest will be reduced to 3 or 4 per cent., to the prejudice of the holders, but to the profit of the workers. Then there will be the capitalization of new issues. Industries which seek to develop themselves will be able to go to a public loan department and obtain the necessary money.

Create Large Companies.

"These two categories will absorb a great deal of the new money, but it is the third category which will be the most important. This category will allow the creation of enormous companies which will be formed with the consent of the State. One has never found in France the formation of companies on a very large scale to settle the interesting problems of one country as a whole or of districts as a whole. Immense tracks of electrified railways, the construction of canals, the construction of roads for automobiles, central heating departments for towns, the development of electric lighting, the development of the telephone service, and such enterprises have not been able to be carried out owing to lack of capital. The affluxation of new capital will permit of their being constructed, and the interest on the loans will help to bring the circulation fiduciary within normal limits."

The author of the scheme recognizes that the selling of the products, higher wages to workmen, higher cost of living resulting from such a system will have to be taken into consideration, and that offices will have to be set up for exchanging the old money for the new.

BANK NOTES IN CIRCULATION

Record of Fluctuations Last Year and in 1916 — Excess Circulation Allowed

The financing of the crops last vear on fixed prices is discussed in another article. The crop movement is reflected in the banks' circulation figures. The record of the greatest amount of notes in circulation at any time during the month in 1916 and in 1917 to the date for which the latest statistics are available is as follows:—

1916.	Greatest amount of notes in circulation during month.	1917.	Greatest amount of notes in circulation during month.
January	$123,224,868	January	$149,425,864
February	115,301,997	February	142,589,098
March	119,037,046	March	149,950,596
April	123,457,733	April	155,576,568
May	121,932,399	May	151,414,829
June	124,850,455	June	157,886,938
July	129,225,475	July	161,762,871
August	129,824,206	August	162,696,039
September	135,438,550	September	178,139,958
October	147,132,673	October	189,852,907
November	156,971,068		
December	161,599,987		

Excess Circulation Allowed.

An increase in circulation occurs automatically every fall. For this movement excess circulation has been allowed from September 1st to the end of February. Special war legislation now allows additional issue from March 1st to August 31st. Additional circulation, therefore, is at present available all the year round. A bank may issue its notes to an amount not exceeding 15 per cent. of the combined unimpaired paid-up capital and reserve fund. Interest not exceeding 5 per cent. per annum has to be paid to the government on the excess circulation. Comparatively little use has been made of this provision.

Under the provisions of the Finance Act of 1914 advances may be obtained by the banks from the government in Dominion notes upon approved collateral. When the crops are large and war conditions prevail in the money markets, the crop movement is likely to be slow and the financial demands in that connection more prolonged. While the Canadian banks are still in a strong liquid condition and probably able without assistance to handle the situation, as the demands of grain customers might result in curtailed banking accommodation to other sections of the community, the banks have been asked not to hesitate to avail themselves of the privileges of the act. As Dominion notes issued against grain bills are retired from time to time as the crop is sold there is no reason to apprehend a redundancy of note circulation should the banks freely avail themselves of this provision. With abundance of funds available for the crop movement, there is less likelihood of its being pressed for sale, at least against the desire of producers and dealers.

The British government has appointed a special committee to prepare for financial arrangements to be made after the end of the war. Sir Richard V. Vascar-Smith, of Lloyd's Bank, is chairman. The committee will also facilitate conversion of works and factories now engaged in war work to normal production and to meet the exceptional demands for raw materials arising from the depletion of stocks.

Forgeries in Canada Are Not Very Frequent

But the Dominion Has Had a Few Expert Forgers on a Small Scale—Details of Some Interesting Cases and Their Legal Aspect—Doctrine of Estoppel Is Very Technical

By M. L. HAYWARD, B.C.L.

IN Canada forgery is not so fine and frequent an art as in some of the more advanced nations, but Canada has produced a few expert forgers on a small scale, and in several instances their handiwork passed through different Canadian banks, giving rise to some rather important legal problems. One of these forgers, Wallace by name, was a rather clumsy artist, but was responsible for one of the most important cases which ever came before the Canadian Courts, the facts of which are rather interesting.

In this case Wallace was the manager of the Thomas Phosphate Company, of Toronto, and on August 14th, 1900, finding that the company was in need of current cash, he forged the name of William Ewing and Company—a firm of seed merchants of Montreal—to a four months' note for $2,000, payable to the Thomas Phosphate Company, at the Dominion Bank at Toronto. The next day he discounted the forged note at the bank and placed the proceeds to the credit of the company. On the same day the bank notified Ewing and Company giving the particulars of the note, and requesting them to pay the same when it fell due, and on the same day Wallace checked out part of the proceeds, leaving $1,611 to the credit of the company at the close of the day's business. On the morning of the 16th Ewing and Company received the notice from the bank, and by the 18th Wallace had checked out practically all the amount to the credit of the Thomas Phosphate Company.

Wired to Forger.

When Ewing and Company received the notice from the bank on the 16th, they wired to Wallace demanding an explanation, and on the same day Wallace wired them stating that he was coming to Montreal and would explain matters fully. On the 18th Wallace wired to Ewing and Company stating that he would see them on the 19th, and on that day Wallace went to Montreal, confessed his forgery, promised to retire the note, and asked Ewing and Company not to say anything to the bank about it. For the next three or four months Wallace kept making promises to retire the note, and Ewing and Company were continually urging him to do so, but nothing was done, and on December 4th the bank again notified Ewing and Company of the maturity of the note. On the 10th, for the first time, Ewing and Company wrote the bank stating that they had not made the note in question. On the same day, Ewing and Company wrote Wallace that they had informed the bank of his forgery, and Wallace left the country before the note matured.

When the note matured Ewing and Company refused to pay, and the bank brought suit against them. There was no question about the note having been forged by Wallace, but the bank raised the point that even if Ewing and Company had not made the note they were still bound to pay it on the ground of estoppel.

Doctrine of Estoppel.

This doctrine of estoppel is a very technical one, but an estoppel may be defined as a rule by which a party is precluded from denying the existence of some state of facts which he has formerly asserted. For instance, a landlord leases certain premises, and in the lease covenants that he is the owner of the premises leased. The landlord will be permitted, in a suit between him and the tenant, to assert that he (the landlord) did not have title to the premises, as he is said to be "estopped" from denying the title which he had asserted in the lease.

Estoppel may arise by deed or record, but generally arises by conduct, and an estoppel by conduct, has been stated as arising as follows: "where one by his words or conduct wilfully causes another to believe the existence of a certain state of things and induces him to act on that belief so as to alter his own previous position, the former is concluded from averring against the latter a different state of things as existing at the same time."

It is also held by the courts that the conduct which will raise an estoppel may be by negligence, omission, or even silence, where there is a duty cast upon the purchaser to disclose the truth.

In the Wallace case, it was argued by the bank that Ewing and Company by their silence and their failure to notify the bank of the forgery, were estopped from denying the genuineness of their signature to the note, as their silence had enabled Wallace to check out the proceeds or part of the proceeds of the note.

On the other hand, it was contended by Ewing and Company, that their silence was not, under the circumstances, sufficient to raise an estoppel against them on the following grounds:—

1. That the bank knew that the Thomas Phosphate Company was financially worthless.
2. That the bank had never had any dealings with Ewing and Company before, and no knowledge of their signature, and that they acted on the representations of Wallace, without making any inquiries as to the financial standing of Ewing and Company or as to the genuineness of their signature.
3. That, while Ewing and Company were a Montreal firm, the note was in two different handwritings and on a Toronto form.

Confession of Forgery.

4. That the bank in their notice to Ewing and Company had not led them to believe that they (the bank) would be prejudiced by Ewing's failure to repudiate the note, and that Ewing and Company were not bound to assume that a forgery had been committed until their interview with Wallace on the 19th, and his confession that the note was a forgery; and that by that time the damage had been done and the proceeds of the note had been withdrawn from the bank.

The decision of the Supreme Court of Canada was that Ewing and Company, by their silence, were estopped from denying that they were the makers of the note, and that they were bound to pay the bank the amount called for by the note.

"The case appears to me," said one of the Judges, "to come directly within the principle upon which silence under certain circumstances gives rise to an estoppel. The bank directly notified the defendants that their note would fall due at its office on a certain date and requested them to provide for the same. This distinctly implied that the bank had an interest, either of its own or on behalf of some one else, in the payment of the note and in its genuineness. While there was no intimation that the bank had acquired or was proposing to acquire the note for value, the defendants, as men of business, would know that the bank might have discounted the note and have the proceeds still at the customer's credit, or that it might make advances upon it. They would know that an immediate repudiation would enable the bank to withhold payment of any portion of the proceeds not actually paid out or of any sums not already advanced. They knew that they had made no such note, that they had given no authority for the signature. They could at once repudiate it, and they did so in their telegram to Mr. Wallace. No further information was necessary for that purpose. While the bank manager placed the proceeds to the credit of the customer without inquiry, and took no precaution against their being paid out before he could hear from the defendants, the bank did act upon the defendants' silence in the sense that it did what, it should properly be inferred, it would not have done if the defendants had at once denied the signature; it allowed the balance of the proceeds to be withdrawn."

The result of this decision was not received with favor by the legal profession or the banking and commercial interests of Canada. As a prominent member of the Canadian Bar said at the time:—

"The case seems a particularly hard one on the Ewing Company. They were brought, not by their own seeking or concurrence, into unpleasant relations with the bank and one of its customers. When the notice referred to reached them, on the morning of August 16th, the damage complained of had in part been done. When, on August 19th, they first learned from the lips of Wallace that their signature to the note in question had been forged by him, the whole damage had been done. And yet, in consequence of subsequent silence, they were compelled to pay the note in full, and thus make full reparation for the entire damage."

The decision, however, was by the highest Court in Canada, and leave to appeal to the Privy Council was refused, so that the rule laid down may be considered as established law in Canada, and is binding on all the Courts.

The result, therefore, is, that the party who receives a notice from a bank stating that they hold the note purporting to be signed or endorsed by him, and the party knows or has reasonable grounds for believing that the note is a forgery, he must immediately notify the bank of that fact, otherwise he may be compelled to pay the note and interest just the same as if it were a genuine note.

Story of a Wholesale Forger.

Wallace was merely a retail forger, and in a very small way at that, but in the following year—1901—Abondeus Martineau, a clerk in the department of militia and defence at Ottawa, went into the forgery game wholesale and strong.

The Bank of Montreal was the banker for the Dominion government and the government checks were drawn on that bank. Martineau filled up the official check forms of the militia department for a total of over $70,000, forged the names of the proper officials, endorsed them in the names of the fictitious payees, and cashed them at the Ottawa branches of the Quebec, Sovereign and Royal banks. The cashing banks then put the forged checks through the Ottawa clearing house and they were paid by the Bank of Montreal.

At that time the "militia and defence account" at the Bank of Montreal was a very active one, and the bank very frequently—often daily—sent to the accountant of the department what were called "pass-book sheets," together with the original checks. At the end of each month a complete statement was sent showing all checks paid during the month, and the letters of credit and moneys received during the month by the bank and the balance at the credit of the department. With this monthly statement was sent a blank form of receipt to be signed by the accountant acknowledging that he had received the checks entered in the statement and had examined the same and found the balance to be correct.

The accountant of the department assigned to Martineau (the forger of the checks in question) the duty of comparing these statements with the checks and the books of the department, and on his reporting them to be correct the accountant or his assistant was in the habit of signing the receipt and returning it to the bank. Martineau was, of course, on the lookout for the forged checks as they were sent up from the defendant's bank, and immediately destroyed them, but, as they were included in the pass-book sheets, he reported them along with the genuine checks as being duly vouched and they were accordingly receipted for by the accountant along with the genuine checks. The balances for each month which were thus acknowledged to be correct during the period in question included and charged against the militia department the forged checks.

Forgeries Were Discovered.

In 1902 the forgeries were discovered and the government brought action against the Bank of Montreal for the amount of the forged checks, and the bank set up the defence that by the course of dealing between the bank and the department the government was estopped from setting up the forgery.

The Supreme Court of Canada decided that the bank was liable on the ground that an estoppel could not be invoked against the Crown.

"The natural and logical legal basis for such a defence," said Judge Davies, "is the principle of estoppel and, indeed, Mr. Gormully invoked the application of this principle on the facts proved as a good defence. The trial judge, however, held that estoppel could not prevail against the Crown; the Appeal Court of Ontario sustained that ruling and then an ingenious attempt was made by defendant's counsel to shift the ground of the defence and it was argued that by accepting the pass-book sheets and acknowledging their receipt and by acknowledging the correctness of the monthly balances shown by the defendants, a contractual relation was established by implication and that the plaintiff was bound by the signature of the accountant of the department as by a settled account.

"I agree with the Courts below that the ordinary doctrine of estoppel cannot be invoked as against the Crown in any such case as this and on any such facts as are proved here.

"With regard to the argument that a contractual obligation arose between the Crown and the bank out of the officer's signature to the acknowledgment of the correctness of the pass-book sheets as rendered, I am quite unable to appreciate it apart from the doctrine of estoppel.

"Why the signature as to the correctness of these pass-book sheets should have a different effect from the signature of settlement to any ordinary account so as to prevent it being re-opened in case of the discovery of a mistake, I am at a loss to understand. The officer signing the account as correct was deceived into doing so by a clever forger. The same forger deceived the bank by the forged signatures. If the circumstances under which the accounts were acknowledged to the bank could be held to be an estoppel, well and good. But the doctrine cannot be applied as against the Crown and outside of it I cannot find any contract settling the accounts as between the government and the bank and prohibiting their being re-opened in case of mistake."

The Bank of Montreal then attempted to recover the amount of the forged checks from the other banks on whose endorsements they had been cashed by the Bank of Montreal, but the Supreme Court of Canada held that the Montreal Bank could not recover on the ground that it was incumbent on them to know the signatures of their customers and that any negligence in the case was on their part.

Quoting from an old English case, the Court said:—

" 'It was incumbent upon the plaintiff to be satisfied "that the bill drawn upon him was the drawer's hand," before he accepted or paid it; but it was not incumbent upon the defendant to inquire into it. Here was notice given by the defendant to the plaintiff of a bill drawn upon him; and he sends his servant to pay it and take it up. The other bill, he actually accepts; after which acceptance, the defendant innocently and bona fide discounts it. The plaintiff lies by for a considerable time after he has paid those bills, and then found out "that they were forged"; and the forger comes to be hanged. He made no objection to them at the time of paying them. Whatever neglect there was, was on his side. The defendant had actual encouragement from the plaintiff himself, for negotiating the second bill, from the plaintiffs having without any scruple or hesitation paid the first; and he paid the whole value, bona fide. It is a misfortune which has happened without the defendant's fault or neglect. If there was no neglect in the plaintiff, yet there is no reason to throw off the loss from one innocent man upon another innocent man.' "

Cheque was Raised.

The case of the Imperial Bank vs. Bank of Hamilton should be compared with the above—a case where one Carl Bauer had an account at the Hamilton Bank and at no time did his credit balance exceed the paltry sum of $10. He drew a $5 check payable "to cash," had it certified, raised it to $500 and cashed it at the Imperial Bank, which put it through the Toronto clearing house and it was paid by the Hamilton Bank.

When the latter bank discovered the error they demanded the $500 from the Imperial Bank, and, on their refusal to pay, entered suit against them.

The Supreme Court of Canada and the Privy Council decided in favor of the Hamilton Bank, holding that there was nothing to take the case out of the ordinary rule that money paid by mistake may be recovered back.

In this case the check as certified was as in the following form:—

No. 136. Toronto, Ont., January 25th, 1897.

To the Bank of Hamilton.

Pay to Cash .....or bearer $

Five ..... /100 Dollars.

(Signed) Carl Bauer.

The altered check read as follows:—

No. 136. Toronto, Ont., January 25th, 1897.

To the Bank of Hamilton.

Pay to Cash .....or bearer $500.00.

Five hundred and .....xx/100 Dollars.

(Signed) Carl Bauer.

On this point the Court said:—

"I never supposed that there is a duty on his part to guard against crime; that evidently concerns the law-maker; but I certainly thought that he should not facilitate its commission by others and that, at least, he should be prudent, and that having occasioned damage by not filling the blanks which were the immediate cause of the fraud upon the holder in due course, he, and not the latter, ought to suffer. Negligence by the bank on which a check is drawn, is especially recognized by sections 78, 79 and 81 of the Bills of Exchange Act, as an important element of responsibility to the holder in the negotiation of crossed checks. Why not apply the same principle to the action of the bank negligently certifying a check, especially if we consider that there is no obligation on its part to accept or certify, but merely to pay. The principle of negligence seems to rule over all the operations of business men, whether under the common law, the law merchant, or any other law. A decision holding the bank so acting responsible to the holder would be more in accord with the notions of right and wrong I have learned from the writings of that great jurist, Pothier, which led to the ruling in Young v. Grote, and also in a case still more in point decided unanimously by the Court of Appeal of the province of Quebec; I refer to Dorwin v. Thomson. In my humble opinion, that ruling is the mere application of the elementary principle that every person is responsible for the damage caused by his fault to another, whether by positive act, imprudence, neglect or want of skill. I have always been under the impression that this principle was held good in every country, in England as well as everywhere else, in commercial as well as in civil matters. But after much conflict of opinion, the House of Lords in Schofield v. The Earl of Londesborough, has held that it did not apply to a case where a drawer of a bill of exchange availed himself of spaces, which he had purposely left, to raise the amount of an acceptance from five hundred pounds to three thousand five hundred pounds, and that the acceptor, who had not filled the spaces, was not liable to a holder in due course. Rightly or wrongly, the highest tribunal of the empire has overruled Young v. Grote, in so far as the general principle of negligence can be applied, because, observe their Lordships, it was founded upon the civil law and the authority of Pothier, which, they add, form no part of the mercantile law of England."

Forgery Skilfully Done.

In the case of Dominion Bank vs. Union Bank, the facts were as follows:—

The Manitoba government issued a check upon the Union Bank, respondent, signed by the officials authorized to draw such checks, in favor of the Consolidated Stationery Company for the sum of $6.

Jones, a clerk of the company, obtained possession of the check, misappropriated it, and fraudulently erased both the payee's name and the amount for which the check was drawn, and inserted instead the name of William Johnson and the sum of $1,000.

The forgery was very skilfully done, so much so that no ordinary care could have discovered it.

Jones, pretending to be Johnson, presented the check to the drawee, the Union Bank, for payment, but, being unknown and unidentified, payment was refused.

He then took the check to one of the branches of the Dominion Bank, the manager of which, without requiring identification, took the check, paid the forger $25 and placed the balance to his credit.

The Dominion Bank then indorsed the check and passed it through the clearing house to the Union Bank, which paid the amount of the check as forged.

Before the crime was discovered, but after the Union Bank had honored the check, the Dominion Bank paid to the forger Jones $800 of the amount standing to his credit.

On the return of the check to the drawer the forgery was discovered and the forger was at once arrested, tried, convicted and sentenced.

Under these circumstances the Union Bank sued to recover back the money paid by it to the Dominion Bank on the forged check, on the ground that it was paid by mistake, and as to the $800 paid out to the forger after payment of the check to them by the Union Bank and before discovery of the forgery the Dominion Bank contest their liability.

It is conceded that neither bank can be charged with negligence in not detecting the forgery by mere inspection of the check, but the respondent bank submitted that there was negligence on the part of the Dominion Bank in cashing such a check without first having had the person asserting himself as the payee identified.

The man turned out to be a forger and a thief, he was unknown to the manager, was not required to be identified, and was successful in obtaining some $825 which it seems to me would have been prevented had the usual banking business precautions been insisted upon.

The Union Bank on the other hand cannot be charged with negligence. It had declined in the first instance to pay the check to the alleged payee until he satisfied them of his identity, and only paid it when it came to them through the clearing house with the name of the Dominion Bank stamped across it. No negligence whatever can be imputed to the respondent bank; the names of the officials authorized to draw checks for the government were genuine and proper inspection would not and did not enable them to discover the forgery of the body of the check.

What the Court Said.

The Supreme Court of Canada decided in favor of the Union Bank. It was argued that the decision of the Court in the Martineau case was an authority in favor of the Dominion Bank, but the Court distinguished the two cases on the following grounds:—

"In the late case of the Bank of Montreal v. the King, we had a somewhat analogous case before us, and we there held that the Bank of Montreal, the drawee of the check, could not recover back the moneys paid by it to another bank for a forged check and which moneys the receiving bank had paid out to the forger before it had any notice or knowledge of the forgery.

"The great and broad distinction between that case and the one now in appeal, at any rate in the opinion of the majority of the Court, was that the name of the drawer of the check had been forged and that the payee by paying the check had represented to the receiving bank that the drawer's signature was genuine and was consequently disabled from recovering back the money, the signature being a forgery and the receiving bank having acted on the faith of such representation and paid away the money to the forger.

Cannot be Compelled.

"The ground upon which I based my judgment in that case as between the disputing banks, was that by paying the checks to the persons presenting them the Bank of Montreal represented to them that the checks had in fact the genuine signatures of the drawers and if upon the faith of that implied representation the holders of the checks received the moneys, as I think they did, and subsequently paid them away to the person who deposited the checks with them or otherwise had their positions altered to their prejudice respectively in consequence of such implied representations and in ignorance of the forgeries, they cannot be compelled subsequently by the drawee who paid the money, on discovering that the checks were forgeries, to pay back the money.

"In this case now before us the signatures to the check were genuine. It was only the body of the check which had been altered and forged. There was no representation expressed or implied made by the respondent bank to the appellant bank other or further than as to the genuineness of the drawer's signatures, and the ground and reasoning on which it was held the Bank of Montreal could not recover does not here apply. This case is more analogous to that of the Imperial Bank v. the Bank of Hamilton, the distinction between them being that in the latter case the payment of the money to the forger by the receiving bank was made before the paying bank had paid over the money to the receiving bank.

On Ground of Mutual Mistake.

"The question here is whether the single fact that the receiving bank did not pay over the $800 in dispute until after the paying bank had paid the check to them can avail to prevent the paying bank from recovering the money back on the ground of mutual mistake.

"That question it seems to me must be answered by determining whether the paying bank by paying the check made any representation as to its genuineness other than the representation of the genuineness of the drawer's signatures and whether the receiving bank was or was not a mere agent to receive and pay over the money. If it was such agent merely and the fact was or ought under the evidence to have been known to the paying bank they cannot recover the money back."

THE ROYAL BANK OF CANADA

INCORPORATED 1869

CAPITAL AUTHORIZED - $25,000,000
CAPITAL PAID-UP - - $12,911,700

RESERVE FUNDS - - $14,324,000
TOTAL ASSETS OVER - $310,000,000

HEAD OFFICE - MONTREAL

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THREE YEARS' WAR FINANCING

Great Expansion of Credit Everywhere—Conditions of European Banks

The best guide the people of this country can have as to the effects of the war upon business, says the National City Bank, of New York, and the practicability of repeatedly raising large sums for war loans, is to be found in the experience of the European countries. Few people believed at the outbreak of the conflict that it could possibly last for so long a period as three years. It was the common view that, if for no other reason, peace would have to come before that length of time from inability of the governments to continue the expenditures. That this was wide of the truth is now evident, and even after three years those most competent to judge feel but little better able to set a date when the end must come through financial exhaustion than they were at the beginning.

In the three years Great Britain's war expenditures, including interest on the war debt and ordinary appropriations for the army and navy, amounted to approximately $23,000,000,000, of which roughly $4,000,000,000 was provided by revenue and the remainder by loans. About $5,000,000,000 of this has been advanced to allies.

The amount of revenue raised by the other countries for war purposes is not at hand, but it is known that Great Britain has done more in this respect that they have attempted. The amount of indebtedness created by the several countries is difficult to trace because of the variety of forms in which it exists. Germany is now raising its seventh public loan, the six preceding having aggregated about $14,000,000,000. The loans of the other countries are smaller, and altogether probably do not exceed the total of Great Britain and Germany, but are quite as great in proportion to their wealth.

Conditions of European Banks.

The condition of the central banks of Great Britain, France, Russia and Germany on the dates nearest to August 1, 1914, 1916 and 1917, for which public statements have been available, were approximately as shown below:—

Bank of England.

	1914.	1916.	1917.
Gold coin and bullion	$190,000,000	$270,000,000	$250,000,000
Gold for exchequer notes	.....	142,000,000	142,000,000
Loans and investments	290,000,000	585,000,000	800,000,000
Deposits	335,000,000	680,000,000	865,000,000
Bank note circulation .	145,000,000	183,000,000	200,000,000
Exchequer notes	.....	635,000,000	805,000,000

Bank of France.

	1914.	1916.	1917.
Gold coin & bullion—			
In vault .... $	825,000,000	$ 958,000,000	$ 650,000,000
Held abroad .	.....	.....	400,000,000
Discounts and advances	640,000,000	618,000,000	590,000,000
Advance to state for the war ..	.....	1,600,000,000	2,100,000,000
Treasury bonds representing advances to foreign governments	.....	244,000,000	550,000,000
Deposits	260,000,000	430,000,000	535,000,000
Bank note circulation	1,335,000,000	3,200,000,000	4,000,000,000

Imperial Bank of Germany.

	1914.	1916.	1917.
Gold coin and bullion ..... $	338,000,000	$ 615,000,000	$ 600,000,000
Discounts and advances	200,000,000	1,635,000,000	2,780,000,000
Deposits	235,000,000	595,000,000	1,460,000,000
Bank note circulation	470,000,000	1,755,000,000	2,210,000,000
Treasury and loan bank notes ..	21,000,000	240,000,000	1,220,000,000

Bank of Russia.

	1914.	1916.	1917.
Gold coin and bullion ..... $	800,000,000	$ 770,000,000	$ 645,000,000
Loans	380,000,000	2,440,000,000	6,620,000,000
Deposits	530,000,000	980,000,000	1,650,000,000
Bank note circulation	815,000,000	3,405,000,000	6,820,000,000

Expansion of Bank Credit.

These statements show a great expansion of bank credit everywhere. The situation is naturally worse in Russia, where the unsettled internal conditions have interfered with the collection of revenues and the placing of loans, throwing the government back upon the state bank for means of meeting current expenditures. The rapid increase of its paper issues has been reflected in the price of Russian exchange. In all of these countries the increased issues of paper have been in part required to take the place of gold withdrawn from circulation, and the high prices of war times have also been a factor, as we know even in the United States. In Great Britain, as in the United States, credit expansion naturally appears in bank deposits, and the great volume of exchequer notes is explained as entirely due to the replacement of gold and the increased amount of money needed in circulation. These notes were originally issued, like the Aldrich-Vreeland currency of the United States, at the outbreak of the war, to the banks for counter money and to enable them to meet any unusual demands from depositors. They proved popular, and increasing amounts have been absorbed in circulation. They are redeemed in gold on presentation at the Bank of England.

The banks of England other than the Bank of England are not required to publish statements, but it is customary for them to do so at the close of each calendar year, and some of them publish a mid-year statement, as of June 30th. Thirteen of the principal institutions, whose business is probably typical, on June 30, 1917, showed a total of loans (bills and advances) at that date aggregating $2,334,936,375, against $1,915,393,260 on the same date of 1916; investments, $1,127,841,810, against $1,186,446,330 in 1916; deposits, $4,348,539,425 against $4,001,480,880 in 1916. It should be recalled in this connection that in March last the great Victory Loan, of over $5,000,000,000, was closed. The banks loaned freely to subscribers but did not subscribe themselves, it being an agreed policy to keep the banks as liquid as possible. The result is seen in the increase of their loans to the public and a reduction of their own investments. The increase of only $474,000,000 in loans under the circumstances is a good showing. The Bank of Liverpool reports that it made loans amounting to £9,000,000 for subscription purposes, and that one-third had since been repaid.

An Indefinite War.

There is nothing in the condition of these British banks to indicate that the war may not go on indefinitely.

We have no similar statements for the unofficial banks of either France or Germany. The advances of the Bank of France to the French government aggregate about $2,100,000,000, against $1,600,000,000 at the corresponding date in 1916; besides it is carrying loans to foreign governments, allies, aggregating $530,000,000, against about one-half as much last year. The note circulation, at $4,000,000,000, is very high, but it is to be considered that the note circulation was always high relatively, the notes of the Bank of France being the popular currency in France. The circulation is approximately three times what it was at the outbreak of the war, and the increase in paper currency has been proportionately greater in both England and Germany. We give the gold holdings as they appear in the bank's statements, but we understand that the holdings abroad are in the form of gold credits and not in metal.

Although all of these figures are high it cannot be safely predicted that they may not go much higher before having any effect in themselves upon the termination of the war. Prices are high, and this is a symptom of currency depreciation, but there are other influences upon prices, notably scarcity, which is responsible for very high prices in the United States. When industry is resumed after the war we will be able to form some idea of the extent to which the expansion of the currency has been caused by high prices and to what extent the high prices are due to the currency. As prices fall so much of the currency as is actually redundant will probably find its way back to the banks.

The Canadian Bank of Commerce

Established 1867 **HEAD OFFICE, TORONTO**

Paid-Up Capital - - -	$15,000,000
Rest - - - - -	$13,500,000
Total Assets over - - -	$344,000,000

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Insatiable Demand for Currency

Remarkable Expansion Last Year — Government Issues Backed by Ample Gold — Banks and Central Gold Reserves — Currency Contraction Later on Can Be Easily Met

By H. M. P. ECKARDT

A YEAR ago, in *The Monetary Times* Annual, attention was drawn to the great expansion of Canada's currency in 1916. In the fall of that year the circulation of bank notes and government notes among the general public reached a volume never before recorded. Those high-record figures of 1916 were in turn surpassed by the unprecedented figures of 1917. Throughout 1917, the paper money actually in the hands of the public ran from $23,000,000 to $50,000,000 higher than in the corresponding months of 1916. From October, 1916, to September, 1917, the currency in use averaged about 24 per cent. greater than in the preceding year.

It is perhaps advisable to repeat the explanation given a year ago regarding the method of calculating the amount of paper currency in actual use, apart from the bank holdings. By taking the amount of Dominion notes outstanding and deducting therefrom the amount of Dominion notes held by the banks and the amount deposited in central gold reserves, the amount held by the public is arrived at. Similarly, by deducting from the total of bank notes outstanding the amounts held by banks other than the issuers, both items being shown in the monthly bank return, the amount of bank notes held by the public results; and by combining the two, we get the approximate amount of currency actually in use in the hands of individuals, firms and companies other than banks. As we have scarcely any gold coins in circulation, and as the circulation of foreign money and of subsidiary Canadian coins does not represent a large item, practically the whole of our currency is represented in these two forms; and on studying the figures of the table, we obtain an accurate reflection of trade conditions.

Bank and Government Notes Held by the Public.
(Thousands Omitted.)

	Bank notes.	Government notes.	Total.	Increase or decrease same month preceding year.	Per cent. of increase or decrease.
1914—					
January	$ 84,600	$18,952	$103,552	— $ 900	— .9
February	85,088	18,840	103,928	— 3,303	— 3.1
March	83,977	18,068	102,045	— 9,213	— 8.3
April	80,959	17,763	98,722	— 19,373	—16.4
May	83,311	19,065	102,376	— 10,367	— 9.2
June	84,911	19,518	104,429	— 11,104	— 9.6
July	81,975	19,827	101,702	— 6,678	— 6.2
August	99,758	20,660	120,418	+ 4,409	+ 3.8
September	106,884	21,117	128,001	+ 9,207	+ 7.7
October	108,426	21,019	129,445	+ 2,678	+ 2.1
November	100,554	19,654	120,208	— 6,314	— 5.0
December	92,907	19,139	112,046	— 1,833	— 1.6
1915—					
January	86,079	17,812	103,891	+ 339	+ .3
February	86,885	17,751	104,636	— 708	— .7
March	85,869	17,593	103,462	+ 1,416	+ 1.4
April	85,594	18,101	103,695	+ 4,973	+ 5.0
May	85,778	18,637	104,415	+ 2,039	+ 2.0
June	88,058	18,896	106,954	+ 2,525	+ 2.4
July	88,066	19,473	107,539	+ 5,837	+ 5.7
August	87,295	19,368	106,663	— 13,755	—11.4
September	93,822	19,371	113,193	— 14,808	—11.6
October	108,569	20,741	129,310	— 135	— .1
November	110,012	20,909	130,921	+ 10,713	+ 8.9
December	107,097	22,083	129,180	+ 17,134	+15.3
1916—					
January	96,830	20,201	117,031	+ 13,140	+12.6
February	99,220	20,342	119,562	+ 14,926	+14.3
March	101,983	20,190	122,173	+ 18,711	+18.1
April	104,132	20,501	124,633	+ 20,938	+20.2
May	101,297	20,479	121,776	+ 17,361	+16.6
June	109,368	21,842	131,210	+ 24,256	+22.7
July	107,442	21,933	129,375	+ 21,836	+20.3
August	108,879	22,470	131,349	+ 24,686	+23.1
September	120,013	23,069	143,082	+ 29,889	+26.4
October	127,478	23,517	150,995	+ 21,685	+16.7
November	132,001	24,658	156,659	+ 25,738	+19.6
December	129,084	24,457	153,541	+ 24361	+18.8
1917—					
January	119,004	21,993	140,997	+ 23,966	+20.4
February	122,466	22,011	144,477	+ 24,915	+20.8
March	130,727	22,957	153,684	+ 31,511	+25.8
April	125,299	26,228	151,527	+ 26,894	+21.6
May	125,296	25,405	150,701	+ 28,925	+23.8
June	142,620	27,311	169,731	+ 38,721	+29.5
July	134,785	23,588	158,373	+ 28,998	+22.4
August	130,488	27,982	167,470	+ 36,121	+27.5
September	157,694	24,026	181,720	+ 38,638	+27.0
October	169,562	31,853	201,41[illegible]	+ 50,41[illegible]	+33.4

The fact that the Canadian public required from $40,000,000 to $72,000,000 more currency to finance or carry the day-to-day transactions of 1917 than was needed for similar work in 1915, must certainly be taken as remarkable. The unprecedented expansion in 1916 was to some extent attributable to the enormous wheat crop of the preceding fall; but the western wheat yield in the fall of 1916 was disappointing and it did not furnish so much traffic to be completed in 1917. However, the range of prices for wheat, and other raw and manufactured products was much higher in 1917. It took more currency to finance a given unit or quantity of produce. Also the munition factories and other industrial concerns were very actively employed throughout the year—their wage payments and other cash outlays were in numerous instances greater than in 1916. Bankers say that the cheque tax has caused a number of manufacturers and other large employers of labor to pay their employees in currency instead of by cheque—and this caused an additional demand for bank and government notes.

So far as the government issues are concerned they are backed by what is regarded as an ample reserve of gold. The following table shows the amount of notes outstanding throughout 1916 and 1917, with the amount and percentage of gold reserve held against the notes.

Dominion Note Circulation.

	Outstanding.	Gold reserve.	Percentage.
1916—			
January	$179,301,003	$115,147,985	64
February	179,523,993	115,318,081	64
March	177,943,131	115,743,094	65
April	175,680,987	114,243,788	65
May	175,679,782	114,172,696	65
June	175,497,175	114,071,032	65
July	174,807,743	113,877,073	65
August	174,533,077	113,759,013	65
September	174,302,958	113,690,728	65
October	174,634,619	113,687,359	65
November	178,840,064	114,172,586	64
December	181,047,531	114,131,731	63
1917—			
January	185,032,291	114,105,144	62
February	182,323,382	114,101,617	63
March	183,248,986	113,110,154	62
April	187,872,336	113,139,691	60
May	177,833,324	113,137,678	64
June	178,568,009	119,110,113	67
July	181,841,576	120,006,568	66
August	182,100,624	119,978,567	66
September	192,377,969	119,877,149	62
October	229,063,856	114,616,227	50

NOTE.—While the percentage of gold reserve held against the Dominion note circulation shows a sharp decline on October 31st, 1917, it is to be remembered that the finance department then held approved securities against $53,000,000 of Dominion note issues, in accordance with the Finance Act, 1914. The understanding is that these special issues of Dominion notes represented short loans to the banks to help move the crops and carry the special grain credits. They will doubtless be cleared off or greatly reduced early in 1918 when the crop financing is completed.

In connection with the bank note issues, it was expected that a considerable part of the expansion during the fall of 1917 would be in the form of the so-called emergency currency, which is uncovered by specific security and subject to tax at 5 per cent. In 1916 the extra currency for crop moving purposes was provided nearly altogether by means of bank issues against deposits of gold and legal tender Dominion notes in the central gold reserves. Only in one month of 1916—October—did the uncovered and specially taxed excess issues of the banks rise above the $1,000,000 level. The following table shows that while the taxed excess notes in 1917 reached larger figures than in the preceding year, they still represented but a small proportion of the excess issues covered by gold and legal tender deposits.

THE BANK OF NOVA SCOTIA

(INCORPORATED 1832)

CAPITAL PAID-UP
$6,500,000

RESERVE FUND
$12,000,000

Total Assets Over $120,000,000

GENERAL EXECUTIVE OFFICES: TORONTO

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

	Dec 31st, 1911	*Dec. 31st, 1914*	*Sept. 30th, 1917*
CAPITAL PAID-UP - -	$ 3,984,790	$ 6,500,000	$ 6,500,000
RESERVE FUND - -	7,474,447	12,000,000	12,000,000
DEPOSITS - - -	47,773,873	69,502,764	92,721,713
TOTAL ASSETS - -	63,271,190	95,733,670	123,662,297

BRANCHES IN CANADA

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

NEWFOUNDLAND

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

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Bank Circulation.

	Excess issues.	Covered by deposits in central gold reserves.	Subject to tax at 5 per cent.
1915—			
September	$ 4,438,239	$ 3,496,942	$ 941,297
October	12,837,039	11,122,001	1,715,038
November	13,202,829	11,453,414	1,839,415
December	11,523,136	10,197,315	1,325,821
1916—			
January	5,333,120	5,104,792	228,328
February	6,863,784	6,578,018	285,768
March	8,814,226	8,456,865	357,361
April	11,150,446	10,516,718	633,728
May	8,569,032	8,440,532	128,510
June	14,056,328	13,538,863	517,465
July	14,132,506	13,578,852	553,654
August	13,886,269	13,424,681	461,588
September	23,553,740	22,697,457	856,283
October	32,029,379	30,821,079	1,208,300
November	34,906,083	34,150,019	756,064
December	35,680,490	35,088,664	591,826
1917—			
January	22,451,726	22,367,353	84,373
February	27,079,212	26,118,762	960,450
March	36,694,225	33,436,859	3,257,366
April	34,328,376	33,689,310	639,066
May	31,469,381	30,839,093	630,288
June	45,120,594	41,484,249	3,636,345
July	44,150,334	43,086,958	1,063,376
August	46,302,806	45,245,520	1,057,286
September	66,028,747	61,684,768	4,343,979
October	76,628,658	72,245,713	4,382,945

On that portion of their circulation which is covered by deposits in the central reserves, the banks make no profit. It is in no sense whatever a "loan from the public." On the other hand they might conceivably make a small profit, after paying the 5 per cent. tax, through lending the proceeds of "emergency" note issues for short dates to western farmers at 7½ or 8 per cent. Over and above the tax and the expenses incidental to the issue and redemption of the notes, there might be a small margin. However, while the banks' policy of keeping their extra issues of notes well covered by cash in central reserves does not directly yield them profits, there is no doubt that it contributes importantly to prevent inflation and keep the Canadian currency sound. The Bank Act gives them authority to issue something like $34,000,000 of excess notes subject to the 5 per cent. tax, without pledging security. Up to the end of September they had only used $4,343,979 of such issues.

On carefully considering the general subject of the currency expansion, one is led to the conclusion that when the inevitable contraction ensues, after the present abnormal conditions have passed away, the banks can meet it easily and comfortbly if they continue to have a large proportion of their extra issues represented by deposits in the central gold reserves.

Large Advances Made by Canada to Great Britain

Since the Outbreak of War to Date the Total Exceeds $400,000,000—Money Was Used to Purchase Here Munitions, Cheese, Meats, Etc.

ACCORDING to a statement furnished to *The Monetary Times* by the department of finance, Ottawa, in November, the following was the position of our account with Great Britain on October 31st last:—

Advances Made to Imperial Government by the Dominion of Canada from August, 1914, to October 31, 1917.

Advances made to Imperial Munitions Board, Ottawa	$350,000,000.00
Advances made by the various departments for hay, oats, fish, harness and saddlery, ship construction, cheese, etc., "outstanding".	53,000,000.00
	$403,000,000.00

Advances Made by Imperial Government to Dominion of Canada in London.

Deposited in Bank of Montreal London	$378,584,160.27
Converted into dollar bonds	107,612,029.53
	$270,972,130.74
Net amount in favor of the Dominion	$132,027,869.26

Cheese and Bacon.

Not only is the Dominion government supplying money to the Imperial treasury for the production of munitions in Canada, but it is by reason of the action of the Dominion treasury in financing the Imperial treasury that the dairymen of Canada to-day are able to sell their cheese to the British cheese commission. For many years the cheese industry of Canada has been built up by reason of the export market which existed in Great Britain. If the Dominion government had not undertaken to supply the $40,000,000 which represents the value of Canada's export cheese, the dairy farmers of this country would not to-day be able to sell their cheese in Great Britain, and there is no market to-day for that cheese in the United States. The dairy farmers of Canada, by reason of the action of the Dominion government in furnishing that $40,000,000, are deriving over 21 cents per pound for their cheese. The Dominion treasury, therefore, since July, 1917, has undertaken to furnish $25,000,000 per month and more for munitions, and in addition has undertaken to supply $40,000,000 for the purchase of cheese by the British cheese commission in Canada, and some $10,000,000 additional for purchases made for the War Office account by the department of agriculture. The British government may also require some assistance in connection with the purchase of Canada's bacon.

How the Account Stands.

It is not sufficient to say that these operations are a set-off to the expenditures made by Great Britain for Canada in respect of our troops overseas. Canada has been able since the beginning of this war not only to pay her own way, but to give Great Britain a sum exceeding $100,000,000 towards the prosecution of the war, through the purchase of munitions and supplies in this country. Since the outbreak of this war, as noted above, the Dominion government has advanced in cash and securities, which securities were pledged in New York and furnished the basis of an Imperial credit there, over $400,000,000. The Canadian government issued to the Imperial treasury about $100,000,000 of 3½ and 4 per cent. securities maturing in 1928 and 1945, in liquidation of advances made by the Imperial government. The Imperial government pledged those securities in New York and used them along with other securities as the basis of a large loan which they raised there in the period preceding the entry of the United States into the war.

We have given them the securities, and we pay the interest because the securities are given. There is an adjustment of interest on both sides. We charge interest here, and they charge interest there. Canada had advanced in cash and securities to October, 1917, $132,000,000 more to Great Britain than Great Britain has advanced to Canada since the outbreak of this war. So far as the munitions industry is concerned, the Dominion government was furnishing last fall more money per month than it had furnished since the war began.

Advances Arranged in October.

At the end of September, arrangements were completed by the government with the banks for advances of $100,000,000 for wheat purchases. The banks advanced the money for the payment of the wheat at western points of delivery, and held the wheat as security until it reaches the seaboard. At the seaboard the British government, through the Wheat Ex-

The Merchants Bank of Canada

HEAD OFFICE - MONTREAL

PAID-UP CAPITAL	- -	*$7,000,000*
RESERVE FUNDS	- -	*7,421,292*
TOTAL DEPOSITS	- -	*92,102,072*
TOTAL ASSETS	- - -	*121,130,558*

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port Company, accepted the wheat and repaid the banks. The credit thus advanced was a short-term one, lasting until December, 1917, and gradually relieving the strain on the banks during the heavy financing period of the crop movement. Advantage was taken of the increased circulation allowed the banks under the bank act.

Later, when the deposits begin to flow into the banks again from the farmers who have realized on their crops, the banks will be in a position to advance further credits, and the Canadian government may then be able to meet the wishes of the Imperial government and relieve it of the necessity of paying cash for wheat when delivered at the seaboard.

The temporary arrangement for partial financing of wheat purchases in Canada was agreed to by Lord Reading, representing the British government, during a conference with Sir Thomas White in Washington.

Strain on the Banks.

Commenting on these special wheat credits, Mr. Victor Ross, the Toronto financial writer, said at the time:—"The special credits to the agents and representatives of Great Britain would to a considerable extent replace the loans and advances ordinarily made to their regular customers. When consideration is given to this point the proposed credit does not appear quite so burdensome. Local grain dealers and the big elevator companies will handle the produce in some respects exactly as in previous years. That is to say, they will buy it from the farmers, pay cash for it, and ship it to the terminals.

"These operations will thus necessitate banking credits, but the credits will likely be nearly altogether in the form of sight and demand drafts on Winnipeg and other centres of the grain trade. The total amount outstanding in this way will undoubtedly be much less than the aggregate of grain loans usually carried by the ordinary customers during the active season. So if the stuff moves promptly forward by export and if the special credits are then liquidated, the banks should be able to carry the load in satisfactory manner.

Packing Products and Cheese.

"The same considerations would apply more or less to the credits for British purchases of packing house products, cheese, butter, etc. If the loans are concentrated on the name of the British government there will be a large reduction in the amount of loans carried by the packing houses and wholesale dealers in and exporters of dairy products. Probably under the new system the interest rates applying to the bank loans will be lower than usual. The government demands the finest rates, whereas the ordinary customers pay the market rates obtaining in the localities or centres where they operate. The rate of discount applying to the accounts of the smaller operators would be sensibly higher than the government's rate.

Last fall, millers stated that the most serious obstacle to be overcome in their trade was the securing of sufficient funds to buy flour to meet Britain's needs. The mother country is unable to pay cash for the commodity, and while American capital could probably be furnished with facility, millers stated this would be supplied only for wheat exported to the United States and ground in American mills. In view of the large credits which the banks have already advanced for the movement of the grain crop and the purchase of produce and provisions, in addition to the war needs which the Canadian public furnished in connection with the November war loan, the providing of additional capital to take care of the export of flour was considered a serious problem.

How it is Done.

When the war commenced, funds for its conduct, so far as Canada was concerned, were advanced by the British government, £2,000,000 monthly. This continued for about seven months. It was intended to issue long-term loans in London at a later date to repay these war advances, but a different arrangement was formulated in August, 1916.

When the national revenue commenced to improve early in 1915 and loans were successfully floated on this side of the Atlantic, the Dominion became able to finance its war expenditure in Canada, and also to assist the British government in financing here its purchases through the Imperial Munitions Board. Since then, the Dominion finance department has borrowed from the Imperial treasury only the amount represented by our expenditures in Great Britain and at the front.

Then an arrangement was made by which the Dominion government will pay off from time to time its temporary indebtedness to the British government by the issue to the Imperial treasury of Dominion bonds bearing the same rate of interest and having the same maturities as the issues of the Imperial government from the proceeds of which the advances have been made. The amount of the bonds will be calculated, having regard to the issue price of the imperial securities. In other words, the Dominion government is, without any flotation expenses, funding its temporary indebtedness by the sale of its bonds to the Imperial treasury, bearing interest at the favorable rate at which the Imperial government has been able to borrow in the London market since the outbreak of the war. The Dominion government bonds will be payable in dollars, and all necessary adjustments of exchange will be made.

The finance minister had in view the purpose of clearing up by the issue of permanent securities the floating indebtedness of the Dominion and at the same time providing the Imperial government with the best of collateral for banking advances. The Dominion securities will not be sold, but will continue to be owned by the Imperial government. In this way, very close financial relations have been established between the two governments.

As to the Future.

This financing plan raises interesting speculations. Apparently the bonds are given to the Imperial treasury, and the Bank of England charges up to the Imperial government account the temporary loan originally made to the Canadian finance department. The original loan was in pounds sterling, but the long-term bonds substituted therefor are in dollars. This arrangement will materially reduce loans shown by the Bank of England. As the newly-issued bonds are drawn in dollars, the intention probably is ultimately to find a market for them on this side of the Atlantic instead of placing them in the hands of British investors at the conclusion of the war. Meantime they will be in convenient form for use in New York. It is not improbable that when conditions suit London, New York and Ottawa, the bonds will be partly distributed in the American investment field.

Bankers suggest also that the Dominion bonds which were taken by the Imperial treasury last year may be used to some extent to offset or cancel a like amount of British treasury bills held by the finance department here and by the Canadian chartered banks.

During the fall of 1915, an arrangement was made with the British government for a total authorized loan of £30,000,000 to be availed of, if necessary, at the rate of £2,500,000 a month during 1916. That arrangement ensured financial stability for the year, but the government used this provision to a very slight extent.

A new Swiss loan of $30,000,000 at 5 per cent. will be issued in January. The cost of Swiss mobilization to date amounts to $250,000,000.

We have no data as to the banking situation in Germany beyond the statement of the Imperial Bank. It shows that the note issues of the bank have gone up from about $470,000,000 at the outbreak of the war to $1,300,000,000 in 1915, $1,700,000,000 in 1916 and $2,100,000,000 in 1917.

An Amsterdam dispatch says that Swedish merchants are taking advantage of premium on Stockholm exchange in Amsterdam by making large purchases of Dutch shipping shares. The gold supply of the Bank of Netherlands has increased from 162,000,000 guilders at the outbreak of the war to 700,000,000 guilders.

For the convenience of subscribers to the Victory Loan and of the banks handling the large transaction, the finance department agreed that payments due on January 2nd, 1918, could be made at any time up to and including January 11th. The extension of time was given in order that subscribers might not be unduly detained waiting their turn in making their payments. It is particularly requested that subscribers will not wait until January 11th, or a day or so before, and thus create the situation sought to be avoided. For the convenience of subscribers banks will remain open on the evenings of Thursday and Friday, January 3rd and 4th, and in the afternoon of Saturday, January 5th. Evening hours from 7.30 to 9.30; Saturday afternoon from 2 until 6 o'clock.

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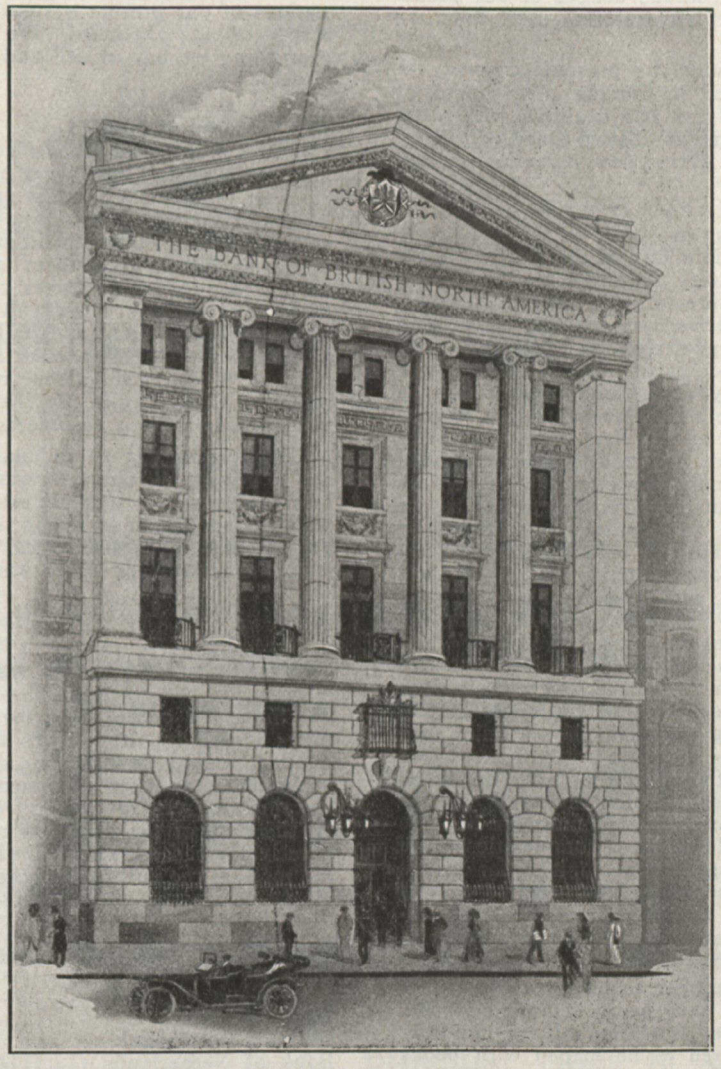

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Punnichy, Sask.

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Quebec, St. John's Gate

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Rhein, Sask.
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St. John, N.B.
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St. Stephen, N.B.
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METRIC SYSTEM ADVOCATED

Present Complexities Cause Confusion and Errors and Help Fraud

BY HENRY LYE.

The metric system involves the use of decimals in all computations and statements of weights, measures and measurements. It is founded upon a unit of length, termed the metre or measure, from which the units of mass (gram) and capacity (litre) are derived. It has been the subject of investigations and recommendations by legislators, commissions and economists for more than two hundred years. It is now legalized by more than two-thirds of the civilized nations of the world. It must be learned by all those who attempt to trade with foreign peoples, or who wish to understand the day-by-day news of foreign countries. We, however, are not yet fully reclaimed from the barbarous usages of our predecessors, because we never effect any reforms until they are forced upon us.

It is about sixty years since the present currency of dollars and cents was introduced in Canada. We have not advanced any further in simplifying our dealings with other people or amongst ourselves, but are being overwhelmed by the independent accounting of every new invention in mechanics or discovery in science.

Confounded by Simplicity.

We are confounded by the simplicity of the metric system and its natural adaptation to every requirement of weights, measures of capacity and measurements of length or mass. We prefer that our medical men adhere to their dog-Latin and their antiquated forms of prescriptions. We look with awed admiration upon the fe-fo-fums of our law courts, with their fiery faces, their nicey-pry-into-us and other terms as absurd as were their wigs. We send representatives to parliaments, which, instead of law and equity, give us statutes requiring continuous amendments, so called, until they are finally repealed. We have as many varieties of bushels as we have of farm products, as many different gallons as we have of liquids to fill them. We measure our horses by "hands," regardless of the differences between those of my lady and those of her man-servant or maid-servant. We are confused by our coal dealers, who give us 2,000 pounds instead of the 2,240 pounds of our tons. We still hear the prices of some of our purchases as being "two bits," and have not fully emerged from the era of York shillings. We still subscribe guineas, although the corresponding coins are obsolete. We still take three barley-corns as the unit of length. Our land surveyors, whilst using the chain of 100 links, still give us "acres," roods, perches and feet and inches. Our artizans and mechanics have yet to struggle with duo-decimals, whilst lumber and shingles are sold by the thousand. Everywhere we are met by different forms of computations, because we prefer ruts to roads. Not only do these complexities cause confusion and errors, but they give opportunities for frauds and deceptions, which are, too often, perpetrated at our expense. The "errors" are not always unintentional in ordinary business matters, but we stolidly submit to a state of affairs which ought to be abolished.

Most of our school books appear to have originated in jobbery and corruption, and to have been compiled for the purpose of preventing the proper education of our children. Every year we suffer our children to be loaded with books containing refinements and reductions as absurd as those of the schools of Salemo as described in the Golden Legend, whilst the poor students are wearied by "home work" and prevented from healthy recreations by involutions and convolutions, for which neither teachers nor scholars can find practical uses, and which will be altogether forgotten in after years. We are acting the part of Rehoboam in allowing this state of affairs, with its temptations to compilers and publishers, whilst we know that good, old Lindley Murray sufficed for our most famous scholars in the study of grammar.

Every child should learn the multiplication table to 100 × 100, and should be taught so thoroughly as to comprehend the relation of subtraction to addition and of division to multiplication as being obverse (the writer learnt the multiplication table to 1,000 × 1,000, enabling him to save years of work in investigation of accounts, inventories and invoices, as well as to check erroneous statements in evidences, which, being corrected whilst the witnesses were in the box, prevented the success of falsehood and perjury). This course of arithmetic, in conjunction with neat writing, correct punctuation and the correct reading and pronunciation of the poems of Tennyson and Longfellow, should suffice for the ordinary requirements. All further education should be for adaptation in the special avocations to be followed in life. The pupils, from childhood to youth, should be freed from incumbrances, which, by taking up time, hinder their proper and necessary education. These incumbrances would no longer exist if we adopted the metric system in all our dealings in respect to weights, measures and measurements.

Utility is true beauty. That which is not useful is either a luxury or a burden, which should not be imposed upon anybody. The useful should be furnished to everyone, so that each one may be fitted for the stern warfare of life for the general good. Therefore, the metric system, so simple in form and so universally applicable, should be at once established among us, and all the useless absurdities and complications of our present system (sic) of weights, measures and measurements abolished. We would then know the prices of everything we buy or sell and would look to the quality more closely.

Commissions of Inquiry.

This is a matter for our honest business men—for parents and guardians. Legislators have been fooling with commissions of inquiry for the last two hundred and fifty years, but have shirked their plain duty in the matter, contenting themselves with expediencies and emergencies, except some special matter is forced upon them and an election is in sight, or, seeing that so many abuses could be shattered by one blow, they make excuses of difficulties which do not exist in fact, forgetful of the dicta of Abraham Lincoln, who dispelled the perplexities of the financiers and commissioners met for the purpose of discussing the resumption of specie payments after the Civil War in the United States by the remark that "the proper way to resume is to resume."

Why do we lag behind nations and peoples whom we are apt to regard as our inferiors? Is it because we are really less competent, or less honest, or unable to comprehend that which is so simple as not to need abstruse complexities? We are enjoined to be economical and efficient, but are not freed from the hindrances which waste our time and money.

RATIO OF METALLIC RESERVE TO NOTE ISSUES

Since the outbreak of the war the volume of circulating notes issued by the world's leading banks has greatly expanded, and, although the stock of gold held against the obligations has likewise increased in most cases, the ratio of metallic reserves to note issues has been steadily declining. In the case of the banks of neutral countries, the ratio has greatly increased. The following table gives the percentages for 1914 (at the outbreak of the war), for 1916 and for 1917:—

	Per cent. 1914.	Per cent. 1916.	Per cent. 1917.
Bank of England	75.3	61.1	61.5
Bank of France	71.3	30.4	27 5
State Bank of Russia	102.6	22.8	12.7
Bank of Italy	56.4	30.7	21.3
German Reichsbank	52.5	34.7	31.4
Bank of Netherlands	54.8	84.7	82.8
Riksbank, Sweden	48.0	...	44.2
Norges Bank, Norway	43.9	49.5	44.2
National Bank of Copenhagen, Denmark	61.7	59.5	64.8
Bank of Spain	66.5	85.4	93.4
Swiss National Bank	46.2	80.5	72.6
Bank of Japan	61.1	75.5	94.5

Upon the average, fire occurs every year in one out of every eighty buildings in cities and towns. Fire prevention is concerned, therefore, not only with the erection of new buildings, but with what is of equal or even greater importance—correction of the worst faults in existing buildings so that they may be less liable to destruction.

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NET PROFITS AND DIVIDENDS OF CANADA'S BANKS

BANK	1907 Net Profits	Dividend	1908 Net Profits	Dividend	1909 Net Profits	Dividend	1910 Net Profits	Dividend	1911 Net Profits	Dividend
	$	%	$	%	$	%	$	%	$	%
(1)Bank of Montreal	1,980,138	10	1,957,659	10	1,826,167	10	1,797,993	10	2,276,519	10
§Quebec Bank	300,011	7	281,057	7	252,771	7	278,926	7	276,392	7
Bank of Nova Scotia	681,709	12	559,577	12	604,123	12	662,302	12	815,519	13&14
(2)Bank of British North America	596,740	7	417,669	7	494,705	7	554,942	7	632,117	8
Bank of Toronto	586,635	10	582,156	10	579,471	10	589,656	10	677,964	11
The Molsons Bank	544,038	10	612,646	10	493,479	10	602,694	10	712,539	11
La Banque Nationale	252,360	7	279,121	7	266,661	7	257,917	7	262,513	7
3)Merchants Bank of Canada	961,660	8	738,597	8	831,159	8	1,057,140	8 & 9	1,179,581	9 & 10
Banque Provinciale du Canada	119,466	5	121,599	5	124,143	5	149,062	5	184,398	5
(4)Union Bank of Canada	642,748	7	401,013	7	407,541	7	451,620	7	662,437	8
Canadian Bank of Commerce	1,752,350	8	1,627,333	8	1,510,696	8	1,838,065	9	2,305,409	10
(5)Royal Bank of Canada	742,034	10	746,775	10	838,306	10	951,336	11&12	1,152,249	12
(6)Dominion Bank	635,235	12	641,318	12	620,927	12	659,300	12	704,045	12
Bank of Hamilton	384,708	10	360,308	10	382,332	10	422,090	10	443,506	11
(7)Standard Bank of Canada	186,097	12	283,065	12	342,258	12	373,208	12	381,601	13
(8)Banque d'Hochelaga	449,794	8	381,387	8	360,821	8	417,697	8	415,000	9
(9)Bank of Ottawa	443,288	10	429,879	10	421,065	10	532,353	10½	595,228	11
(10)Imperial Bank of Canada	719,029	10&11	721,175	11	743,524	11	702,508	11	841,692	11&12
(11)Home Bank of Canada	78,030	6	95,411	6	83,957	6	95,832	6	121,941	6
(12)Northern Crown Bank	.....	.....	130,324	5	193,464	5	258,144	5	285,694	5 & 6
(13)Sterling Bank	50,091	5	64,146	5	92,832	5	96,825	5	107,876	5
(14)Weyburn Security Bank	.....	.....	.....	.....	.....	.....	.....	.....	26,682	2½

BANK	1912 Net Profits	Dividend	1913 Net Profits	D vidend	1914 Net Profits	Dividend	1915 Net Profits	Dividend	1916 Net Profits	Dividend
	$	%	$	%	$	%	$	%	$	%
(1)Bank of Montreal	2,518,409	10+2	2,648,403	10+2	2,496,452	10+2	2,108,631	10+2	2,200,471	10+2
§Quebec Bank	294,804	7	309,228	7	296,659	7	233,420	7	.....	....
Bank of Nova Scotia	970,544	14	1,210,774	14	1,196,117	14	1,220,057	14	1,252,038	14
(2)Bank of British North America	678,506	8	689,745	8	536,577	8	328,595	7	546,346	7
Bank of Toronto	835,787	11+1	* 1,050,693	11+1	829,538	11+1	663,074	11	730,954	11
The Molsons Bank	684,779	11	694,356	11	608,196	11	556,193	11	582,356	11
La Banque Nationale	293,564	7	302,304	8	319,903	8	333,207	8	417,662	8
(3)Merchants Bank of Canada	1,338,844	10	(A) 533,653	10	1,218,694	10	995,431	10	950,713	10
Banque Provinciale du Canada	185,165	6	190,126	6	194,214	7	196,355	7	203,983	7
(4)Union Bank of Canada	706,832	8	750,095	8	712,440	8+1	659,688	8+1	651,183	8+1
Canadian Bank of Commerce	2,811,806	10+1	2,992,951	10+2	2,668,233	10+2	2,352,035	10+2	2,439,415	10+2
(5)Royal Bank of Canada	1,527,324	12	2,142,100	12	1,886,142	12	1,905,576	12	2,111,307	12
(6)Dominion Bank	901,529	12+2	950,402	12+2	925,364	12+2	805,123	12	893,502	12
Bank of Hamilton	495,860	11	498,273	12	485,265	12	424,274	12	442,525	12
(7)Standard Bank of Canada	462,079	13	555,095	13	621,463	13	563,401	13	580,230	13
(8)Banque d'Hochelaga	481,616	9	534,700	9	566,614	9	530,237	9	546,011	9
(9)Bank of Ottawa	640,220	11¾	706,740	12	620,691	12	531,268	12	591,205	12
(10)Imperial Bank of Canada	1,004,340	12	1,125,971	12	1,236,984	12	1,031,359	12	1,003,960	12
(11)Home Bank of Canada	140,030	6 & 7	167,125	7	163,929	7	133,406	5	217,059	5
(12)Northern Crown Bank	291,094	6	281,167	6	201,289	6	100,789	Nil	128,761	5
(13)Sterling Bank	113,400	6	114,200	6	115,111	6	145,290	6	161,270	6
(14)Weyburn Security Bank	63,135	5	54,917	5	48,354	5	53,844	‡10	82,149	5

(1) Prior to 1904 the Bank of Montreal's year ended in April. The profits during 1911 include $708,800 expended in premises and those of 1912, $511,000; in previous years these expenditures were deducted. 2% bonus since June, 1912.
(2) Figures for 1912 are from Jan. 1st to Nov. 30th inclusive.
(3) Profits for 1908 are for year ending Nov. 30th; previous years ended May 31st. 1913 figures are for 5 months ending 30th April. 1915 figures are for year April, 1915. Net profits for year ending April, 1916, $970,713. Dividend, 10%.
(4) 1907 figures are for 18 months from June 15th, 1906 to Nov 30th, 1907.
(5) 1912 figures are for 11 months; financial year changed.
(6) 1903 figures for 8 months ending Dec. 31st.
(7) 1908 figures are for 9 months only; date of financial year changed.
(8) 1905 figures for 18 months; 1907 figures include $175,000 premium on new stock.
(9) The financial year of the Bank of Ottawa ends on Nov. 30th.
(10) 1906 figures for 11 months ending 30th April, 1906. All other figures for year ending 30th April.
(11) Began business under name of Home Bank of Canada in 1906 and held first annual meeting in June of that year.
(12) 1912, profits are for 11 months.
(13) Sterling Bank has only been doing business since 1906.
(14) Weyburn Security Bank commenced business only in 1911.
‡ 5% cash dividend and 5% stock dividend.
* Including $200,000 debts recovered.
§ The Quebec Bank was purchased by the Royal Bank of Canada on Dec. 31st, 1916, and did not issue a statement showing the result of its business for that year. Dividends amounting to $191,450, being at the rate of 7% per annum, were paid during the year.
(A) Result of business for 5 months only.

REGULATION OF NEW SECURITIES ISSUES

An order-in-council was passed in December, 1917, under the authority of the War Measures Act upon the recommendation of the minister of finance by which new issues in Canada of bonds, debentures or other securities of any provincial, colonial or foreign government, municipality, commission, local government, institution, corporation or incorporated company can only be made or sold with the approval of the minister of finance by his certificate in writing.

The regulation also applies to any new issues or offering of shares, whether preferred or common, of any incorporated company.

It is expressly provided that nothing in the order-in-council shall affect the trading in bonds, debentures, securities or shares of capital stock heretofore issued and placed upon the market. In other words, the order applies only to issues made from this time forward. Provision is made whereby any issue or sale in contravention of the prohibition of the order may be restrained, and heavy penalities are provided for violation of the regulation.

The object of the order is to conserve the Canadian financial market for the issues of the Dominion government and to prevent the issues being made for purposes which may well be deferred until the end of the war.

MAXIMUM NAMED FOR MILLERS' PROFITS

After November 1st, 1917, the net profits of Canadian millers were limited to a maximum average of 25 cents on the milling of sufficient wheat to make a barrel of flour of 196 pounds and the offals produced in connection therewith, according to a regulation of the Canadian food controller. Mills are licensed and required to manufacture one or more of three standard grades of flour, which represent a higher percentage extraction than the white flour formerly in general use in Canada. Cash prices for these standard grades will be set from time to time. Mr. W. Sanford Evans is supervising the carrying out of the arrangements, co-operating with a special advisory committee of the millers.

THE DOMINION BANK

ESTABLISHED 1871

HEAD OFFICE, TORONTO

Capital Paid Up	$ 6,000,000
Reserve Fund and Undivided Profits,	$ 7,500,000
Total Assets, ...	$100,000,000

Sir Edmund B. Osler
President

W. D. Matthews
Vice-President

C. A. Bogert
General Manager

A. Pepler
E. A. Begg
Assistants to the General Manager

HEAD OFFICE OF THE DOMINION BANK

Corner King and Yonge Streets, Toronto

CHANGES IN COMPANIES ACT

Review and Analysis of the Amended Legislation Last Year

BY THOS. MULVEY, K.C.

In regard to recent amendments to the Dominion Companies Act, the various sections of the amending act may be readily grouped for the purposes of discussion as follows, reference being made to the sections of the principal act amended:—

1. Sec. 5—Interinsurance authorized.
2. Sec. 7A—Provisions for the creation of corporations without share capital.
3. Sec. 7B—Provisions for the creation of companies with shares without nominal or par value.
4. Sec. 13—Amendment limiting the required advertising of incorporation to one issue of the Gazette.
5. Sec. 43—Prospectus clauses.
6. Sec. 54—Reduction of capital.
7. Sec. 69—Registration of mortgages and charges.
8. Sec. 75—Consent to use name of a proposed director.
9. Sec. 92—Amendment of provision for investigation.
10. Sec. 94A and 105—Audit, annual meeting and annual statement to shareholders.
11. Sec. 106—Annual statement to department.

1. Interinsurance is a modern method of mutual insurance. It is usually brought about by a contract between persons or companies in the same class of business whereby the parties to the agreement agree to bear the loss which any of them may suffer by fire or other calamity. Under such a contract the parties insure each other. It is a contract of insurance. Section 5 prohibits a company incorporated under Part I. of the act to carry on the business of insurance. It can scarcely be said that one contract of interinsurance or several can be such as to be deemed the business of insurance. The question has, however, been raised in litigation in British Columbia and at least one of the Western States. This amendment is intended to set at rest any doubt of the capacity of a company under Part I. of the act to enter into this class of insurance. By section 15 of the amending act the capactiy of companies incorporated by act of parliament to which Part II. of the act is applicable is similarly dealt with.

Without Share Capital.

2. The Companies Act was drawn to provide only for the creation and control of business and profit-making enterprises. Charitable, philanthropic, professional, sporting and similar associations carrying on their purposes throughout the Dominion could be created by parliament alone. This was a cause of delay and expense. The large prospective numbers of war charities and returned soldier movements gave the impetus which produced the section. The main provisions are the following: Associations within the section are limited to these (a) carrying on operations in more than one province (b) without pecuniary gain, and (c) having objects of a national, patriotic, religious, philanthropic, charitable, scientific, artistic, social, professional or sporting character, or the like. Unlike business companies, corporations under this section must file by-laws controlling their operations. Such provisions of the by-laws as the applicants desire may be incorporated into the charter. All the by-laws are subject to the approval of the Secretary of State. By-laws incorporated in the charter may be changed only by supplementary letters patent, and other by-laws may not be amended or varied until the amendments are approved of by the Secretary of State. The necessity of this control is evident when it is considered that many of the associations created under this section are of a quasi-public character. It should be pointed out that the filing of bylaws has an important effect on the manner in which these corporations may deal with the public. By-laws, when filed in the department, are public documents, and public notice of them is thereby given.

Persons dealing with these corporations will be deemed to have notice of all such by-laws, and will be bound thereby. On the other hand, a company under the provisions of the act is not required to file by-laws, and no constructive notice of them can affect a contract of such a company. For instance, if the by-laws of a corporation under this section require a certain quorum of directors or trustees, a resolution at a meeting where there is not a quorum cannot bind the corporation. There would be no similar result if a company's by-laws required a quorum. On account of the control of these corporations being required to be set out in filed by-laws, many of the sections of the act are made inapplicable to corporations under this section. Existing corporations created by private act may be brought under this section.

Shares Without Par Value.

3. Section 7B introduces what may be considered a new class of companies. Heretofore the authorized capital of a company was required to be divided into shares of a specified amount. Take a company with a capital of $100,000 divided into 1,000 shares of $100 each. Each share is supposed to represent a value of $100. Under one possible circumstance is this true. In the usual case it is not true. It is a technical misrepresentation. The true value is one thousandth part of the value of the assets of the company after deducting liabilities. This section adopts the true value, and provides that no value is to be shown on the share certificate. The certificate indicates only the number of shares authorized to be issued and the number which it represents. The price at which they are issued is provided by the charter or by the by-laws of the company.

Beyond the advantage indicated there is this further. When a fresh issue of capital is required it is a business matter to determine what should be paid for each share. Under existing conditions a company is bound to sell its shares at par—a discount is illegal. For that reason an issue of fresh capital frequently necessitates a reorganization of the company by reduction of the capital to the value of its assets, or compels the issue of preferred shares. Similarly in an increase of the number of shares, they may be sold at an amount equivalent to the actual value of existing shares.

Companies with shares without par value have been created for many years past under the laws of several countries of continental Europe. In America the first suggestion on the subject was made by Mr. Francis Lynde Stetson, a prominent New York corporative lawyer, in the year 1892 at a meeting of the New York Bar Association. The method was included in the draft of the Federal Companies Senate Bill of 1910. The subject was discussed by Victor Muracett in the Hansard Law Review, 1913.

Par Value Not Essential.

This subject was dealt with in the report prepared for the president of the United States by the committee presider over by President Arthur T. Hadley, of Yale University, for the investigation of railway securities, and is discussed as follows:—

"We do not believe that the retention of the hundred dollar mark, or any other dollar mark, upon the face of the share of stock is of essential importance. We are ready to recommend that the law should encourage the creation of companies whose shares have no par value, and permit existing companies to change their stock into shares without par value whenever their convenience requires it. After such conversion any new shares could be sold at such price as was deemed desirable by the board of directors, with the requirement of publicity as to the proceeds of the sale of such shares, and as to the disposition thereof, giving to the old shareholders, except in some cases of reorganization or consolidation, prior rights to subscribe pro rata, if they so desired, in proportion to the amount of their holdings.

"As between the two alternatives of permitting the issue of stock below par, or authorizing the creation of shares without par value, the latter seems to this commission the preferable one. It is true that it will be less easy to introduce than the other, because it is less in accord with existing business habits and usages; but it has the cardinal merit of accuracy. It makes no claims that the share thus issued is anything more than a participation certificate.

"The objections to the creation of shares without par value are two in number: First, that their issue will permit inflation by making it easy to create an excessive number of shares; and second, that it will produce a division of roads into two classes, those whose shares have a par value and those whose shares have not. The second of these objections does not appear to be a very serious one. There are

BANK OF HAMILTON

HEAD OFFICE : : HAMILTON

Capital Paid Up..... $3,000,000 | Reserve and Undivided Profits $3,500,000

BOARD OF DIRECTORS

SIR JOHN HENDRIE, K.C.M.G., President. CYRUS A. BIRGE, Vice-President.
C. C. DALTON ROBT. HOBSON W. E. PHIN
I. PITBLADO, K.C. J. TURNBULL W. A. WOOD

Record of Progress—Statement to the Dominion Government (condensed) on Nov. 30th.

ASSETS	1916	1917
Cash on hand and in banks, etc.	$10,312,954	$13,816,189
Call Loans	3,844,635	3,199,104
Government Bonds, Debentures and Investments	7,846,777	14,273,309
Loans to Municipalities	1,187,505	1,345,010
Other Loans and Discounts	30,986,651	31,788,658
Premises, Real Estate, Mortgages and other Assets	2,865,092	2,903,714
Liabilities of Customers under Letters of Credit, as per contra	119,730	73,127
	$57,163,344	$67,399,111

LIABILITIES	1916	1917
Circulation	$ 4,409,351	$ 6,164,921
Government Balances	1,429,662	240,951
Bank Balances	635,935	447,630
Deposits	44,059,109	53,934,894
Acceptances under Letters of Credit, as per contra	119,730	73,127
To the Shareholders :—		
Capital, paid up	3,000,000	3,000,000
Reserve and Surplus Profits	3,509,557	3,537,588
	$57,163,344	$67,399,111

J. P. BELL, General Manager.

The Traders Trust Company

HEAD OFFICE - WINNIPEG

Authorized Capital - $500,000.00
Subscribed and Paid Up $131,000.00

J. B. NICHOLSON, President D. E. WILLIAMS, Vice-President
J. W. CAMPBELL, Secretary W. S. NEWTON, Treasurer
C. H. NEWTON, Director

Assignees, Executors, Administrators and Financial Agents

An Official Assignee for the Province of Manitoba

BANKERS : MERCHANTS BANK OF CANADA

Branch Office : BRANDON. A. A. Evans, Manager

(Empowered by Executive Council of Saskatchewan to act as an Assignee in that Province)

listed on the stock exchanges to-day, side by side with one another, shares of the par value of one hundred dollars, shares of the par value of fifty dollars, shares with very much smaller par value, and a few, like the Great Northern ore certificates, with no par value at all. The share sells in each case simply for what the public supposes it to be worth as a share. The danger of inflation deserves more serious consideration. We believe, however, that it is more apparent than real, because shareholders will be jealous of permitting other shareholders to acquire shares in the association except at full market value, and will not permit the issue of such shares to themselves at prices so low as seriously to impair the market or other value of their holdings. Shares, either with or without par value, and whether sold at par or above par or below it, should, except in cases of consolidation and reorganization, be offered in the first instance to existing shareholders pro rata.

Offers Special Facilities.

"The issue of stock without par value offers special facilities for consolidation and reorganization.

"Where two roads have consolidated whose shares have different market values, it has been the custom to equalize the difference by the issue of extra shares of the consolidated company to the owners of the higher-priced stock. This practice has always tended to produce increase of capital issues, and may readily cause the new stock to be issued for a consideration less than its par value. The only alternative was to scale down some of the old stocks; and this often involved serious difficulties, both of business policy and of law. By the simple expedient of omitting the dollar mark from the new shares the number can be adjusted to the demands of financial convenience without danger of misrepresentation or suspicion of unfairness to anyone.

"In the case of reorganization, the advantage of shares without par value is even more obvious. It is here that the necessity and justice of getting money from stockholders is greatest. It is here that the impossibility of getting them to pay par for new shares is most conspicuous. We believe that in such cases the public interest would be subserved and the speedy rehabilitation of the roads promoted by requiring the conversion of the common stock and encouraging the conversion of the preferred stock into shares without par value, the certificates simply indicating the proportionate or preferential claims of the holders upon assets and upon such profits as might from time to time be earned.

"All of these considerations seem to apply with equal force to the securities of railroads under state incorporations, and we believe the laws of the several states could with advantage be modified so as to provide for the issuance of stock without par value."

The section follows, with a few verbal changes, the amending act of the State of New York, 1912. Similar legislation has been adopted in Maryland, Delaware, California, Maine and, it may be, in several other states.

Advertising.

4. Under the act before amendment the incorporation of a company was required to be advertised in two issues of the Canada Gazette and four issues of a local paper. The latter advertising appears to have been a relict of former legislation. When the application for incorporation was required to be advertised by four insertions of a notice in a local newspaper before the petition was filed, there may have been a useful purpose in advertising. It is difficult to see the purpose of advertising afterwards. Section 13 is repealed and re-enacted so that one notice is required to be inserted in the Canada Gazette, and no further advertising is required.

Clauses in Prospectus.

5. The well-known prospectus clauses were first adopted in the Companies Amendment Act of the United Kingdom in 1900, improved in 1907, and consolidated in 1908. Similar clauses have been adopted in Ontario, British Columbia, Alberta and Saskatchewan. However, the clauses relating to the certificate to entitle the company to commence business and requiring a statutory meeting have not been included. Companies under the act may be divided as follows: (a) Private companies—that is, those restricting the right to transfer shares, limiting the number of shareholders, and prohibiting any invitation to the public to subscribe for shares or debentures. To such the clauses do not apply. (b) Companies which do not offer shares for public subscription. These companies are required, if they allot shares after January 1st, 1918, to file a notice in lieu of prospectus. (c) Companies which offer shares for public subscription. This last class must file a propectus as required by the clauses. Undoubtedly the clauses prohibiting a company commencing business until the minimum subscription is taken up and a certificate to do business issued were well intended; but the Canadian investing public does not appear to insist on compliance with them. They are, in common parlance, "side-stepped" in Ontario to such an extent as to be useless. The most important sections under this head are those which provide adequate responsibility by directors and others for statements made in the prospectus. Many of the provinces have enacted legislation requiring a prospectus to be filed by all companies, and respecting the right to recover damages which may be sustained by reason of untrue statements in such prospectus, and in some quarters it is suggested that such legislation applies to prospectuses issued on behalf of Dominion companies. There is reasonable doubt of the correctness of this suggestion. This amendment, however, adopts provisions similar to those of the provinces, and no doubt will supersede the provincial legislation.

Prior to the amendment a defrauded subscriber to shares or bonds was obliged to resort to an action for deceit, in which the defendant is liable for untrue statements, upon which the plaintiff acted to his damage. The rights of the plaintiff were limited both in the subject of his claim and the persons against whom the action could be brought. This amendment enlarges these rights of action and places the responsibility upon (a) directors at the time of the issue of the prospectus; (b) persons named as directors in the prospectus, or who have agreed to become directors; (c) promoters; and (d) persons who authorized the issue of the prospectus.

Reduction of Capital.

6. A difference of opinion arose in interpreting the sections of the act authorizing a reduction of paid-up capital. A doubt was expressed by an English judge in discussing the act of the United Kingdom of 1867 whether that act permitted a reduction where capital was repaid to shareholders. It was subsequently held in discussing the extent of authorized reductions that where capital was lost the authorized capital might be reduced, but not where capital was returned. It was further suggested that adequate protection was not afforded creditors where capital was repaid. The result of these doubts and differences of opinion was that companies were obliged to reorganize where unnecessary capital was found to be on hand. In order to allay these doubts the sections of the act of 1908 were adopted with verbal changes to harmonize with other provisions of the Dominion act with this exception.

Under the act of 1908 the application for authorization of a reduction of capital is required to be made to the courts. Under the amendment the application is to the Secretary of State. Adequate machinery for full protection of creditors is provided by directing that a list of all creditors must be disclosed with the application. If names of creditors are withheld, penalties are provided and rights preserved. Where the application provides for the repayment of capital to shareholders, the Secretary of State may direct that, pending the application, the words "and reduced" must be added to the name of the company whenever used, so that in the dealings of the company during that period due notice may be given that the authorized capital of the company is being reduced.

An important consequence of this amendment is that provisions may now be made for the redemption of preferred shares. This method of financing was first adopted under the Ontario act in 1907. It has been found to meet business requirements and to be more satisfactory than to provide capital by the issue of bonds.

Registration of Mortgages.

7. One of the most important provisions of the amendment is that which provides for the registration of certain charges and mortgages. This section follows verbatim the corresponding section of the act of 1908 with this exception, that the classes of mortgages and charges are more limited. The act of 1908 requires registration of the following:—

(a) A mortgage or charge for the purpose of securing any issue of debentures; or

THE MOLSONS BANK

INCORPORATED 1855

Capital Paid up - $4,000,000

Reserve Fund - 4,800,000

98 Branches in Canada

A General Banking Business Transacted

Savings Bank Department

BOARD OF DIRECTORS:

WM. MOLSON MACPHERSON, *President*
S. H. EWING, *Vice-President*
GEO. E. DRUMMOND
WM. M. BIRKS
F. W. MOLSON
W. A. BLACK
E. J. CHAMBERLIN
EDWARD C. PRATT, *General Manager*

ESTABLISHED 1874

THE BANK OF OTTAWA

Head Office, Ottawa, Ont.

94 Branches in Canada

CAPITAL PAID UP	$4,000,000
REST	4,750,000

Board of Directors:

Hon. George Bryson, President. — John B. Fraser, Vice-President
Russell Blackburn — Sir Henry H. Egan — Alexander Maclaren — Hon. Sir Geo. H. Perley
Sir George Burn — Hon. George Gordon — M. J. O'Brien — E. C. Whitney
D. M. FINNIE, General Manager — H. V. CANN, Assistant General Manager — W. DUTHIE, Chief Inspector

Principal Correspondents:

LONDON
Parr's Bank Limited

NEW YORK
Bank of Montreal
National Bank of Commerce

BOSTON
First National Bank
National Shawmut Bank
Commonwealth Trust Co.

PHILADELPHIA
Girard National Bank

CHICAGO
Merchants Loan and Trust Co.

(b) A mortgage or charge on uncalled share capital of the company; or

(c) A mortgage or charge created or evidenced by an instrument which, if executed by an individual, would require registration as a bill of sale; or

(d) A mortgage or charge on any land, wherever situate, or any interest therein; or

(e) A mortgage or charge on any book debts of the company; or

(f) A floating charge on the undertaking or property of the company.

Book Debts to Banks.

The amendment omits (c), (d) and (e). Clause (c) is unnecessary in Canada. The provincial laws in all cases require registration in order to preserve priority. The same comment applies to (d). The omission of (e) is of doubtful expediency. No doubt the bulk of assignments of book debts in Canada are made to banks, and it would be a great hardship if assignments to a bank as collateral of book debts and accounts upon which drafts are made should be registered. There is undoubted need of clause (f). It has been decided by the Ontario courts that floating charges need not be registered either under Bills of Sale and Chattel Mortgage Acts or Land Registry Acts and grave frauds could readily be carried out in this way. These mortgages and charges must be registered within thirty days. Where the property charged is out of Canada this period is extended by the time required for the ordinary despatch by post. Where through oversight, ignorance or accident charges or mortgages are not registered, the Supreme Court of the province of the head office of the company may give relief. The register of mortgages in the State Department is open to inspection, and the company itself must also keep a register of mortgages for inspection. Notice of the appointment of receivers under charges or mortgages must be given to the department. The priority of certain preferred clauses which obtain under the Winding-up Act are given in cases of receivership. Severe penalties are provided for impractice of the provisions of these sections. These sections are not operative until after January 1st, 1918.

Use of Names as Directors.

8. A frequent method of fraud is the naming of prominent persons as directors when it may be that they have not agreed to act, or agreed to do so only if the flotation is successful. To avoid this it is provided that a person named as a director in a prospectus or a notice in lieu of prospectus cannot be capable of acting in that capacity unless he is an incorporator of the company, or has signed a contract filed with the Secretary of State to take the qualificative shares, or has signed a consent similarly filed to act as a director.

Inspection.

9. These sections of the act respecting inspection of companies have been largely modified, and follow more closely the act of 1908. In that act, however, the holders of 10 per cent. of the issued share capital are required to petition the board of trade for the inspection. Under this amendment the petition may be made by such proportion of the shareholders as in the opinion of the Secretary of State warrants the application. The act as it formerly stood required the petition to be made by 25 per cent. to the court. The proportion of shareholders petitioning and the fact that the proceeding was in the nature of litigation rendered these possessions of little assistance to the minority shareholders.

Audit Annual Statement.

10. Under the act before amendments a company was not required to hold an annual meeting, nor to have a periodic audit of its accounts. If a meeting were held, a financial statement was required; but such a statement could be readily prepared to cloak rather than disclose the true financial condition of the company. Under this amendment an annual audit is required, and must be made by an auditor appointed at a shareholders' meeting. The annual financial statement must show a series of accounts. A comparison of the annual statements, having regard to each item of the account, should show from year to year the changes in the financial position of the company. These sections have been taken from the Ontario act passed in 1907. The items of the accounts required in the financial statement were suggested by the Ontario Institute of Accountants, and have met with general approval.

11. Under the act as it stood companies were not required to make annual or other periodic returns. Under section 106 the Secretary of State could ask for a return which, in very few instances, afforded information which was required. Once a charter had been issued from the department there was no official means of knowing whether the company had organized or gone into business. The names of directors or officers or adequate information of the corporate activity could not be obtained. The amendment requires annual returns to be filed in the state department showing certain defined statements regarding its position with respect to the issue of shares, bonds and debentures on the preceding 31st of March, and the names of directors and officers must be disclosed. This latter date is no doubt taken so that in any statistical compilations which may be preferred the period of the return may correspond to the fiscal year of the Dominion. The first return required must be made before June 1st, 1918.

The return is not so onerous as is required under similar sections of other jurisdictions. The list of shareholders is not required. Such a list is of little practical use. If the names of shareholders and the control of the company are desired to be kept secret, the ready means is at hand of placing the shares in trust or making transfers the day before the return is required or of issuing share warrants. If a creditor requires the information, it can be readily obtained in an examination of the judgment debtors. The filing of a financial statement seems to be purposely omitted. Such a statement should be for the shareholders only, and that is provided for. It would hamper business to require the copy of a balance sheet to be placed on a public file. Persons entering into a business transaction with a company are in a position to ask for a financial statement. This is the time it should be asked for, and when so demanded it gives legal rights which are not otherwise acquired. Penalties for neglectng to file this statement are enforced summarily by a magistrate and not by the ineffective *qui tam* action.

The amendments are an advance to a uniformity of company law approximating the act of 1908.

DOMINION NOTES CIRCULATION

Changes in the Law Since War Commenced—How the Figures Have Varied

In the war session of parliament of August, 1914, the power of issue of Dominion notes was increased by providing that the finance minister should hold gold to the amount of 25 per cent. of the Dominion notes issued up to a total issue of $50,000,000, and in regard to Dominion notes issued in excess of that amount, gold to be held equal to such excess. This legislation, which authorized an increase of Dominion notes from $30,000,000 to $50,000,000 without limitation or condition, left it open to the government to avail itself of the legislation at the time it was passed or at any later time. In other words, there was an integral change made in the Dominion Notes Act.

Denomination of Notes.

As regards denomination, notes of any denomination may be issued to make up the amount named. It may be wholly in ones, twos, or in fives or large legals, but it will be a combination of all. It is desirable that the total amount of free Dominion notes that should be outstanding at any time should not be materially in excess of the amount of notes of small denominations in the hands of the public. In other words, in order that the Dominion may be able to retire its notes in gold there should not be outstanding a larger amoun than is required from time to time by the community for its purposes. There is, however, a safeguard against any difficulty on that score. In the Bank Act there is a provision that the chartered banks of Canada must hold 40 per cent. of their cash reserves in Dominion notes. That being so, the amounts which the banks must hold under that legislation cannot come in for redemption.

The following table shows the course of the Dominion note circulation since a month before the outbreak of war.

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Limited

Executor **Administrator** **Trustee**
Guardian **Assignee** **Liquidator**

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Vice-Presidents, Z. A. LASH, K.C., and E. R. WOOD
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Guardian **Transfer Agent**

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Assets under Administration, $77,180,513.62

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The amount of gold held for redemption of the notes is also included, the figures being those at the end of the month:—

	Dominion notes outstanding.	Gold held for redemption of Dominion notes.
1914.		
June	$114,182,100	$ 92,663,575
July	112,793,838	91,735,584
August	114,866,864	89,133,510
September	136,505,324	89,249,876
October	148,792,222	89,354,392
November	160,964,599	89,284,216
December	162,395,231	89,317,018
1915.		
January	159,547,501	89,313,966
February	158,228,477	89,356,206
March	157,056,118	89,400,705
April	157,118,864	89,446,038
May	152,101,372	89,408,804
June	152,120,734	89,573,041
July	152,116,726	89,734,638
August	152,133,310	89,840,440
September	153,039,153	90,803,649
October	164,714,231	102,540,796
November	172,010,113	108,020,156
December	178,780,682	115,118,861
1916.		
January	179,301,003	115,147,985
February	179,523,993	115,318,081
March	177,943,131	115,743,094
April	175,680,987	114,243,788
May	175,679,782	114,172,696
June	175,497,175	114,071,032
July	174,807,743	113,877,073
August	174,533,077	113,759,019
September	174,302,958	113,690,728
October	174,634,619	113,687,359
November	178,840,064	114,172,586
December	181,047,531	114,131,731
1917.		
January	185,032,291	114,105,147
February	182,323,382	114,101,617
March	183,248,986	113,130,154
April	187,872,336	113,139,691
May	177,833,324	103,137,678
June	178,568,009	119,110,113
July	181,841,576	120,006,568
August	182,100,624	119,978,567
September	192,377,969	119,877,149
October	229,063,856	114,616,227

The Finance Act, passed at the war session held in 1914, provided for the issue of Dominion notes against a deposit of approved securities. The banks have availed themselves of this privilege. The amount of notes issued and outstanding under this heading, for example, on September 30th, 1917, amounted to $11,450,000, and on October 31st, 1917, to $53,620,000.

BANK LOANS ON LIVE STOCK

Legislation was introduced by Sir Thomas White at Ottawa last year amending the provisions of the Bank Act in regard to banks' loans to farmers on the security of live stock. Legislation of this nature was passed in 1916, but the machinery thus provided was found to operate unsatisfactorily and new methods were introduced accordingly. The legislation of 1916 required farmers to give as security for cattle loans either bills of sale or chattel mortgages, registered according to the laws of the provinces in which they were given. It was found in practice that many farmers objected to giving chattel mortgages, and, moreover, the drawing and registration of such instruments involve a certain amount of expense. The new legislation of 1917 permits the banks to make loans on live stock and take assignments of such stock in simple form. Any province may make provision for the registration of these liens by having them filed with the officials who file mortgages or bills of sale. Where the provinces do not take action to this end, the liens will, of course, be in the nature of secret liens. Sir Thomas White explained at the time that he had hesitated to extend the principle of secret liens, but the farmers had been asked to increase production and steps must be taken to help them.

FIFTY MILLIONS FROM TOURIST TRAFFIC

Before the War, It was Our Fourth Industry in Point of Value—Scope for Government Action

BY JOHN F. PIERCE

Under normal conditions the tourist traffic from the United States into Canada represents an industry of some fifty million dollars. Outside of the money which the tourist leaves with the transportation companies there are his hotel bills, incidental expenses, purchases from our merchants, which run into considerable money, more than one would ordinarily think, for the reason that $100 worth of wearing apparel may be taken back duty free, and in addition often elects to take back a considerable quantity of goods on which he is willing to pay duty as there are many articles which may be purchased in Canada at a great deal better value than it is possible to obtain them in the United States.

Added to this is the rolling stock that has to be arranged for and the outfitting of passenger steamers each year, so that altogether, it is a safe prediction to state that in good times fifty million dollars is spent in Canada in connection with the United States tourist industry, which was, prior to the advent of munitions, our fourth largest industry.

Fluctuations of Traffic.

This business, unfortunately, is subject to as many vicissitudes as the grain crop. Since the commencement of the war it has required most careful nourishing. During the seasons of 1911-1912-1913 travel was very heavy, and was also fairly heavy until the outbreak of the war in 1914. In 1915 it was cut almost to nothing because of the propaganda spread in the United States that it was necessary to procure passports. This was fostered largely by interests unfavorable to Canada, and also, it is firmly believed, as part of the German propaganda. However, with the help of our immigration department and strenuous efforts on the part of the transportation lines we were able to combat this, so that in 1916 travel was heavy. The past year has been below our biggest years on account of the United States entering the war and the uncertainty as to the draft. However, one pleasing feature is the fact that Canadians have begun to appreciate their own scenic attractions, and to a large extent the shortage of the United States traffic was compensated for by the extra travel on the part of Canadians.

One of the greatest sources of revenue from United States tourist business is through the movement of large party organizations, such as the Shriners, Elks and Knights of Columbus, who all hold their conventions during the summer months. The large cities of Canada are neglecting golden opportunities in not making a concentrated effort to get after this business. The city of Philadelphia employs a convention manager, whose business is to do nothing else but solicit conventions to be held in Philadelphia. As an example: The Shriners have had as many as 50,000 people at their conventions, and there are several cities in Canada capable of handling them. Just to give an idea of the revenue in it, the Unitarian conference took place in Montreal during the latter part of September. There were 800 delegates present, and allowing for railroad fare, hotel bills, etc., an average of $100 spent by each delegate meant $80,000 brought into the country that would not have otherwise been spent.

Scope for Government Action.

It is felt that if the government would take some official action in encouraging this tourist business to come to Canada, that inasmuch as Europe is closed to the tourist, it would mean a large migration into Canada. The government spends large sums to encourage immigration, which is very desirable, but a still further sum should be spent to encourage the United States tourist industry. The transportation companies do all they can, but their efforts are looked upon, more or less, as mercenary and do not carry the same weight as government action would. The transportation companies are doing their part. The officials, while realizing that their first duty is to secure revenue for the organizations which they represent, feel that beyond this they are doing their bit towards cementing the friendship between the two great nations. They like to feel that they are in the front line trenches of the international boundary line of goodwill, realizing that Canada and its people will be judged to a

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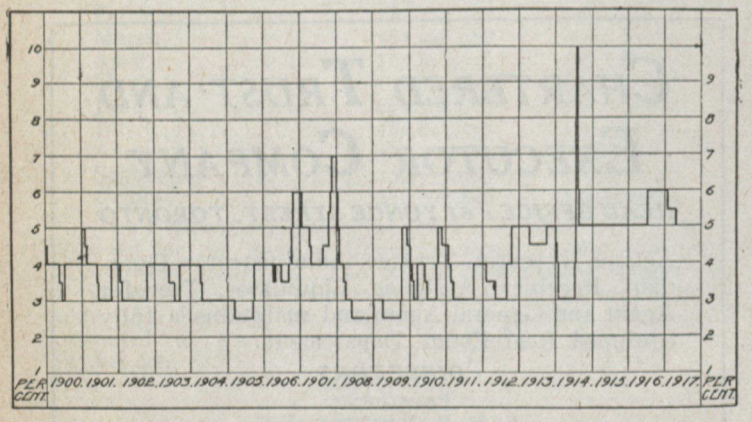
considerable extent by the treatment the tourists receive when coming in or going out, by its carriers. They are not alone, however, in this action, as there are many organizations in Canada to-day who are doing their best to entertain and look after the stranger within our gates, to see that he goes back with a proper impression of our great and growing country.

There is no doubt that Canada has more attractions to offer to the tourist than any one country in the world. There are countries in Europe that have certain specific attractions that are household words, but Canada, with a combination of mountains, rivers, lakes and cataracts, offers vacations of from an hour to a week's duration unequalled at a most moderate cost, even in these days of inflated values. Furthermore, these attractions should not be overlooked by our own people. It is all very well to say we have seen the Alps, or to talk about the Danube or the fjords of Norway, but if we are asked if we have seen the Rocky Mountains, Niagara Falls, or the Saguenay canyon, and have to admit that we have not, it is rather a reflection upon our own country. When an organization of Texas bankers, numbering 150, come all the way from Texas to view the scenic attractions, or a Maharajah from far-off India, there is not much excuse for our own people not taking advantage of the opportunities right at their door. I emphasize this point particularly, as during the summer months 75 per cent. of the tourist travel in and about Canada comes from the United States.

BANK OF ENGLAND RATE

Only Two Changes Were Made Last Year—Record of Changes Since 1899

The Bank of England rate was lowered from 6 per cent. to 5½ per cent. on January 18th, 1917, and again to 5 per cent. on April 6th. The rate was changed only once in 1916 from 5 to 6 per cent. This change was made on July 13th, and was the first since August 8th, 1914, when the rate was



reduced from 6 to 5 per cent. The reduction of ½ per cent. in the bank's official rate of discount last January was due to the desire of British treasury authorities to aid the flotation of the new British war loan. The second change was due to the prospective financial assistance of the United States to the allies, no longer necessitating maintenance of high bank rates as a protective measure.

The following table compiled for *The Monetary Times*, gives the number of changes in the Bank of England rate for a series of years:—

Year.	Times lowered.	Times raised.	Total changes.
1917	2	.	2
1916	.	1	1
1915	.	.	.
1914	4	3	7
1913	1	1	2
1912	2	2	4
1911	1	3	4
1910	6	3	9
1909	2	4	6
1908	6	.	6
1907	3	4	7
1906	2	4	6
1905	1	2	3
1904	2	.	2
1903	2	1	3
1902	2	1	3
1901	5	1	6
1900	5	1	6

The Bank of England discount rate was raised in 1914 to 10 per cent. on Saturday, August 1st, three days before the war, having been raised from 4 to 8 on Friday, and from 3 to 4 on Thursday. The rate had stood at 3 since January 29th, 1914. These increases were made to conserve the gold holdings of the bank. The 10 per cent. rate had been equalled previously only on two occasions—in 1857 and 1866.

The fluctuations in order of severity from 7 per cent. to 5 per cent. at the Bank of England, have been as follows, the figures being in order, year, lowest rate per cent., highest rate and fluctuation: 1914, 3, 10, 7; 1866; 3½, 10, 6½; 1873, 3, 9, 6; 1858, 2½, 8, 5½; 1847, 3, 8, 5; 1861, 3, 8, 5; 1863, 3, 8, 5.

Details of Changes.

The following table gives details of the changes in the rate from 1899 to date:—

	Per cent.
1917—April 6	5
January 18	5½
1916—July 13	6
1915—No changes.	
1914—August 8	5
August 6	6
August 1	10
July 31	8
July 30	4
January 29	3
January 22	4
January 8	4½
1913—October 2	5
April 17	4½
1912—October 17	5
August 29	4
May 9	3
February 8	3½
1911—September 21	4
March 9	3
February 16	3½
January 26	4
1910—December 1	4½
October 20	5
September 29	4
June 9	3
June 2	3½
March 17	4
February 10	3
January 20	3½
January 6	4
1909—December 9	4½
October 21	5
October 14	4
October 7	3
April 1	2½
January 14	3
1908—May 28	2½
March 19	3
March 5	3½
January 23	4
January 16	5
January 2	6
1907—November 7	7
November 4	6
October 31	5½
August 15	4½
April 25	4
April 11	4½
January 17	5
1906—October 19	6
October 11	5
September 13	4
June 21	3½
May 3	4
April 5	3½
1905—September 28	4
September 7	3
March 9	2½
1904—April 21	3
April 14	3½
1903—September 3	4
June 18	3
May 21	3½
1902—October 22	4
February 3	3
January 23	3½
1901—October 31	4
June 13	3
June 6	3½
February 21	4
February 7	4½
January 3	5
1900—July 19	4
June 14	3
May 24	3½
January 25	4
January 18	4½
January 11	5
1899—November 30	6

After the war, trade and commerce will be for a time disorganized and new conditions will have to be met. In addition to conserving our present trade in natural and manufactured products, efforts must be made to increase Canadian trade in foreign markets, having particular reference to the markets of those countries with which we are at present allied. The senate last year appointed a committee to inquire into and report upon the best methods of conserving and increasing our domestic and overseas trade, to the end that our present prosperity may not unduly suffer when the stimulus resulting from orders for munitions and other war supplies is removed. The following is the committee: Hon. Messrs. Beaubien, Edwards, McLennan, Dandurand, Gillmor, and Frederic Nicholls.

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TWELVE MONTHS' BANK FIGURES (COMPARED)

	Circulation			Deposits on Demand			Deposits after Notice			Deposits Abroad		
	1914	1915	1916	1914	1915	1916	1914	1915	1916	1914	1915	1916
	$	$	$	$	$	$	$	$	$	$	$	$
November	114,767,226	124,153,685	156,971,068	350,884,153	406,735,171	459,277,454	665,994,852	714,219,286	836,593,269	91,278,495	132,029,108	162,207,247
December	105,969,755	122,199,582	161,599,987	349,909,953	423,690,384	458,208,417	662,830,037	720,990,267	845,006,717	98,901,413	134,650,183	162,860,614
	1915	1916	1917	1915	1916	1917	1915	1916	1917	1915	1916	1917
January	97,192,699	111,029,572	149,425,864	329,916,730	387,002,926	427,308,526	666,960,482	714,264,486	864,163,344	91,807,007	120,534,966	159,494,048
February	97,789,392	113,528,237	142,589,098	331,415,179	389,825,667	430,331,801	671,088,613	728,242,609	880,456,637	92,092,034	116,675,028	156,498,668
March	96,666,544	114,804,604	149,950,596	339,514,286	389,165,388	448,151,528	676,875,790	738,169,212	888,765,698	97,737,998	120,678.959	170,253 362
April	96,288,398	119,233,330	155,576,568	347,325,937	402,060,955	471,312,285	686,075,124	748,359,957	874,948,724	104,210,620	192,041,591	183,022,686
May	99,125,136	114.847,323	151,414,829	347,346,119	412,301,481	443,839,847	691,891,287	765,064,041	892,562,657	96,912,047	187,415,780	206,682,376
June	99,625,426	123,373,395	157,886,938	349,057,351	428,117,340	449,689,670	683,761,432	767,598,130	900,510,552	112,242,504	176,922,950	177,974,187
July	100,412,424	123,530,451	161,762,871	340,950,215	431,958,188	450,849,356	691,731,719	789,363,919	929,442,340	98,762,226	171,167,615	183,846,718
August	99,610,962	122,656,083	162,696,039	334,022,174	443,317,275	439,997,259	692,580,626	806,774,687	952,591,821	128,109,996	140,789,100	186,651,653
September	105,798,618	135,285,031	178,139,958	359,315,280	454,148,049	451,749,532	693,339,851	816,374,171	965,393,541	128,271,771	149,744,985	180,535,043
October	122,782,233	145,031,667	195,298,212	392,042,193	489,230,234	495,058,449	701,336,850	814,297,404	985,790,850	111,236,345	166,200,928	181,799,457

	Current Loans in Canada Including loans to municipalities.			Current Loans Abroad			Call Loans in Canada			Call Loans Abroad		
	1914	1915	1916	1914	1915	1916	1914	1915	1916	1914	1915	1916
	$	$	$	$	$	$	$	$	$	$	$	$
November	838,975,275	818,227,113	813,791,947	42,966,275	53,240,955	76,087,370	63,394,407	83,203,787	89,395,370	74,459,643	135,530,562	183,250,389
December	824,291,325	806,395,975	820,378,557	43,413,760	58,479,739	76,396,720	68,511,653	84,228,155	82,569,983	85,012,964	137,157,869	173,878,134
	1915	1916	1917	1915	1916	1917	1915	1916	1917	1915	1916	1917
January	806,071,716	790,515,863	830,966,420	43,987,270	61,986,845	85,989,511	66,154,891	82,584,659	79,737,064	85,796,641	134,248,552	155,747,476
February	810,073,111	796,023,096	839,424,041	43,661,379	56,099,719	86,944,450	67,591,769	81,949,125	78,786,535	89,890,982	139 138,651	162,344,556
March	810,366,332	808,888,988	872,932,377	41,745,737	52,705,827	83,551,225	68,245,261	81,747,512	76,478,708	101,938,685	141,889,989	161,616.735
April	805,963,211	822,035,732	916,455,893	37,705,039	57,008,965	86,058,220	68,599,095	82,527,448	82,737,417	121,522,971	147,146,443	159,156,054
May	804.579,549	807,160,953	874,680,780	36,375,658	59,600,342	98,993,197	71,516,953	84,826,636	78,514,798	136,098,835	163,406,059	168,692,675
June	806,823,970	794,243,573	882,113,455	39,273,120	60,081,584	93,150,083	73,628,187	86,776,474	76,085,220	124,604,875	182,757,015	159,309,133
July	802,378,963	782,425,837	873,549,907	41,784,633	62,356,259	90,253,882	71,168,233	87,355,648	71,376,788	117,821,174	177,121,733	151,875,676
August	804,363,465	779,821,324	836,429,670	44,968,445	66,556,371	82,082,847	71,855,565	86,351,216	71,204,351	120,607,677	171,380,353	178,610,625
September	815,015,088	791,254,501	855,306,953	49,147,877	69,949,215	87,265,325	71,578,886	88,145,851	72,421,187	135,108,412	173,877,586	166,480,004
October	826,467,984	812,541,752	883,986,860	49,612,985	79,459,621	93,821,865	74,574,270	90,412,023	71,653,719	120,681,624	189,346,216	151,018,747

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CENTRAL GOLD RESERVE

It Has Been in Operation Over Four Years Now—Its Record

The central gold reserve at Ottawa has now been in operation a little over four years, it having become available to the chartered banks in September, 1913. The purpose of this reserve is to extend the banks' circulation facilities, which had hitherto proved insufficient. Deposits may be made therein either in current gold coin or in Dominion notes.

The following record, compiled for *The Monetary Times*, shows the deposits in the reserve for each month since its inauguration:—

1913.	Deposits in Central Gold Reserve.	1915.	Deposits in Central Gold Reserve.
September	$ 3,350,000	October	11,750,000
October	7,373,977	November	15,100,000
November	8,100,000	December	17,360,000
December	7,597,066	1916.	
1914.		January	11,860,000
January	3,500,000	February	10,460,000
February	3,000,000	March	12,010,000
March	3,500,000	April	14,410,000
April	3,250,000	May	14,810,000
May	3,550,000	June	17,710,000
June	3,050,000	July	19,010,000
July	4,400,000	August	20,860,000
August	4,150,000	September	24,010,000
September	10,950,000	October	35,660,000
October	13,000,000	November	43,300,000
November	10,800,000	December	43,700,000
December	9,700,000	1917.	
1915.		January	32,050,000
January	6,950,000	February	30,050,000
February	5,250,000	March	35,200,000
March	5,550,000	April	41,150,000
April	5,800,000	May	39,500,000
May	5,900,000	June	43,450,000
June	5,500,000	July	50,220,000
July	6,350,000	August	53,320,000
August	6,550,000	September	64,870,000
September	7,850,000	October	80,770,000

The banks have made increasingly greater use of the central gold reserves, a new high record having been established last year. During the first year of its operation their deposits in the reserve did not reach $10,000,000, whereas in 1916 they exceeded $35,000,000 and in 1917 $50,000,000.

How the reserve works is shown in the following hypothecal example: Suppose we have a bank with a paid-up capital of $12,000,000, a reserve of a like amount, $10,000,000 of gold and $10,000,000 of Dominion notes. Such a bank would primarily be able at all times to issue and keep in circulation $12,000,000 of notes, or an amount equal to its paid-up capital. Moreover, from the beginning of September to the end of February it would be able temporarily to augment its circulation by 15 per cent. of its paid-up capital and reserve, namely, 15 per cent. of $24,000,000, or $3,600,000. Under special legislation of 1914, this can now be done all the year round. Further, suppose that it keeps in the central gold reserve only one-quarter of its holdings of gold and Dominion notes. It can then issue at any time extra notes to the amount of $5,000,000.

GERMAN WAR LOANS

The following table, compiled by *The Monetary Times*, gives particulars of Germany's seven war loans to date:—

Issued.	Rate.	Issued at	Amount reported subscribed.
September, 1914	5	95	865,000,000
September, 1914	5	97.50	250,000,000
March, 1915	5	98.50	2,071,000,000
March, 1915	5	98.50	193,000,000
September, 1915	5	99	3,025,000,000
March, 1916	5	98.50	2,678,000,000
September, 1916	5	98	2,674,000,000
March, 1917	5	98	3,192,000,000
September, 1917	4½ & 5	98	3,107,000,000

NATIONAL DEBT NEARLY BILLION DOLLARS

War Has Increased National Debts to Record Figures—Debt of United States

In 1913, before the war commenced, our net national debt totalled $314,000,000. In June, 1915, it had risen to $450,000,000; in July, 1916, to $635,000,000; and in August, 1917, to $864,000,000. If our war expenditures during the last seven months of the current fiscal year (which will end in March next) average what they did for the first five months (namely, $51,000,000), we shall have a national debt in March, 1918, of approximately $934,000,000.

Britain's Debt Over £5,000,000,000.

At $1,000,000,000, our national debt would be about one-twenty-fifth part of Great Britain's debt. In the Imperial House, on October 30th, 1917, Chancellor Bonar Law stated that Britain's national debt on September 29th, 1917, was £5,000,000,000. A report of the select committee of the House of Commons on national expenditure, issued on October 6th, 1917, said that, excluding £1,321,000,000 owed by Great Britain's Allies and Dominions, the national debt up to September 30th had been added to by approximately £3,000,000,000. The accretion to the debt, the report said, tends to become more rapid, and, roughly speaking, each six months of the war will necessitate a gross addition of £1,000,000,000, or, excluding loans, a net addition of £750,000,000.

With interest at 5 per cent. and 1 per cent. for the sinking fund, the gross addition to the debt charge consequent upon each six months of the war, on the present scale of expenditure, would be about £60,000,000, and, deducting payments due by the Dominion and the Allies, £45,000,000.

Despite the entry of the United States into the war, the report continued, the advances to the Allies showed no tendency to diminish.

The variations in Britain's debt are shown in the following table:—

National Debt.

Debt in	Principal.
1775 (before American War)	£ 128,583,000
1783 (Peace of Versailles)	249,851,000
1802 (Peace of Amiens)	520,207,000
1816	885,000,000
1857	836,000,000
1899	635,000,000
1903	798,000,000
1914 (March 31st)	707,000,000
1915 (March 31st)	1,165,802,000
1917 (September 29th)	5,000,000,000

Per Capita Debts.

The following are the per capita debts of the belligerent nations, compared for the first three years of war:—

	August 1— 1917.	1916.	1914.
Great Britain	$422.60	$306.40	$74.50
France	475.00	371.25	162.50
Russia	76.85	60.00	26.25
Italy	140.30	119.50	77.75
Entente nations	$192.45	$147.45	$58.40
Germany	277.95	211.00	76.45
Austria-Hungary	175.50	140.60	70.75
Turkey	44.20	40.00	30.00
Central Allies	$204.55	$158.40	$67.40
Grand total	$196.60	$151.60	$61.35

Debt of United States.

All of the above figures contrasted with a per capita indebtedness for the people of the United States of about $10.82, but the entrance of the United States into the struggle and its vast loans to the Allies have caused a very rapid increase in the national debt of that country. Interest-bearing public debt of the United States in September was $4,902,346,015. This includes receipts from the first Liberty Loan and outstanding treasury certificates of indebtedness, issued in anticipation of the second Liberty Loan. Notwithstanding the large debt augmentation that has taken place since the

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entrance of the United States into the war, per capita distribution of public debt, at $40.21, is considerably below what it was for a long period subsequent to the Civil War. As late as 1874 the per capita debt exceeded the present figure. On June 30th, 1866, interest-bearing debt stood at $2,332,331,208, with per capita at $65.82. At that time the population of the United States was about one-third what it is now. The per capita has been in close proximity to $10 for a number of years, while interest-bearing debt has remained well under a billion dollars since 1901.

CALL LOANS ABROAD

Totals Were Not Unduly High Last Year — Record Since War

When war broke out, our banks had over $125,000,000 of call loans in New York, which amount, during the world-wide financial crisis, was rapidly reduced and without trouble to about $74,000,000 in November. With improving conditions, a smaller crop to finance, and less demand for funds in Canada, the total call loans abroad reached the high total of $189,346,216 in October, 1916. Since then, and throughout 1917, the total was considerably less. War between Great Britain and Germany commenced on August 4th, 1914, and at the end of that month, Canadian banks had withdrawn $29,000,000 of their loans from abroad, despite the fact that critics were positive that the banks could not recall these loans in a hurry during the crisis. Between June and November, 1914, the Canadian banks withdrew loans amounting to $63,000,000. Between the autumn of 1914 and May, 1915, there was a gradual increase in these loans until they reached $136,000,000, a total within a million dollars of the high mark in June, 1914. The figures were large in 1916, especially during the latter part of the year. Last year, the tendency was for smaller totals.

No Reason for Complaint.

The usual complaint regarding call loans is that Canadian banks are loaning their funds in New York to the detriment of the business community in Canada. As the late Mr. Alexander Laird, former general manager of the Canadian Bank of Commerce, once put it: "Notwithstanding all that financial critics have written about the Canadian banks sending to New York moneys needed in Canada, in order to take advantage of the high rates occasionally prevailing there, such a thing as a bank curtailing its commercial loans in Canada for a purpose of this kind is absurdly improbable."

This particular business between Canadian banks and New York has been going on for half a century. The results have been satisfactory to Canada, because they have yielded a steady profit to the banks, have strengthened their position and have enabled them to lend to their Canadian customers on more favorable terms than perhaps would have been possible otherwise. The larger portion of these loans are carried in New York at 24 hours' call, and are practically as readily available as cash. Except on rare occasions, New York call loans bear a lower rate of interest than Canadian mercantile loans. Therefore, the Canadian banks aim to carry such an amount on call in New York as will constitute, with the cash carried in Canada, a reasonable reserve of cash and immediately realizable funds.

Excessive Rates are Seldom.

Only occasionally during the past 20 years have excessive rates for call money prevailed in New York for more than a few days in a year. Obviously, a Canadian banker would not sacrifice prominent business connections in Canada for such a temporary advantage. Selfish reasons alone would be sufficient to prevent the banks from lending Canadian funds outside of the Dominion except to the extent that is necessary for the purposes of their cash reserve.

By carrying call loans abroad, disturbance or inflation of the home markets in Canada is avoided and funds lying in New York can be utilized gradually to meet Canada's external obligations for merchandise imported, and the interest and principal of foreign-held securities.

The course of call loans abroad and largely in New York, for the period beginning two months before the declaration of war is of interest and is shown in the following table, compiled by *The Monetary Times*:—

	1914.	1915.	1916.	1917.
January	.....	$ 85,796,641	$134,248,552	$155,747,476
February	.....	89,890,982	139,138,651	162,344,556
March	.....	101,938,685	141,889,989	161,616,735
April	.....	121,522,971	147,146,443	159,156,054
May	.....	136,098,835	163,400,659	168,692,675
June	$137,120,167	124,604,875	182,757,015	159,309,133
July	125,545,287	117,821,174	177,121,733	151,875,676
August	96,495,473	120,607,677	171,380,353	178,610,625
September	89,521,859	135,108,412	173,877,586	166,480,004
October	81,201,671	120,681,624	189,346,216	151,018,747
November	74,459,643	135,530,562	183,250,389	.....
December	85,012,964	137,157,869	173,878,134	.....

BANK LOANS TO MUNICIPALITIES

Total was High During Greater Part of the Year— Figures for Past Four Years

Since only August, 1913, have the chartered banks' loans to municipalities been shown separately in the government bank statement. Previously, these advances were included in the figures representing current loans and discounts to business generally. The following table, compiled by *The Monetary Times*, gives the bank loans to municipalities since August, 1913, to the latest month last year for which figures are available:—

The following table, compiled by *The Monetary Times*, shows the volume of bank loans to municipalities since January, 1914, to October, 1917:—

	1914.	1915.	1916.	1917.
January	$29,301,620	$35,952,805	$32,015,371	$24,487,272
February	30,372,854	38,437,903	35,149,915	26,121,324
March	31,890,843	41,227,449	38,649,462	29,877,911
April	30,168,812	43,031,360	44,371,050	35,931,996
May	33,689,577	43,948,436	43,924,036	39,790,191
June	37,260,571	46,889,816	46,773,032	42,757,673
July	36,372,334	44,029,446	42,385,096	43,989,207
August	39,664,534	46,020,730	39,882,811	43,940,176
September	44,338,873	43,928,331	38,708,745	42,721,563
October	47,316,076	45,682,230	37,613,530	41,204,781
November	44,706,055	41,064,550	32,945,963	.....
December	38,256,947	30,878,028	24,056,797	.....

Fluctuation in Amount.

Three years ago, these loans were at their highest point in October, the total being $47,316,076. In 1915, the highest total was $46,889,816 in June. In 1916, the largest sum was $46,773,032 in June. The loans during the fall months of 1916 were generally lower than for the previous two years. At the end of 1916, the total of $24,056,797 was the lowest on record since the returns were published separately. The figures remained at comparatively small totals early last year, but commenced to increase materially by midsummer. In July, for example, they were $43,989,207, a gain of about $20,000,000, or 83 per cent. over the record of January. By that time, war loans had the entire right-of-way in the world's money markets, and municipalities were unable to market their securities. This accounted for the high figures during the latter part of 1917. From midsummer onward last year, the loans exceeded $40,000,000.

At the end of August last the "index number" of average English prices for forty-five commodities, reckoned on the Sauerbeck system, was 175¾. This compares with an average of 189, computed by Professor Jevons for 1809 at the climax of rising prices in the Napoleonic wars.

The stock of gold in the United States, as estimated by the treasury, reached its low point during the war at the end of 1914, and its high point at the end of June, 1916. From $1,887,200,000 on August 1st, 1914, it declined to $1,815,900,000 on January 1st, 1915; rose to $3,090,600,000 on July 1st, 1917, and stood on October 1st, 1917, at $3,035,300,000.

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MONEYS COINED BY CANADA'S MINT

During the past ten years, the branch of the Royal Mint at Ottawa has coined for issue 139,517,849 moneys, with a total value of $17,329,518.93. The details are given in the following table, covering the period from January, 1908, to October, 1917, and supplied to *The Monetary Times* by Dr. James Bonar, deputy master of the Royal Mint at Ottawa:—

	Jan. 1, 1908-Dec. 31, 1916.	Jan. 1, 1917-Oct. 31, 1917.	Total, Jan., 1908-Oct., 1917.
Gold.			
Number	952,175	.....	952,175
Value	$6,457,280.40	.....	$6,457,280.40
Silver.			
Number	72,801,711	10,784,355	83,586,066
Value	$8,814,099.55	$1,508,342.90	$10,322,442.45
Bronze.			
Number	46,289,151	8,690,457	54,979,608
Value	$462,891.51	$86,904.57	$549,796.08

Part of the metal used in the Ottawa Mint was purchased in Canada and part in the United States.

During the ten months of 1917, to October 31st, the Ottawa Mint issued coins as follows:—

Gold	$ 910.07
Silver	1,358,200.00
Bronze	80,400.00

The only gold coins issued were sovereigns.

The Canadian Bank Act revision in 1913 established central gold reserves for the securing of issues made above the paid-up capital of the issuing banks. The Ottawa Mint, however, has more direct concern with the statutory reserve of the Dominion's finance department, held against Dominion notes and (in small part) against deposits in Dominion savings banks.

Japan had loaned $550,000,000 to the Allies up to November 1st, 1917.

CANADIAN BANK CLEARING HOUSES

No additional bank clearing houses were opened last year. Two were opened in 1916, one at Kitchener, Ont., on January 10th, and one at Sherbrooke, Que., on February 11th. Three clearing houses were estabilshed in 1910, one each at Brandon, Lethbridge and Saskatoon. Three, Moose Jaw, Brantford and Fort William, were established in 1911; two, New Westminster and Medicine Hat, in 1913; and one, at Peterborough, in 1914. No new clearing houses were opened in 1915.

The following table, compiled by *The Monetary Times*, shows where the 25 bank clearing houses are situated:—

Clearing house.	Commenced business.
Halifax, N.S.	1886, 1 July.
Montreal, Que.	1889, 7 January.
Hamilton, Ont.	1891, 15 June.
Toronto, Ont.	1891, 21 July.
Winnipeg, Man.	1893, 4 December.
St. John, N.B.	1896, 1 May.
Vancouver, B.C.	1898, October.
Victoria, B.C.	1898, 2 November.
Quebec, Que.	1901, 1 May.
Ottawa, Ont.	1901, 9 September.
London, Ont.	1902, 1 June.
Calgary, Alta.	1906, 18 April.
Edmonton, Alta.	1906, 11 July.
Regina, Sask.	1909, 1 October.
Brandon, Man.	1910, 1 April.
Lethbridge, Alta.	1910, 1 September.
Saskatoon, Sask.	1910, 15 October.
Brantford, Ont.	1911, 1 January.
Moose Jaw, Sask.	1911, 9 February.
Fort William, Ont.	1911, 2 October.
New Westminster, B.C.	1913, 2 January.
Medicine Hat, Alta.	1913, 1 May.
Peterborough, Ont.	1914, 16 June.
Kitchener, Ont.	1916, 10 January.
Sherbrooke, Que.	1916, 11 February.

FINANCIAL VALUES LAST FALL, DURING WAR AND BEFORE

	September 24 1917	1916	1915	1914	1913
†Average price of 20 industrial stocks	84.82	98.51	102.16	Closed	81.56
†Average price of 20 railroad stocks	86.71	108.76	95.33	Closed	106.13
†Average price of 40 bonds	80.60	87.01	82.72	Closed	87.93
Bradstreet's index number	* 16.6441	11.7803	9.8213	8.7087	9.0115
Money supply of U. S.	* $5,505,761,456	$4,580,411,501	$4,061,659,127	$3,819,916,263	$3,733,765,111
Gold supply of U. S.	* 3,060,991,378	2,548,241 473	2,056,732,138	1,844,602,682	1,881,440,176
Gold holdings Fed. Res. banks	1,364,783,000	550,709,000	302,242,000	.....	.....
Rediscounts for member banks	168,217,000	27,527,000	31,373,000	.....	.....
Fed. Reserve notes in circulation	644,567,000	179,409,000	16,562,000	.....	.....
N. Y. bank surplus reserve	82,754,520	114,134,130	220,373,000	§22,761,000	13,184,000
Gold imports, year to date	510,000,000	353,216,000	265,839,000	39,941,000	46,199,000
Gold exports, year to date	275,000,000	86,000,000	12,936,000	157,656,000	74,079,000
Country's iron production, tons	* 3,247,947	3,203,713	2,779,647	1,995,261	2,545,763
Unfilled orders, U. S. steel	* 10,407,049	9,660,357	4,908,455	4,213,331	5,223,468
Call money, New York	§ 6	3	2	8	3½
Sixty-day loans, New York	5 @ 6	3	2½	6 @ 8	4½
Mercantile paper, New York	6	3½ @ 4	3½	6 @ 8	5¾
Time loans, Chicago	5½ @ 6	4¼	4	7	5½
Time loans, Boston	5½ @ 5¾	3¾	3	6	6
Discount rate, London	3¾	5½	4⅝	3	3 1⅝
Discount rate, Paris	5	4	5	4	3¾
Discount rate, Berlin	4⅝	4⅝	3⅜	6¾	5⅜
Sight sterling, New York	4.75½	4.75¾	4.68	4.92¾	4.85⅝
Exchange on Paris	5.78⅜	5.86⅛	5.82	Nominal	5.18⅛
Exchange on Petrograd	17.50	31.90	34.50	35.75	Not quoted
Exchange on Denmark	30.70	28.60	27.85	25.95	Not quoted
United States 4s, 1925	105½	109½	109	109½	109½
New York City 4s, 1957	93¼	101	95	99⅝	94¾
British Consols	55½	60	65	69½	73 1⅝
French rentes	62.30	64.00	67.25	74.00	89.35
Bar silver, London, per ounce	55d.	32½ d.	23½ d.	23 5/16 d.	28 5/16 d.
Wheat, per bushel	$2.28	$1.59½	$1.28	$1.23	$0.97½
Cotton, cents per pound	21.80	15.60	10.80	11.00	13.20
Copper, cents per pound	27.50	28.12½	18.00	12.50	15.40
Lead, cents per pound	08.75	7.10	4.50	3.87½	4.75
Steel, per ton	$65.00	$45.00	$26.00	$21.00	$25.00
Tin, per ton	61.50	38.50	33.37½	30.95	41.60

New York Stock Exchange quotations. * Figures for month of August. § Highest rate for week quoted. ‡ Deficit. "New York Post" compilation.

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SUBSCRIBED CAPITAL - - - - -	1,171,700
PAID UP CAPITAL AND RESERVE - - -	1,050,000
TOTAL ASSETS - - - - -	over 7,000,000

DIRECTORS

D. E. Sprague, Esq., J. H. G. Russell, Esq., W. T. Alexander, Esq., Dr. A. D. Carscallen, J. G. Hargrave, Esq., R. G. Affleck, Esq., E. L. Taylor, Esq., K.C., F. H. Alexander, Esq., Hon. A. C. Rutherford, James Short, Esq., K.C., S. D. Lazier, Esq., Wm. H. Duncan, Esq., Jonathan Rogers, Esq., R. T. Elliott, Esq., K.C., Thos. S. McPherson, Esq.

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BANKRUPTCY ACT FOR CANADA

Some Suggestions as to Form and Procedure—System of Voluntary Assignments

BY H. P. GRUNDY.

A Federal bankruptcy act is a much-needed reform and has become a live issue in Canada. Without doubt a bill will be presented to the Dominion parliament either at the next or following session for commercial interests, both wholesale and retail, have expressed their desire for immediate bankruptcy legislation.

The principal objects to be sought by a Federal act and which are lacking in our present insolvency laws are shortly as follows:—.

1. Uniformity throughout Canada in bankruptcy or insolvency matters.
2. Involuntary bankruptcy, or procedure whereby the creditors can force an insolvent debtor to turn over to a trustee his assets for pro rata distribution among creditors.
3. Procedure for the discharge of an honest debtor carefully safeguarded from laxity and fraud.
4. Ratification by the court of composition and extension agreements when signed by 75 per cent. of creditors thereby making them binding on minority creditors.
5. Safer and more businesslike methods of administering insolvent estates.

As to Court Procedure.

These objects are all very desirable and necessary, but the question worrying the business man is,—can they be obtained without subjecting the winding up of insolvent estates to greater expense and delay than under our present provincial acts.

The legislatures of countries such as Great Britain, the United States and Australia have adopted as a basic principle that court procedure and supervision are necessary in the administration of bankrupt or insolvent estates. The bills which were submitted from time to time to the Dominion parliament, during the past twenty years, contained somewhat similar procedure. The necessity of court supervision is now being advocated in some quarters of Canada. (1)

What Does Business Man Find?

He makes enquiries in Great Britain and the United States and ascertains quite readily that commercial interests complain of "expense and delay" in administering estates through court procedure, and that such interests endeavor to keep estates out of the bankruptcy court by inducing the debtors to turn over their assets to private trustees for distribution. This is an unsatisfactory state of affairs, for both debtor and creditor lose the more important benefits and safeguards of the act.

He finds that in the United States there is now an agitation on foot to simplify the bankruptcy act by eliminating court procedure therefrom, but the American business man is met with the difficulty that *once a system is established, courts formed, officers appointed, forms prepared and government fees fixed it is a difficult matter to make a change.*

The business man also notes with some apprehension the results obtained in the winding up of insolvent companies under "The Dominion Winding-up Act," the procedure in which is not more complicated or expensive than that of the English bankruptcy act.

The chief argument advanced for court administration is that some trustees or official assignees in the past have proved to be dishonest or rapacious, but this is more the fault of our provincial acts in not providing a more careful method for the appointment of official assignees or trustees, and in not providing for adequate bonds, taxing of accounts and for penalties where overcharges and infractions of the act occur.

We should have a Federal act as soon as practicable to replace our present confusing insolvency system which is now based on nine separate provincial acts. Such Federal act should, however, retain the system now in force in most of the provinces whereby a debtor makes an assignment direct to a trustee. This system should be retained not only because of the "expense and delay" of court procedure, but because it is the system used and understood by the majority of Canadian business men. *Legislation should not disturb existing laws and usages more than is necessary.*

The system of voluntary assignments should be made safer and more businesslike to creditors by having the trustees appointed under the act, first recommended by resolution of the Chamber of Commerce, or Board of Trade, of the particular district to which they are appointed; each trustee should give to the government a general bond for, say, $20,000, and creditors should have power to require an additional bond in any particular estate; trustees' accounts should be taxed when necessary and trustees should be liable to severe penalties for all overcharges or other infractions of the act.

System of Voluntary Assignments.

The system of voluntary assignments should be made attractive to debtors by simplicity of proceedings, less expense and delay in winding up estates, by giving the assignors the right to apply for a discharge and by not placing them under the same handicaps and restrictions as the debtors who force creditors to take involuntary proceedings in bankruptcy.

Procedure for involuntary bankruptcy should be provided giving the right to a creditor or creditors, when an act of bankruptcy is committed, to present a petition to the court asking that the debtor be declared bankrupt and his assets turned over to a duly appointed trustee for administration. This procedure should be simplified by eliminating further court procedure after the receiving order is made vesting the debtor's property in the trustee. Involuntary bankruptcy, however, would very rarely occur for under this procedure the debtor will be declared a "bankrupt," his estate will be subject to a certain amount of additional expense, his after acquired property will, until he obtains a discharge, become the property of the trustee, and it is suggested that until honorably discharged he should be disqualified from holding all public positions of trust, such as member of parliament, mayor, reeve, councillor, school trustee and like offices. A further moral handicap will be that, although it is not suggested, his discharge should depend upon the consent of his creditors or of any percentage thereof, still this discharge will always depend to a certain extent upon the good will of the creditors which will more readily be obtained by a debtor who makes a voluntary assignment.

The act should further contain procedure for the discharge of an honest debtor. It is suggested that this procedure should be based upon the English act and practice, for enquiries show practically no dissatisfaction under that act, while in the United States this right appears to be insufficiently safeguarded against fraudulent or dishonest debtors.

Procedure should also be established for the ratification of composition and extension agreements where signed by say 75 per cent. in number and amount of creditors, and where the judge is of opinion that the composition or extension is for the benefit generally of creditors. Past experience in Canada has shown that the minority creditors can often force payment in full by refusing to enter into these agreements and by threatening to set the same aside.

Application of Act.

The involuntary procedure should not apply to the following classes:—

(a) Companies, liquidation of which is provided for by the Dominion "Winding-up Act";

(b) Farmers and persons engaged chiefly in the tillage of the soil, to whom bankruptcy proceedings would in some years be manifestly unfair, and

(c) Wage earners whose yearly income does not exceed, say $1,500 or $2,000.

The voluntary procedure should, however, apply to all persons, firms and corporations.

This article has not dealt with the many strong reasons why Canada should have a Federal bankruptcy act for these have been fully discussed and considered during the past twenty years, both in and out of parliament, and the writer has assumed that all business men realize the absolute necessity for this legislation.

The object of this article is to point out the need for simplicity in matters of procedure and to advocate the passing of an act which will in actual practice be satisfactory to and have the hearty support of all commercial interests.

(1) See article on "A Canadian Bankruptcy Act," by S. W. Jacobs, K.C., in August number, Vol. 37, Canadian Law Times.

INVESTMENT

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Review of Conditions in the Mortgage Loan Field

Payments of Principal and Interest Good—Maturities and New Money—Experience With Foreclosures Varied—Demand for Money is Small—Moratorium Acts Unsatisfactory—Values Are Well Maintained—Future of Interest Rates.

The usual annual investigation has been conducted by The Monetary Times in regard to conditions in the Canadian mortgage loan field. The results are summarized in the following articles:—

DEMAND FOR MONEY IS SMALL

Rural Credits Schemes—Loans on Western Farm Securities

A small demand for mortgage money is the general report of the companies. The general manager of the Huron and Erie Mortgage Corporation, of London, Ont., for example, says that the demand for funds during the past year has been extremely light, and "we have no substantial reason to believe that there will be any great demand for mortgage loans in the immediate future. So far as city loans are concerned, the reason is obvious, little or no building activity. It is difficult to determine the chief reason the farmers are not seeking loans, but it seems to us that prosperity is the answer. This applies particularly to the old established farming districts, where the farmers are experiencing very little difficulty in negotiating temporary loans.

"In Saskatchewan and Manitoba the government loaning to farmers is no doubt having an effect on the number of applications being offered to loaning institutions, but the fact that there is little demand for funds in Alberta, where the government has not yet commenced loaning, would seem to indicate that the demand in the West is, generally speaking, small. True it is that Saskatchewan and Manitoba have received numerous applications under their rural credits schemes, but it must be borne in mind numbers of such emanate from districts not favored by corporate lenders."

Fairly Good in Ontario.

Mr. D. M. Cameron, treasurer of the Hamilton Provident and Loan Society, Hamilton, Ont., reports that the demand for funds in Ontario has been fairly good, but very limited in Manitoba and Saskatchewan.

In Quebec province the Trust and Loan Company of Canada reports the receipt of a fair number of applications for loans, but only a small number of these materialize. There appears to be a good deal of local money seeking investment at 7 per cent. or less on desirable security.

Outlook in the West.

Mr. W. A. Windatt, managing director of the Home Investments and Savings Association, Winnipeg, says: "Owing to the very light immigration and the continued absence of so many of our young farmers at the war, the demand for money has been very light and investments by way of mortgage loans difficult to secure. What loaning has been done has been practically all on farm securities as building developments in the cities and towns in the prairie provinces are largely at a standstill. There is no doubt but that the loaning business will be quiet until after peace is declared and conditions return to normal. I have great confidence in the prosperity of the western provinces when this period arrives. Our immense areas of untilled land of the best quality cannot but attract the attention of great numbers of people in Europe who have become well acquainted with the name of Canada through the heroic achievements of our overseas forces, and a large movement to this country is certain as soon as conditions make it possible."

Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, of Toronto, says that the demand for money on mortgage account has declined considerably, and applicants for loans on western farms expect a reduced interest rate.

MATURITIES AND NEW MONEY

Higher Rates Had to be Paid — Experience with Sterling Debentures

The loaning companies' experience in regard to maturities and new money last year has varied. The demand for new money generally was light. A company doing business in the maritime provinces reports that most of their debentures last year were renewed, but they had to pay an increased rate. "We are paying for debentures 5 per cent. to 5½ per cent.; 5 per cent. for debentures running for one year; 5¼ per cent. for debentures running for two years and 5½ per cent. for debentures running three to five years. We have got no new money from the other side of the Atlantic and very little new money from this side. Our debenture account is about stationary. The new money coming in about balances the debentures we have to pay off. The debentures not renewed and the deposits withdrawn have largely gone into the Dominion war loans."

Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, London, Ont., reports that debentures maturing were practically all renewed and some new money received for investment.

The Trust and Loan Company of Canada states that in Manitoba they have been quite successful in obtaining renewals.

In Quebec Province.

In Quebec generally, borrowers were quite prepared to renew, provided the rate is not over 7 per cent. "Where we ask a higher rate than this, the borrower is likely to endeavor to do better before deciding to renew with us." In Saskatchewan, the same company's experience is, that borrowers showed less readiness to renew and that the demand for new money was light.

"Our sterling debentures were fairly well renewed," says Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, Toronto, "but at an increased interest rate, and very little new money was obtained."

Renewals of maturing sterling debentures, or an equal amount of new money, could have been secured without difficulty, had the company been prepared to pay the high rate of interest demanded by lenders in Great Britain, reports Mr. D. M. Cameron, treasurer of the Hamilton Provident and Loan Society, Hamilton, Ont.

Renewed at Five per Cent.

"Our records show that our Canadian debentures maturing during the past year have been renewed equally as well as in former years," writes the general manager of the Huron and Erie Mortgage Corporation, of London, Ont. "Early in the year our directors decided against increasing the rate offered for renewal of sterling debentures, as it was thought unwise to attempt to compete against the very attractive rate being offered by the British government. As a matter of fact it is surprising to note that about 30 per cent. of our maturing debentures in May have been renewed at a 5 per cent. rate. Perhaps the outstanding feature of our borrowings during the year (including both the Canada Trust Company and the Huron and Erie) is the increase in Canadian borrowings, which more than offsets the heavy repayments made to Scottish investors. When one remembers that bonds of the Dominion and of the various provinces can be purchased to yield a higher interest return than we offer, this substantial

increase in our Canadian borrowings can be more fully appreciated. The great campaign in connection with Canada's Victory Loan will, of course, materially affect the borrowings of financial institutions."

Another company writes: "We really have made very few loans of the mortgage type during the year, our investments being to a great extent confined to bonds. As regards maturities, our business being of a limited extent, our personal experiences have hardly been sufficient to warrant an opinion as to general conditions. We have had one or two loans, however, paid off before their maturities, by parties who, being commercially interested, had done sufficiently well in their business to permit them to pay off their loans.

"As regards new money, our own experience would indicate but a small demand for it. We have always been prepared to consider any favorable applications in this district, but have had very few. We have discontinued making new mortgage loans in Manitoba since the war started, and even though in Saskatchewan we have good machinery for the handling of farm loans, we have only had one or two applications within the last six or eight months. These features, together, of course, with the necessity of keeping ourselves in a strong, liquid condition, are responsible for our having directed our moneys so extensively to various types of bonds which have been offering exceptional yields."

PAYMENTS OF PRINCIPAL AND INTEREST

High Prices of Farm Products Has Helped to Make Good Record

Payments of principal and interest during the past year were good. One company, for example, reports a perceptible improvement in payments. Their loans are distributed throughout western Ontario, including Toronto, and the provinces of Manitoba (principally in and about Winnipeg), and Saskatchewan, the latter consisting of a few loans in Regina and Moose Jaw, taken three or four years ago, and a number of farm loans taken within the last year. Business conditions in Ontario being rather favorable, the effect on interest payments has been such as to leave little to be desired. Practically all of this company's Ontario loans are of a class which insures rather prompt attention in the matter of interest, covering, principally, urban properties. "We have not been asked, unexpectedly, to accept any great amount of principal moneys, which might be experienced by some of the other companies whose loaning operations were more or less centred on farm properties.

"Apart from Ontario, possibly the larger proportion of our other loans are in Winnipeg, and as mentioned before, a perceptible improvement is noticed, although a number of our loans covering properties of a more or less smaller type do not, perhaps, show so noticeable an improvement as is experienced by companies whose loans cover more expensive real estate properties or business structures, whose owners' ability to meet the interest and principal payments depend more on the commercial prosperity. A number of our loans are on workmen's houses, and for some time there were considerable vacancies in tenancies, leaving the owners in more uncertainty as to their ability to pay, than in the other type of loan referred to. Now, however, we have practically no property untenanted, and that when real estate conditions improve beyond their present conditions, and when houses become more and more scarce, the cheaper type of workmen's homes such as we refer to, and a few of which we have mortgages against, will become more in demand, and should easily bring, as our western correspondents lead us to believe, purchase prices considerably in excess of the mortgage amounts against them. Generally speaking, we notice a marked improvement in this respect."

In Western Canada.

Speaking for western Canada, Mr. W. A. Windatt, managing director, Home Investments and Savings Association, Winnipeg, says: "The payments on account of farm loans have been very satisfactory and those on account of mortgages on city and town properties as much so as could be expected under the circumstances."

The manager of another company doing business in the west, says: "Payments of interest have been met about as well as in the previous year. We had to carry a number of farmers over for their interest on account of the crop failure in many districts in Manitoba during 1916." In Quebec province he says that payments of principal and interest have not shown any indication of irregularity. In Saskatchewan, the same company's experience has been normal payments of interest. Payments of principal have been unusually large.

Lower than Average.

Mr. C. V. Smith, general manager of the Saskatchewan Mortgage and Trust Corporation, Regina, reports that payments on mortgages last season were regular and in most cases, especially on farm mortgages, payments of principal and interest were promptly made. Borrowers on city securities were able to meet their interest rates regularly, but the return of principal was lower than the average.

The general manager of the Huron and Erie Mortgage Corporation, London, Ont., says: "Our experience during the past year, shows that maturing payments (both principal and interest) have been met with more regularity than at any time since the outbreak of war in 1914. This very satisfactory condition is particularly noticeable in connection with the farm loans, and is explained by the fact that the farmers have been receiving high prices for their products. Heretofore, a rural borrower has been struggling along under a heavy floating indebtedness, but the prevailing high prices of farm products has enabled the farmer to reduce, and, in many cases, to discharge fully such obligations. This has directly affected the loaning institutions as the ability of the farmer to meet maturing mortgage payments has been correspondingly increased.

In Good Standing.

"We venture the statement that maturing payments in connection with city loans have also been met more regularly than at any time during the past three years, although we realize the experiences of some other institutions may differ from ours. So far as the province of Ontario is concerned, we believe the majority of representative loaning corporations will agree that city loans are in satisfactory shape. Our loans on city property in the prairie provinces are in good standing, but we have only a limited amount invested in this manner."

MORATORIUM ACTS AND LOANING

They are Apt to Defeat the Purpose for Which Framed

"Fortunately we have no moratorium laws in our province, and we have refused to loan in any province where a moratorium law exists." That is the statement of the manager of one of our loan companies and really typifies the antipathy of the loaning corporations to the unfair legislation which exists in some of the provinces.

"Our only experience with the moratorium laws has been in Manitoba, and we have two or three instances in connection with our Winnipeg properties," writes another manager. "While every measure should be taken to protect the men who offer their services for their country, and to protect their dependants at home, it would appear to us that in some cases, at least, the moratorium act in Manitoba, which is really the only one that of which we can speak from experience, is more apt to defeat the very purpose for which it was originated, and cause hardship rather than benefit to the mortgagor. In some cases men will return from the front, and after the lapse of the interval protecting them against proceedings, will be confronted with considerable burdens attached to the properties in which they have previously been interested, and unless property values have taken a very marked advance over the present, the owners will be unable to realize sufficient to meet the mortgage and the accumulated charges, and will possibly be confronted with personal covenant obligations as well. If they are worth insufficient to meet any differences to the mortgagees between the accumulated charges and the selling prices, the mortgage companies will naturally lose money, and the mortgagors themselves, if they are worth anything, will lose, so that, applying the problem to certain instances, we would judge that no benefit will arise as a result of the moratorium.

"Of course this position is aggravated the longer the war continues. We have no doubt that some precautions were

necessary, but we believe that some conditions that exist at present might be changed to the benefit of both parties. As they do stand, it might have been possible for a company whose loaning operations had been confined almost exclusively to, say, the province of Manitoba, to have found themselves, as a result of the war and moratorium acts, descending from a state of strength and security to one of insecurity, by reason of their inability to collect payments from those interested in the properties, that had enlisted for service. This might be an extreme reference, but not an impossibility. We believe that, as a general rule, the loan corporations have not experienced the volume of trouble which, possibly, they had anticipated when the acts were first made."

Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, of London, Ont., reports that there does not seem to be as great a desire on the part of borrowers to take advantage of the moratorium act in Ontario.

Is Bad Legislation

That the provincial moratorium laws have been bad and the longer the war lasts, the more serious will be this legislation, is the opinion of Mr. C. V. Smith, general manager of the Saskatchewan Mortgage and Trust Corporation, of Regina. "It is true," he says, "that amendments have been made from time to time which have somewhat improved the situation, nevertheless, there are loans upon city property especially where no interest can be collected and no return can be obtained whatever until new legislation is introduced or the mortgagor voluntarily gives assistance."

Mr. W. A. Windatt, managing director of the Home Investment and Savings Association, of Winnipeg, thinks the moratorium laws in Manitoba and Saskatchewan are, as fair as legal acumen can make them, though there are always some undeserving people who take shelter under the protection of a law made for those entitled to relief. "Conditions in Alberta are unsatisfactory," he adds. "The practical wiping out of the personal covenant in a mortgage which formed part of the security (and often no inconsiderable part) at the time the loan was made, was unjust. Besides this, the delays and obstructions met with at every turn a loan company encounters in the courts of that province are very discouraging."

Without Sufficient Forethought.

The general manager of the Huron and Erie Mortgage Corporation, of London, Ont., writes: "We do not appear to be suffering materially as a result of the various moratorium laws in force in the provinces in which we are operating, with the exception of the Volunteers and Reservists Relief Act of Alberta. Articles that have appeared in *The Monetary Times* have shown that that paper recognizes this piece of legislation as being iniquitous, and it is, therefore, quite unnecessary for me to comment on this act. Of course, occasionally one finds a borrower who endeavors to take an unfair advantage under moratorium laws, but such cases are isolated. All of these laws protect a soldier's property until one year after the war. Some borrowers have been known to transfer an interest in mortgaged property in order to gain protection, but as stated before such cases are isolated.

"We quite appreciate the fact that it is a very difficult matter to construct legislation that will provide full protection for those it is designed to protect and at the same time leave no loop-holes for unscrupulous borrowers. However, it is an acknowledged fact that the moratorium laws in the western provinces were prepared without sufficient forethought, and for one reason or another some of our legislators in western Canada are disinclined to support the necessary amendments. At the present time great pressure is being brought to bear upon the members of the Alberta legislature, and it is confidently expected they will amend the Volunteers and Reservists Relief Act at their next session, in order that it will, as was originally intended, protect only the bona fide soldier."

Are Very Objectionable.

That provincial moratorium laws in the western provinces "are very objectionable and a serious bar to loaning operations," and that little difficulty has been experienced in Ontario, is the report of Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, of Toronto.

Mr. D. M. Cameron, treasurer of the Hamilton Provident and Loan Society, makes a similar report. "In the west," he says, "the moratorium laws and the many other provincial enactments, have given endless trouble to lenders, and have not, in our opinion, in any way assisted the deserving borrower."

VALUES ARE WELL MAINTAINED

Farm Values Helped by War Prices—City Properties Remaining Firm

"Farms are not likely to decrease in value while farm products command war prices. City properties do not find ready purchasers at former prices. There does not appear to be much money seeking investment in Montreal real estate at the present time." This is the report of the Trust and Loan Company of Canada, so far as Quebec province is concerned. The same company reports that in Saskatchewan there has been very little change in values of farm and city properties during the past year. In Manitoba, there has been very little change in the value of farm property. In the city of Winnipeg conditions remain about the same, though the encouraging features are that there are not many vacant houses, that there has been a slight increase in rents, and that the demand for suites in apartment buildings is keen.

"The conditions surrounding property values in city properties show a distinct improvement," reports Mr. W. A. Windatt, managing director of the Home Investment and Savings Association, Winnipeg. "The fact that at a recent unrestricted sale of vacant lots in the best residential district in Winnipeg, every parcel was sold and at prices, though not top notch, still at good figures, and the fact that the total amount realized was in excess of half a million dollars indicates the confidence in the future held by the one hundred and thirty odd purchasers of these lots."

Values of City Properties.

The general manager of the Huron and Erie Mortgage Corporation, London, Ont., says: "The trend of farm property values has been decidedly upward, particularly in the prairie provinces where farm land has been, and still is, valued at reasonable figures. In Ontario, city property values have, generally speaking, remained firm. A couple of years ago, there were numerous vacant dwellings in our Ontario cities with the result that values were commencing to drop. To-day, on the contrary, there is a brisk demand for city dwellings, hence, the values are remaining firm. Unfortunately, the city property values in some of our western cities were placed at unreasonable figures in pre-war days, and those who allowed their enthusiasm to get the better of them are now suffering the consequences. The municipal debts of some of our western cities are causing some anxiety these days, but those responsible for the present conditions have learned their lessons well, and we feel confident that they will all eventually make good."

In Ontario Cities.

Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, Toronto, reports as follows: "Farm properties in the western provinces are maintaining their value, and there is not much change from last year, and the same conditions prevail in Ontario. City of Toronto property maintains also about the same value as in 1916, but rents are increasing. Other cities in Ontario report an improvement in values. Cities in the western provinces are in about the same position as to property values and rentals as Toronto."

A similar report comes from Mr. D. M. Cameron, treasurer of the Hamilton Provident and Loan Society, Hamilton, Ont., who says: "Values of good farm lands both in Ontario and the west, and centrally situated city properties in Ontario, have not depreciated to any extent. There has been a depreciation in some western cities and towns where values were unreasonably high."

Are Below Normal.

Another Ontario loan manager writes: "As regards farm properties, real estate in western Ontario has remained more or less steady for some time. As a matter of fact, but few farms change hands around here, as compared with some other districts. We have an excellent type of farmer in Waterloo County, for example, and it can easily be said that we have one of the best cultivated farming districts in the province. The prices of same remain fairly stable. As regards property values in the urban centres here, real estate operators state that a noticeable improvement is appearing, more particularly as regards the cheaper and medium-sized houses. We have very few for rent, and there are more changing

hands than there have been for the last two or three years, although of course conditions are still below normal in real estate lines."

In the city of Halifax values of real estate have increased. This, no doubt, has been caused by that city being the base of naval operations in the North Atlantic. Farm values have shrunk a little in that district. The value of town property outside of Halifax has increased in value owing largely to the increased cost of building.

Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, of London, Ont., writes: "Our operations are confined largely to loans on city properties. Values have slightly decreased, although in one or two of our loaning points prices of real estate have actually increased and even at this increased price ready sales are being made."

FUTURE OF INTEREST RATES

Effect of War Loans on Mortgage Companies' Business—Views of Some Officials

"There is such a variety of opinion as to the probable future trend of interest rates, that we hesitate in hazarding any personal expressions on the matter," writes the manager of a loan company. "Undoubtedly, the duration of the war will have a considerable bearing, and as none of us are sufficient prophets to be able to forecast the final ending of hostilities, the question is more or less problematical. The longer the war, the greater the government borrowing for war purposes, and as a Canadian government bond should be our premier security, and as each offering to the people is made at a slightly higher yield, the effect on the minor securities is obvious. They cannot be expected to maintain their normal status, and consequently their prices are cheap, and interest yield considerable. These conditions are reflected in the mortgage interest rates. Bonds are easier to handle, and so, if good municipals and even provincials can be purchased at prices yielding 6 per cent., and better, mortgage rates will likely tend a half to one per cent. higher."

May be Further Increase.

That interest rates will continue as at present with a probability of a slight increase on city property, is the opinion of Mr. C. V. Smith, general manager of the Saskatchewan Mortgage and Trust Corporation, Regina. "We do not regard the various legislation made by the provincial governments with reference to securing cheaper money as a detriment to loaning operations by mortgage companies in this country. It is not probable that the governments will be in a position to loan money much more cheaply than the mortgage companies. They will, undoubtedly, experience difficulty in selling their bonds at 5 per cent. and we do not consider the Saskatchewan greater production loan has been offered at a very opportune time. We believe that if money is available for bond investment to-day, it should be placed in Dominion war bonds and used for the purpose of carrying on the war successfully."

Supply and Demand.

Discussing the future interest rates, the general manager of the Huron and Erie Mortgage Corporation, London, Ont., writes: "At times we endeavor to figure this problem on theory, and deceive ourselves into believing that interest rates will take a sudden drop along with the prices of many commodities, just as soon as peace is declared. We cannot, however, figure this out purely on a theoretical basis, but must adhere to the old practical basis of supply and demand. The enormous demand for funds to-day for the purpose of carrying on the war is being met most admirably by the financial institutions of the country, and in spite of the fact that investments in bonds have been exceptionally heavy, the supply of funds available for mortgage loans is now much greater than the demand. However, the demand at present is extremely light.

"If there is great commercial and industrial activity in Canada immediately following the cessation of hostilities in Europe, as we prefer to hope, there will likely be an enormous demand for money, with the result that the amount available for investment in mortgage loans will be limited, and will create a stiffening in rates of interest. Some may argue that the government rural credits will compel loaning corporations to reduce interest rates, but we do not anticipate this. In the western provinces, the adverse legislation renders a reduction in rates, almost prohibitive; in fact it has had, and is having, the effect of driving capital out of the country. When mortgages are reinstated to their original standing as first charges, and the confidence of mortgagees consequently restored, there will be a great deal less discrimination between the east and west in the matter of rates of interest.

Increase and Decrease.

Although money obtained on debenture and deposit is dearer, interest rates on mortgages are somewhat decreasing, especially in the western provinces. These conditions, in the opinion of Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, Toronto, will not change till the ending of the war.

"Interest rates," says Mr. D. M. Cameron, treasurer, the Hamilton Provident and Loan Society, Hamilton, Ont., "are in a rather peculiar position, for while the rate on borrowed capital continues to increase, the rate obtainable on first-class investments is decreasing all the time. The rate obtainable on Manitoba mortgages is practically the same as that prevalent in Ontario."

"Owing to the present high prices for materials and the scarcity of labor the demand for loans will be considerably decreased." Such is the opinion of Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, London, Ont. "Again, the Victory War Loan offered to the Canadian investing public absorbed a great deal of money which might otherwise have been invested in buildings and mortgage loans and, indeed, the offering of such war loans necessitates loan companies in carrying very much larger cash reserves to provide for their depositors withdrawing to invest in war loans."

FORECLOSURE EXPERIENCE VARIED

Most Companies, However, Were Satisfied—Leniency to Borrowers

That the number of foreclosures has not been at all exceptional, and successful sales have been made, is the report of Mr. D. M. Cameron, treasurer, Hamilton Provident and Loan Society, Hamilton. This is the general experience.

"We have made," says another correspondent, "possibly seven or eight foreclosures this year, in several cases properties in Winnipeg, and in the other cases two or three properties in Regina. In one or two cases we have been successful in making transfer without loss. In the other cases, we have no reason to expect losses, with the exception of possibly two or three properties against which we happen to hold additional securities which should protect us. The amounts are so small, however, as not to give us any concern."

Borrowers Got False Impression.

Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, London, Ont., writes: "The number of sale proceedings taken last year were less than the preceding year and there seems to be more of a disposition among borrowers to make an effort to keep up their payments. The Borrowers Relief Act gave the borrowers a false impression and, in many cases, had a tendency for borrowers to procrastinate and put off, when by making a little effort they would have been quite able, in the majority of cases, to keep up their payments. They appeared to be possessed of the idea that by deferring payment on their mortgages they would have more money on hand for their general living expenses.

"Sales were not effected when properties were put up for sale by public auction but over 50 per cent. of the properties so offered for sale, were subsequently purchased privately."

Here is another eastern company's experience: "We had four foreclosures last year; two of them sold under foreclosure brought more than we had against them, the other two were for smaller amounts and we had to bid them in, but probably will sell them for the amount we have against them. The foreclosures last year were smaller than usual."

The Trust and Loan Company of Canada reports that in Manitoba the number of cases in which properties were brought to sale and in which the company foreclosed, were

rather larger last year, but they were fairly successful in making sales. "It is difficult to sell properties in the city of Winnipeg even at greatly reduced prices." In Saskatchewan, the same company had fewer foreclosures last year and the sales were good.

In Quebec, the Trust and Loan Company of Canada reports that the number of sales by the sheriff was exceptionally large and the prices were not satisfactory. In most cases the property passed into the hands of creditors.

Mr. C. V. Smith, general manager of the Saskatchewan Mortgage and Trust Corporation, Regina, reports that a number of foreclosures last year was small and in each case a successful sale was made, especially on farm property and small modern city residences. Where the entire principal of a mortgage became due, the company had no trouble in securing a renewal of the mortgage.

Leniency to Borrowers.

"Contrary to expectations, the number of foreclosures during the past year has been exceptionally small," writes the general manager of the Huron and Erie Mortgage Corporation, London, Ont. "During the first two years of the war many borrowers were unable to meet maturing payments, and, like other loaning institutions, we were compelled to face what was apparently a serious situation. We, however, decided on a policy of consideration and leniency toward the borrower, and consequently took sale proceedings only in those cases where it was apparent the mortgagor was involved beyond hope of redemption. This course has been fully justified, as many of our delinquent borrowers have paid arrears in full and are now in good standing. Sales of good farms have been made without difficulty, and in the east the few city properties which came into our hands were promptly disposed of without loss."

Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, Toronto, reports that foreclosure proceedings were less than in 1916, and sales thereunder were quite satisfactory and generally exceeding the mortgage claim.

WAR SAVINGS CERTIFICATES

Canada Sold Over $12,000,000 Last Year—Other Countries Selling Them

War savings certificates were first offered in Canada in January, 1917, the lowest denomination then being $25. In August, $10 certificates were issued. Up to December 1st last, 189,020 certificates, valued at $12,226,340.50 had been sold, a splendid record. The details have been supplied to *The Monetary Times* by Mr. S. T. Bastedo, superintendent of the government annuity department, Ottawa, as follow:—

War Savings Certificates Issued by Finance Department to December 1st, 1917.

Denominations.	Number of certificates.	Amount.
$10	3,587	$ 30,848.20
$25	32,146	691,139.00
$50	13,484	579,812.00
$100	93,745	8,062,070.00
Total	142,962	$9,363,869.20

Issued at Post Offices.

Denominations.	Number of certificates.	Amount.
$10	1,453	$ 12,495.80
$25	11,357	244,175.50
$50	5,896	253,528.00
$100	27,352	2,352,272.00
Total	46,058	$2,862,471.30
Total number of certificates issued		189,020
Total amount received therefor		$12,226,340.50

The certificates are issued in four denominations—$10, $25, $50, and $100—and run for three years from the date of purchase. The prices are $8.60, $21.50, $43, and $86 respectively—that is to say, for every $8.60 lent to the government now, a certificate entitling the holder to $10 at the expiration of three years is received. The discount is equivalent to an interest rate of over 5 per cent. compounded half-yearly. Individual purchases are limited to $1,500. The following table shows the return to investors:—

Amount lent now.	Becomes in 3 years.
$ 8.60	$ 10.00
21.50	25.00
43.00	50.00
86.00	100.00
430.00	500.00
860.00	1,000.00
1,290.00	1,500.00

May be Surrendered.

The certificates may be surrendered at any time before the end of the three years, if the money is needed, on the following basis:—

Certificate of	$10	$25	$50	$100
During first 12 months at	$8.60	$21.50	$43.00	$86.00
After 12 months but within 24 months at	8.90	22.25	44.50	89.00
After 24 months but within 36 months at	9.30	23.25	46.50	93.00

Each certificate is registered at Ottawa in the name of the buyer, and if lost or stolen, is valueless to anyone else.

In Great Britain.

The sale of war savings certificates has been adopted in Great Britain and the United States, the former country probably being the first belligerent to sell them. A feature of these certificates was made in Britain's Victory Loan campaign in February, 1917, when 5,911,000 subscribed to these securities, purchasing a total of £19,300,000, or about $96,500,000. Substantial sales are made every week. During the first week of October last, for instance, the sales totalled £850,000, or approximately $4,250,000. In England, the sale of war savings certificates has proved remarkably successful, not only in raising considerable funds for the government, but in fostering the habit of thrift among the people. Up to October 31st, 1917, about $450,000,000 had been raised there through the sale of certificates. This is in addition to other sums advanced to the government by small investors. From the outbreak of the war to the close of 1916, the sums invested with the British government by small investors, excluding war savings certificates, amounted to $600,000,000. There are over 35,000 war saving associations in England alone.

In the United States.

The bond bill passed by the United States Congress in September, 1917, provided for the issue of $2,000,000,000 war savings certificates. These certificates are issued from time to time, run for five years, and are sold in denominations as small as $5. They can be bought at the treasury, subtreasuries, post offices, internal-revenue offices, customs offices, and through such other agencies as may be designated from time to time by the secretary of the treasury. The plan of distribution comprehensively covers the entire country, and the certificates are available in every city and town in the United States. It was proposed to develop the plans in such a way that savings may be made through the purchase of stamps of small denominations which can be carried in books issued for the purpose, and accumulated until a sufficient amount has been saved to purchase a war savings certificate of, say, $5, bearing interest at the rate of 4 per cent. compounded quarterly on the purchase price, payable at maturity. A similar innovation was introduced in Canada last year.

The United States government will redeem the war savings certificates at any time before maturity upon request of the holder, allowing interest at a less rate than 4 per cent. The certificates will be issued on the basis of $4.12 for a certificate redeemable in five years for $5.

At Compound Interest.

The first certificates were issued on December 1st, 1917. The decision to issue war savings certificates at $4.12, redeemable in five years for $5, means that the certificates will bear interest at the rate of 4 per cent. per annum, compounded. Great Britain is selling her war savings certificates at 5 per cent. compound interest. The British certificates are sold at 15s. 6d., and are redeemable in five years at £1.

Analysis of 70 Leading Stock Issues

Essential Facts Which Should Be Known by Investors Before Purchasing—Ratio of Assets to Liabilities and of Working Capital to Par Value of Stock—Average Income Applicable to Stock

By RUSSELL D. BELL

COMPANY	1 Stock Outstanding 000's omitted	2 Ratio Current Assets to Current Liabilities	3 Ratio Net Working Capital to Par Value of Stock	4 Average Net Income Applicable to Stock for last five Years	5 Percentage Earned on Stock in Last Fiscal Year	6 Percentage of same on Market price of Stock	7 Approximate Market Price as of Dec. 6.	8 Dividend Rate	9 Income Yield	10 Dividend Dates	11 RANGE OF MARKET PRICE *1917 High	*1917 Low	1916-1913 High	1916-1913 Low
Preferred Stocks	$	%	%	%	%	%		%	%					
Ames-Holden-McCready, Ltd..	2,500	210	70	5.6	7.8	16.7	47	*a*	..	.....	60	48	80	52
Asbestos Corp. of Can.....	4,000	1003	25	(4) 2.7	5.3	11.9	45	4	8.8	Feb. 15 Q.	53	44⅜	60	14
Can. Car & Foundry Co.....	7,500	134	22	7.2	4.7	9.4	50	*b*	..	.....	89	49½	126	63
Canada Cement Co.....	10,500	181	21	11.9	16.9	18.8	90	7c	7.7	Feb. 15 Q.	95	90	99	88
Canada Steamship Lines, Ltd.	12,500	151	9	(3) 7.5	19.1	25.1	76	7c	x9.2	Jan. 1 Q.	93⅜	75⅜	95½	59
Canadian Cottons, Ltd.....	3,661	215	31	12.2	16.2	21.3	76	6	x7.8	Jan. 4 Q.	80	75½	82½	70½
Canadian Locomotive Co.....	1,500	128	19	17.6	32.2	38.0	85	7c	8.2	Jan. 1 Q.	89½	84½	95	78
Dom. Canners, Ltd.....	2,290	110	14	11.1	24.3	34.2	71	7c-*g*	9.8	Jan. 1 Q.	65	65	..	..
Dominion Coal Co.....	3,000	*f*	*f*	41.3	114.1	120.1	95	7c	7.3	Feb. 1 S.A.	96¼	88	112½	93
Dom. Iron & Steel Co.....	5,000					129.6	88	7c	7.9	Apr. 1 S.A.	94	88	105	68
Dominion Steel Corp.....	7,000	691	195	53.2	128.4	149.3	86	6c	6.9	Feb. 1 Q.	87	84	..	..
Dominion Textile Co.....	1,940	128	55	34.1	47.0	47.0	100	7	7.0	Jan. 15 Q.	102	100	106½	99
Illinois Traction Co.....	7,135	136	3	11.2	11.2	14.0	80	6c	x7.5	Jan. 1 Q.	87	83½	91	87
Lake of the Woods Milling Co.	1,500	243	94	29.6	34.3	28.5	120	7c	5.8	Mar. 1 Q.	116	116	122	115
Mackay Companies.....	50,000	*d*	*d*	8.5	9.2	14.1	65½	4c	6.1	Jan. 1 Q.	67¾	65	73½	63
Maple Leaf Milling Co.....	2,500	145	57	19.6	23.1	20.8	111¼	7c	6.3	Jan. 18 Q.	95	94⅜	..	..
Montreal Cottons, Ltd.....	3,000	277	72	12.3	14.8	14.8	100	7c	7.0	Mar.15 Q.	103	101½	105½	97¼
Nova Scotia Steel & Coal.....	1,000	221	419	89.3	210.4	186.2	113	8c	7.0	Jan. 15 Q.	105	105	125	110
Ogilvie Flour Mills Co.....	2,000	193	125	45.7	67.9	60.3	112½	7c	6.2	Mar. 1 Q.	114	111	122	105
Penman's, Ltd.....	1,075	261	185	42.6	69.0	84.1	82	6c	7.3	Feb. 1 Q.	81⅞	80	90	79
Riordan Pulp & Paper Co.....	1,000	202	97	(4) 45.6	133.1	144.6	92	7c	7.6	Mar.31 Q.	94½	90	96	92
Sherwin-Williams Co. of Can..	3,100	629	92	16.5	20.4	20.6	99	7c	7.0	Mar.31 Q.	99¼	99	104	95
Smart-Woods, Ltd.....	1,546	234	60	(4) 17.8	27.4	31.8	86	7c	8.2	Jan. 1 Q.	80	80	94	84
Spanish River Pulp & Paper..	5,699	193	17	(4) 4.8	7.5	15.1	50	*e*	..	.....	59¼	49½	97½	30
Steel Co. of Canada.....	6,496	382	126	24.3	57.3	66.6	86	7c	8 1	Feb. 1 Q.	97	85¼	108	69
Tucketts Tobacco Co.....	2,000	3568	86	9.4	9.3	11.6	80	7c	8.7	Jan. 15 Q.	83½	80	101	90
Common Stocks—Public Utility and Miscellaneous														
Bell Telephone Co. of Can.....	18,000	463	15	9.9	10.6	8.1	130	8	x6.1	Jan. 15 Q.	150	130	173	138
Braz. Tract., Lt. & Power..	106,289	146	2	(3) 7.1	4.5	14.1	32	..	..	.....	47⅜	32	101	43
Canadian Pacific Ry.....	260,000	401	19	16.3	17.5	13.2	132	10	x7.5	Mar.31 Q.	165	130½	266⅛	139¾
Canada Steamship Lines, Ltd.	12,000	151	10	(3) 0.5	12.6	31.5	40	..	..	.....	45⅝	29¾	45	5⅞
Civic Invest. & Ind. Co...	63,717	214	3	3.7	*f* 5.2	*i* 7.5	69	4	5.8	Feb. 15 Q.	82⅝	68½	83½	76⅝
Detroit United Ry. Co.....	15,000	*j* ‡ 49	..	17.0	23 0	21.9	105	8	7.6	Mar. 1 Q.	128	104¾	128½	62
Illinois Traction Co.....	12,251	136	2	3.3	3.0	8.6	35	3	8 5	Feb. 15 Q.	35	35	68½	44
Mackay Companies	41,380	*d*	*d*	5.4	6.3	8.6	73	6	8.2	Jan. 1 Q.	90	81⅜	89	64½
Ottawa Lt., Ht. & Power.....	3,483	‡81	..	9.7	6.4	9.2	69	6	8.7	Jan. 1 Q.	90	77	192	92
Quebec Ry., Lt., Ht. & Power.	9,999	‡34	..	1.4	2.1	14.0	15	..	..	.....	35	14⅜	45	9½
Shawinigan Water & Power...	15,000	409	15	8.0	8.8	8.2	107	7	6.5	Jan. 10 Q.	130½	107	149½	110
Toronto Railway.....	12,000	140	.	12.0	11.1	18.5	60	8	13.3	Jan. 1 Q.	90⅝	60	148⅞	73
Twin City Rapid Transit.....	22,000	171	4	8.0	9.2	13.1	70	6	6.9	Jan. 1 Q.	94⅝	70	109⅛	93⅜
Winnipeg Electric Ry. Co	9,000	‡31	..	9.9	4.9	10.2	48	..	..	.....	81	42	110	90
Common Stocks—Industrial														
Ames-Holden-McCready, Ltd..	3,500	210	50	..	0.6	4.0	15	..	..	.....	23¾	12	35	6
Asbestos Corp. of Can.....	3,000	1003	33	..	..	..	15	..	..	.....	20	12	24	5
Brompton Pulp & Paper Co....	7,000	516	21	..	*h* 14.3	35.7	40	5	12.5	Feb. 7 Q.	58	38	73	46
Can. Car & Foundry Co.....	4,186	134	39	0.4	..	2.1	19	..	..	.....	46½	17	120	32
Canada Cement Co.....	13,500	181	16	3.8	7.7	13.5	57	6	10.5	Jan. 15 Q.	69	57	72¾	25¾
Canadian Cottons, Ltd.....	2,715	215	42	8.4	13.7	27.4	50	4	8.0	Jan. 4 Q.	54½	46½	70	24
Canadian General Electric....	8,000	490	82	12.3	13.0	12.7	102	8	7.8	Jan. 1 Q.	114½	100⅝	132	91
Canadian Locomotive Co.....	2,000	128	15	7.9	18.9	32.6	58	6	10.3	Sep. 20 Q.	64	52½	67½	29¾
Cons. Mining & Smelt. Co.....	5,805	144	9	12.3	17.1	17 1	25	10	10.0	Jan. 1 Q.	35¼	25	43	30
Dom. Bridge Co.....	6,500	246	35	(4) 21.2	42.4	33.1	128	10	7.8	Feb. 15 Q.	170	127	237	107
Dom. Canners, Ltd.....	2,791	110	11	3.9	14.2	59.2	24	..	..	.....	26	20	86	11
Dom. Steel Corp.....	37,097	691	37	8.5	26.7	50.4	53	4	7.5	Jan. 1 Q.	71½	52	82	19⅞
Dominion Textile Co.....	5,000	128	21	10.4	15.5	19.1	81	7	8.6	Jan. 1 Q.	89	76½	90	64
Laurentide Co.....	9,600	273	40	10.5	10.5	6.9	152	10	6.5	Jan. 1 Q.	195	152	233	140
Lake of the Woods Milling Co.	2,100	243	67	16.1	19.5	16.1	121	8	6.6	Mar. 1 Q.	129½	120	147¾	121½
Lyall (P.) & Sons Constr.....	1,750	‡73	..	10.1	*l* 5.02	8.0	62	8*k*	12.9	Oct. 15 Q.	80	53	93	16
Macdonald (The A.) Co.....	3,000	148	29	(4) 2.3	3.1	22.1	14	..	..	.....	15½	8	60	7
Maple Leaf Milling Co.....	2,500	145	57	12.6	16.1	15.9	101	10	9.9	Jan. 18 Q.	115	96	122	108½
Montreal Cottons, Ltd.....	2,949	277	73	5.3	8.0	16.0	50	4	8.0	Mar.15 Q.	58	50	63	50
Nova Scotia Steel & Coal.....	7,500	221	56	12.3	33.7	51.1	66	5	7.5	.....	126	67	151	39½
Ogilvie Flour Mills Co.....	2,500	193	100	30.9	48.7	34.8	140	10	7.1	Jan. 1 Q.	158	137	152	107
Penman's, Ltd.....	2,150	261	92	18.3	31.5	48.5	65	x4	6.1	Feb. 15 Q.	73½	65	78	48
Price Bros. & Co.	5,000	361	33	7.2	16.1	13.4	120	x6	5.0	Jan. 1 Q.	134	115	132	60
Riordan Pulp & Paper Co	4,500	202	21	(4) 8.5	28.0	23.7	118	x6	5.0	Feb. 15 Q.	127	106	150	59
Sherwin-Williams Co. of Can..	4,000	629	71	7.2	10.5	17.5	60	..	..	.....	66	58	65	45
Smart-Woods, Ltd.....	1,718	234	54	(4) 10.0	18.4	34.1	54	5	9.2	Mar. 1 Q.	61	43	70½	18
Spanish River Pulp & Paper..	8,000	193	12	..	0.4	3.0	13	..	..	.....	19	13	72⅜	3
Steel Co. of Canada.....	11,500	382	71	9.8	28.4	56.8	50	x4	8.0	Feb. 1 Q.	71½	49½	88	8½
Tucketts Tobacco Co..	2,500	3568	69	2.2	1.8	10.0	18½	..	..	.....	22⅝	18⅝	62	22
Wayagamack Pulp & Paper...	5,000	171	8	5.1	10.2	20.4	50	..	..	.....	97	50	112⅛	21
	1	2	3	4	5	6	7	8	9	10	11			

a Regular rate 7% cumulative. In arrears since July 1, 1914. *b* Regular rate 7% cumulative. In arrears since July 25, 1914. *c* Dividend is cumulative. *d* Detailed balance sheet not given. *e* Regular rate 7% cumulative. In arrears since July 1, 1913. *f* See Dominion Steel Corporation. *g* Dividends from April 1st, 1915, to January 1st, 1917, in arrears. *h* On basis of last 6 months' earning statement. *i* On basis of last 9 months' earning statement. *j* As December 31, 1916, Company has now excess of current assets through sale of $2,500,000 common stock at par. *k* Initial dividend declared September 10. *l* Company earned 40.7%, but appropriated $62,500 for the amortization of its munitions plant and equipment. (3) Average earnings for three years only. (4) Average earnings for four years only. ‡ Excess of current liabilities over current assets. * To Nov. 24th, 1917. x Company also paying a bonus.

The following information is given in regard to each issue:—

(1) The amount of stock outstanding.

(2) The ratio of current assets to current liabilities. Current assets include all those items on a company's balance sheet which do not represent a permanent investment and which can be converted into cash readily. The items include cash, bills and accounts receivable, goods and material on hand for current working purposes, investments in saleable stocks and bonds, etc. Current liabilities are those debts which have not a definite far-off maturity, and which a company is being or may be called upon to pay at any time. They include bills and accounts payable, accrued interest and dividends due during the current period, bank loans and early maturing notes and other obligations. Every company should always have a large excess of current assets over current liabilities. If the ratio of current assets to current liabilities is less than 100 per cent., it is evident that the company owes more in current obligations than it has in current resources. In other words, it has no working capital, and is faced with the necessity of doing more financing or of building up its working capital out of earnings.

(3) Ratio of working capital to par value of stock. This item gives some measure of the amount of working capital owned by a company in proportion to the issue of stock considered.

(4) Average income applicable to stock for last five years. This income is figured after all prior deductions for all obligations senior to the particular issue considered have been deducted. Too many stock purchases are made on a basis of current earnings only. Equal attention should be given to the average of earnings over a period of at least five years wherever possible, as a company's prosperity may be merely due to temporary conditions.

(5) Percentage earned on stock in last fiscal year. This is the same item as that considered in (4), and is taken from the latest earning statement made public by the company.

(6) Percentage earned on market price of stock. Items (4) and (5) represent earnings in percentage on the par value of the stock. This item represents earnings in percentage on the market value. As one is buying a stock at its market value and not at its par value, it is obviously illuminating to know the earnings as compared to the price which one is to pay.

(7) Approximate market price. This represents the approximate price at which the stock could be bought on the market at the time this analysis was issued. This price is subject to change.

(8) Dividend rate. The amount in dollars per share per annum which the company is currently paying in dividends.

(9) Yield on market price. The actual income per annum in percentage of the amount invested per share.

(10) Dividend dates. One month is given with the sign "Q.", indicating quarterly, or "S. A.", indicating semi-annually. Thus, if the dividend date is given as January 1st, Q., it means that the dividend is payable January 1st and succeeding quarters, i.e., April 1st, July 1st and October 1st

(11) Range of market price. These columns give the highest price and the lowest price at which transactions were made on the stock exchange. The first column is for the year 1917 to the date of the compilation of this analysis. Second column shows the highest and lowest registered at any time during the years 1913 to 1916, inclusive.

These statistics are compiled from sources which are considered reliable, but they are not necessarily guaranteed.

Authorities are divided as to the future of interest rates. Briefly, one view is, "that wealth is being consumed and destroyed abroad in enormous volume, and that the longer the war keeps up the greater will be the impoverishment of the European nations, and because of the destruction of property and wealth in Europe there is bound to be an enormous demand for capital for reparation. Consequently, there will be a tendency toward higher interest rates, which tendency will be maintained for an indefinite period." The other view is, "that the quiet, but extensive, liquidaton which has been going on in recent years, the cessation of new enterprises and the marked caution followed in every direction in the matter of improvements and new developments are all having a most vital influence in lowering the average interest rate, and that this condition is likely to continue, regardless of whether or not we witness a fair revival in industrial activity."

DOMINION LOAN IN UNITED STATES LAST YEAR

Canadian Government Has Raised $215,000,000 There Since War Commenced

The Dominion government loan floated in the United States in August, 1917, a loan of $100,000,000. This was the only such loan made in that market last year, and was the third made there since the beginning of the war. Our federal loans in the neighboring market to date have been as follow:—

Issued in	Amount.	Term, years.	Rate %	Issue price.
July, 1915	$25,000,000	1	5	Par
July, 1915	15,000,000	2	5	99½
March, 1916	25,000,000	5	5	99.56
March, 1916	25,000,000	10	5	97.13
March, 1916	25,000,000	15	5	94.94
August, 1917 ..	100,000,000	2	5	98

Prior to the war, the Canadian government had not financed in the United States. Since that country's entry into the struggle, it has been possible to market only very few of our issues there, as the United States war loans have been practically dominating the situation since April last. The loan to Canada last year was the first foreign government transaction undertaken since the entrance of the United States into the European war. It was first thought that the United States might make advances to Canada just as it had given credits to Great Britain, France and other enemies of Germany, but when it was found that the government at Washington was not disposed to lend money to Canada, New York bankers were asked to do the financing. They readily consented, but pointed out that in the circumstances it would be necessary to obtain United States Treasury Secretary McAdoo's consent.

Attitude of United States.

After conferences between Sir Thomas White, finance minister, and Mr. McAdoo, in July, Mr. McAdoo stated that in view of the fact that the balance of trade between the United States and Canada was running strongly in favor of the United States, he realized that it was desirable for Canada to establish credits in the United States markets to meet the adverse balances. Therefore, he said, there would be no objection on the part of the United States government to the proposed offering, but that the United States government would have to keep control over their own situation by determining each foreign offering on its merits, and with reference to the financial condition prevailing at the time. It was important, he added, that commercial and financial relations with Canada should be conserved in every reasonable way. The transaction was for that purpose.

Cost of Loan.

As the financing was in effect a credit for the purpose of facilitating purchases by Canada in the United States the rate demanded was regarded by some as unduly high, but the pressure on the New York money market was acute, and Canada had to enter into competition with other borrowers. Secretary McAdoo had just intimated to financial New York that he would require $5,000,000,000 more money for war purposes, and both in prices of goods and of capital the tendency of manufacturers and bankers of the United States was obviously to give a preference to home demands. However, it was thought by some that Canada which during the last fiscal year purchased from that country for domestic consumption goods to the value of $664,000,000, as against only $290,000,000 purchased in return by the United States, was entitled to a measure of preferential treatment. On the other hand, United States investors who subscribed $2,000,000,000 of the Liberty Loan on a 3½ per cent. basis might perhaps reasonably object to advances made to Canada out of those funds while Canadian investors were obtaining more than 5 per cent. on their war loans.

The loan cost Canada approximately 7 per cent. The net proceeds of the $100,000,000 issue were $96,250,000. Purchasers netted 6.077 per cent. Commission and other charges amounted to about 1¾ per cent.

SIX PER CENT. MUNICIPALS

Factors of Our City and Town Borrowing and the Outlook

By H. M. P. ECKARDT.

The Canadian investment world has found the six per cent. municipal bonds an interesting subject for discussion. In numerous cases parties who formerly confined their investments largely to Ontario farm mortgages at around 5½ per cent. have turned to the issues of eastern city and county bonds yielding 6 per cent. or better. So far as security is concerned these bonds are all that can be desired and the business of investing in them and collecting the interest involves the minimum amount of expense, trouble or inconvenience. In certain respects they have decided advantages over farm mortgages yielding about the same rate. Apart altogether from the matters of security and promptness of interest payments, the bonds in selected instances give the investor assurance of receiving the stipulated annual return for periods of ten, fifteen, or twenty years, whereas the mortgage contract runs, as a rule, for a much shorter term.

Cost to Municipalities, 7 Per Cent.

The municipal bonds bearing interest at 6 per cent. and over have a great significance for the borrowing corporations. When the commissions and other expenses incidental to the marketing of the bonds are provided for, the net cost of the money to the borrowing city or town may be 7 per cent. or more; and such a high annual interest cost acts directly on the tax levies. If the amount borrowed is considerable, the seven per cent. interest cost leads straight to an increased taxation rate, unless the increase in annual interest outgo can be offset by economies elsewhere. With wages and prices of commodities high and rising under war conditions, it is difficult if not impossible to effect compensating economies in other departments of the municipality's expenditure. Then, when the taxpayers have it forcibly brought to their attention that the new loans are playing an important part in increasing their municipal tax rate, they naturally begin to question the necessity of the loans; and they see to it that the municipality does not embark on fresh projects requiring borrowed money unless the expenditures are absolutely necessary and cannot be postponed.

Winnipeg Water Board Flotation.

Following the flotation of the Winnipeg Water District at midsummer on a yield basis of 6¼ per cent., the interest rate on municipal bonds tended steadily upwards in the second half of 1917. This resulted directly from the entrance of the United States into the war. Prior to April, 1917, the American investment public took considerable amounts of our provincial and city issues, and the American financial houses participated with our own dealers in bidding for the successive new offerings. All this was suddenly changed when President Wilson declared a state of war with Germany, and the American government began to borrow heavily from its own people for the purpose of lending to the European allies and financing its own warlike activities.

Some of our provinces and cities did not at once realize the significance of what had happened; and they went on with various projects confidently believing that the bond market would soon recover. They provided for their immediate requirements through negotiating temporary loans with the banks, and the aggregate of these loans, as shown in the monthly bank returns, rose rapidly. An end came to this, however, when governmental pressure for special war credits forced the banks, to require liquidation of the temporary provincial municipal advances. As the American market was still practically closed, with no immediate prospect of reopening, the only way this could be done was through offering the bonds to Canadian investors at specially attractive prices. Thus the special loans were reduced, and from time to time issues of new bonds, to cover expenditures that could not be postponed were successfully made. Attractive prices were in evidence on some of the older issues also—as the bond houses naturally desired to clean house in preparation for the fourth war loan and for the new year.

Assuming that the war continues with unabated violence in 1918, the prospect apparently does not indicate any material easing up of the stringency in the bond market. Evidently the American government will be obliged to continue borrowing heavily from the investment public and from the banks to finance the great military operations it has undertaken. As the American army grows and as its activities increase, the war outlays of the government will enlarge; and if the loans to the allies are kept up, American investors will be required to supply such vast amounts to their own government as to leave them little or nothing available for investment in foreign securities.

So far as our banks are concerned, it is clear that their resources will be very fully taken up with the special war credits to the Dominion government, and to the government of the United Kingdom in connection with British purchases of our foodstuffs and munitions. These special credits show a tendency to increase steadily, and even in 1917 they had crowded out some of the credits ordinarily granted to the commercial and industrial customers of the banks. The banks were obliged to ask their regular customers in many cases, to cut down their requirements. If the war credits continue to rise in 1918, the same pressure on mercantile borrowers will perhaps be more or less in evidence; and, under the circumstances, the banks will not be in condition to give large temporary loans for indefinite periods to municipalities and provincial governments, when such loans are caused by new construction work or other projects. The work may be necessary, but it is nevertheless a capital expenditure, properly covered by sale of bonds. The bankers will be obliged, of course, to provide the municipalities with the ordinary short-term credits for current expenses in anticipation of tax collections. Also probably they will have funds available for short loans on new bond issues for which a sale has been definitely arranged.

Thus it appears that new issues of bonds will require to be sold promptly in the home market at prices yielding investors good returns. No matter how carefully they conduct their finances some cities and towns will be forced to borrow by way of bond issues, and thus ensure fresh appeals to the market from time to time.

BRITISH CONSOLS RECORD

British Consols have been the centre of interesting events since the outbreak of war. Last year the highest price was 56¼ and the lowest 51. The highest price in 1916 was 61¾ in June, and the lowest 55 in December.

In 1914, the price of Consols declined on July 30th to 69, the lowest figure since 1821, when a sale was made at 68¾. The highest price in 1915 was 68⅝, and the lowest 57, reached in November after the minimum price fixed by the London Stock Exchange committee, was removed. British Consols (2½ per cent. consolidated stock) are redeemable only by purchase in the open market.

When the big British war loan was issued in July, 1915, an opportunity was given to the holders of Consols to convert their holdings into the new war loan. Consols then stood at the minimum price of 66⅔, fixed by the London Stock Exchange committee. The government said to the holder of Consols, "If you apply for £100 of the new loan we will allow you to convert £75 worth of Consols into £50 of the new war loan." The government thus made Consols exchangeable at a price of 66⅔. The holder had the advantage of being able to apply to the new war loan and the government relieved the holder of a security which he would inevitably have had to write down and which would probably be almost unsaleable. The government gave him instead a highly marketable security. Consol holders who wished to convert had to buy £100 of the new loan, in order to secure the option of exchanging £75 of Consol stock for £50 of the new loan.

Towards the end of June, 1915, the London Stock Exchange committee, at the instance of the British treasury, lowered the minimum price of Consols from 66⅔ to 65.

For the eight months ended November 30th, 1917, of the fiscal year which will close on March 31st, 1918, Canada's trade was valued at $1,855,157,821. During the eight months period of 1916 the total trade of the Dominion was $1,499,255,942. For the month of November, 1917, our trade totalled $268,541,563. For November, 1916, it was $186,066,351.

WARNING TO CREDIT MEN

Now is the Time to Make Careful Survey of Accounts and Ascertain Financial Standing of Customers

By W. A. SADLER.

In talking the other day to the credit manager of a large manufacturing company, which has a due date for a certain line of special goods it manufactures, on October 15th each year, he stated that in some years they had as high as 50 per cent. of their drafts, drawn on the above date, returned unpaid. This year only the comparatively insignificant amount of 10 per cent. were so returned.

Towards the end of November last, a large eastern cattle buyer in Winnipeg, who had just completed his summer and fall operations in western Canada, was discussing the present financial condition of the smaller towns and rural municipalities in the west. He said that about a month previously, in a small village in western Alberta, he had paid $45,000 in one day, through the local branch of the bank, to cover his purchases of livestock in that vicinity. About ten days afterward, he returned to the village, where he again met the local bank manager, who told him that $41,000 of the $45,000 had remained on deposit. He added: "That is just a fair example of what is taking place throughout the entire western country."

Farmers in the West.

Farmers in the west have been receiving high prices for grain and cattle, due to war conditions. There has been a ready cash market for all the grain and stock they could produce. The result is that there is a surplus of cash available, which augments purchases on a cash basis, from the local retail stores.

In consequence, the local dealer has been in a position to discount his bills with the manufacturer and jobber. Hence the credit men in these latter establishments are pleased with the satisfactory position of their accounts. They are selling promiscuously to every retailer and jobber who has enough assets to procure a printed letter head and to some who cannot even afford to do this, regardless of any credit rating they might obtain on such customers, and in the great majority of cases they have not been disappointed. Their losses during the current year have been, perhaps, not more than a twelfth of one per cent.

How many of these self-complacent credit men are judicious enough to realize that these conditions are due entirely to the inflated and unnatural conditions produced by the war, that the country-wide prosperity may cease at any moment by any unexpected turn in the war or by an early cessation of hostilities? With the return of normal prices and wages and with the decreased demand for staple commodities abroad, the wise credit man at that time will be he who has carefully trimmed his outstanding accounts within the margin of safety, taking advantage, in a diplomatic way, of the present war conditions, to effect that end.

During periods of prosperity our credit men are lavish in the granting of credit lines to old and new customers alike. They are careless of the information diffused periodically by such admirable and helpful organizations as the Canadian Credit Men's Associations and other kindred bodies, whose sole duty it is to protect the interests of their various members. They are even so jealous of their success in avoiding losses that they are very shy about detailing their credit experiences in particular cases through their own particular trade organizations, for the collective benefit of its members.

Beginnings of Panics.

But when unforeseen events of national or international magnitude plunges the business of the whole country into distress, they immediately rush their delinquent and slow accounts into the hands of a mechanical mercantile agency or their solicitors. The result is the very condition of affairs which they are hoping to avoid. Their debtors, suffering from a sudden cessation of cash trade, are unable to meet these urgent requests for payment. This information is quickly diffused by the mechanical mercantile agencies throughout the entire industrial world, and in a great many cases, through their avidity and that of the average collection solicitor, a series of failures and assignments are precipitated, to the detriment of the general business of the country for a long time to come.

When the end of the war is in sight, a gradual or perhaps rapid business depression may set in. All credit men, whether in wholesale, manufacturing or jobbing houses, should carefully scrutinize the intrinsic character of their outstanding accounts. Where there is the slightest doubt about the basic soundness, in the way of a safe relative proportion of actual, tangible, convertible assets to liabilities, they ought to employ those intelligent means which are available to ascertain the true financial standing of their customers. They ought to curtail or close those credits which do not bear the test. In accomplishing this in the past, they have been prone to accept second-hand information obtained by mechanical means on which to base their judgment about the lines of credit to which their customers are entitled. There never was a period in our industrial history when the credit men should insure their credit liabilities by a safe, sane, intelligent and careful survey at first hand of the intrinsic character of their open accounts. It is possible to obtain such insurance and to get this information through modern methods of credit investigations and adjustments. The shrewd credit man will not delay in employing them.

Canada's Taxation Policy will Encourage Thrift, Investment and Agriculture

"It has been officially drawn to the attention of the government that the use of the expression of 'conscription of wealth' in the debates in parliament and by public and other bodies outside parliament and by the press in its news reports has caused a certain uneasiness among those whose savings constitute a vital factor in the business and industrial life of the Dominion and are so essential to the credit and prosperity upon which our efforts in the continued prosecution of the war must largely depend. I desire to say on behalf of the government that there need exist no apprehension on the part of the public that any action of a detrimental character will at any time be taken with respect to the savings of the Canadian public. On the contrary, it will be the policy of the government in the future, as in the past, to encourage in every way possible the exercise of the thrift and economy resulting in national savings which have enabled Canada to maintain her credit and improve her economic position during the war.

"Any taxation to which it may be necessary for the government to resort from time to time will be in accordance with legitimate and established forms of taxation sanctioned by the tradition and experience of British self-governing communities. This statement, therefore, must not be understood as precluding legislation providing for income taxation upon those whose incomes are such as to make it just and equitable that they should contribute a share of the war expenditure of the Dominion."—Statement of Sir Thomas White, Finance Minister, in the House of Commons, Ottawa, July 10th, 1917.

"Canada is a country inviting immigration, and we must be careful not to create the impression that it is likely to become a country of heavy individual taxation. In this connection, I think it opportune to state on behalf of the government and as enunciating its settled policy, that in providing our war expenditure, resort will not be had to taxation upon the farms, personal effects or incomes of those engaged in our great basic industry of agriculture."—Statement of Sir Thomas White, Finance Minister, in the House of Commons, Ottawa, February 15th, 1916.

CIVIC GOVERNMENT ON BUSINESS PRINCIPLES

Municipalities Should Aim to Give Service at Lowest Cost —Administrative Board Idea

By HORACE L. BRITTAIN.

It is a mistaken notion that municipalities are merely more or less mismanaged businesses. The main purpose of business in the ordinary acceptation of the term is the earning of dividends; at least a business which does not earn dividends will not be long continued. A municipality is not run for the purpose of earning money dividends but for the purpose of rendering certain necessary community services at cost. Dividends appear in the form of comfort, satisfaction and good health. Business, therefore, is liable to certain abuses on account of the dividends it seeks, abuses which may lead to the unjust exploitation of the people. Municipal government, partially on account of not requiring tangible dividends, is liable to certain other abuses equally exasperating and causing equally unjust burdens on the taxpayer. Business and municipal government both render service to citizens. Business aims to render the service at the lowest cost to it for the sake of larger resulting profits. Municipal government should aim to produce the necessary services at the lowest cost consistent with efficient service for the sake of leaving as much of the citizen's income as possible for the citizen himself to spend.

It will be seen that as far as operating at low cost is concerned, business has an immense psychological advantage. The motive is a positive one—profits that can easily be seen and measured. The stockholder who doesn't get his dividend wants to know why at once. If the citizen stockholder were looking for cash returns from the city he would be much more insistent on economy of management. But failure in economy results in an increased tax burden—a negative not a positive return. How much of the increase is due to inefficiency, he cannot know. All he can do is to pay his tax bill and shrug his shoulders, or vice versa. He cannot even measure his intangible dividends of comfort, satisfaction or good health. He takes these as a matter of course. The managers of our municipalities, therefore, are not under the same constant and insistent pressure from the taxpayers as the managers of private business from the shareholders.

Public Attitude Toward Municipalities.

Again, too many people look upon the municipality as a fairy godmother whom it costs nothing to grant favors—favors which they would not dream of asking of a business corporation. The municipality for its own sake must make large expenditures on philanthropy and charity. Instead of recognizing that these expenditures are made in order to avoid larger expenditures, many citizens, some poor and some "malefactors of great wealth," try to get in on a good thing and receive their slice of the city's favors. The poor, but not too poor, get a hospital order to avoid a bill which they could very well pay. The man situated in the mean gets his daughter on the teaching staff on the ground that he is a taxpayer and if there are any jobs going his family should get its share. The wealthy man, on the ground that he is a great employer of labor and therefore has donated or will donate to the city many people capable of paying taxes, asks that his taxes be reduced by fixed assessment or free water—his employees and other citizens should be glad to pay the difference. Private business is not accustomed to give something for nothing.

While the problems of successful municipal management and successful business management vary, nevertheless, the same principles which when applied will produce good service at the lowest cost in private businesses will produce good service at the lowest cost in municipal affairs. A municipality is not a business, but it discharges certain functions of a business and to that extent can and should make use of those principles which have stood the test of business experience. What are some of these principles?

Dividing Legislature and Executive.

The separation of legislative and policy deciding functions from executive and policy forming functions is perhaps the basal principle of good management. A private corporation has a board of trustees, not necessarily made up of experts, who exercise general legislative control and decide on general policies initiated and brought to their attention by executive and administrative officers. They exercise control by requiring detailed and understandable reports from their paid executive officers. The private corporation has also a business executive and administrator with a staff of experts who are responsible for carrying out and administering the business under the general regulation of the board. The board does not attempt to interest itself in details of management, but holds its paid officials responsible for results. The administrative officials do not attempt to usurp the legislative functions of the board.

A similar procedure in municipal government would demand that the council (or other body elected by the people) would confine itself to passing by-laws necessary for the government of the city and deciding on matters of general policy, while the heads of departments would administer the by-laws and govern their executive actions according to the general policies laid down down by the people's representatives.

Answer These Questions.

To make the matter concrete let each reader put to himself and answer the following questions:—

1. Who in your city decides whether an applicant for a Chinese laundry license shall have it or not?
2. Who really decides where street lights shall be located?
3. Who really decides whether, say, the second clerk subordinate to the first assistant to the chief accountant of the treasury department is worthy of an increase in salary?
4. Who really decides whether the head of, say, the works department needs an office messenger boy or whether it would be better to have some higher paid official run the errands?
5. Which subject causes a more acrimonious debate in the council, a proposition to increase the salary of an assistant in, say, the health department, or the proposition to spend $500,000 to build a bridge at the expense of the whole city which will greatly increase the value of the real estate property of some citizens of the city or some other city?
6. What proportion of the time of council is consumed in deciding executive details which in a business concern would be left strictly to the executive officials?
7. If your city council confined its attention to the things within its proper province, how many hours per week would it need to give to the work?
8. If these hours were cut down to a reasonable number would, in your judgment, an abler class of candidates offer themselves for election?
9. Does the fact that a man is elected to membership in a municipal council ensure his endowment with special knowledge and wisdom with regard to the detailed administration of a city or even its general policy?

The Centralization of Management.

No business organization could permanently earn dividends under divided management or under conditions of uncertainty as to the line of authority. There might be several departments of the business each under a head responsible to the general manager and acting as a member of his cabinet. Under existing conditions many cities are practically bundles of almost independent businesses, usually rather indifferent to one another, frequently jealous of one another, and still more frequently rivals for a large slice of the funds provided out of taxation. Yet there is no effective administrative agency for co-ordinating their activities throughout the year. The Board of Control was the result, at least in part, of a desire to secure this centralized control. But the board of control has failed to accomplish its purpose for four reasons:—

1st.—The board of control is elected by the people as is the council, and is therefore not responsible to council with which, as a consequence, it is frequently at loggerheads.

2nd.—It is impossible to secure competent administrators by election. Experts in getting votes are often elected to boards of control, and only by accident experts in municipal administration.

3rd.—The tenure of office of the board of control is too short to enable its members to acquire expertness.

4th.—The member of the board of control is not dependent on his professional standing as a successful administrator of a department or group of departments.

The board of control is a crude imitation of the cabinet system. If it were really a cabinet selected by and responsible to council and confining itself to the decision of admin-

istrative policies on the advice of its permanent administrative officers and to the initiation of legislation in council, the result would be far different. There would be far greater co-ordination of departmental activities—a much nearer approach to operation on a city-wide plan. Owing to the absence of municipal parties resulting from distinct cleavages on matters of city policy, the development of the board of control into a city cabinet would seem to be improbable or impossible. If for no other reason, the non-availability of men of sufficient calibre and training to warrant their employment as business managers of large cities, the city manager form of city government is bound to be of strictly limited application in Canada for many years. This does not mean that no way which could be introduced at once can be found to effect administrative co-ordination. Every city in Canada could within 24 hours put into effective operation an administrative board by simply directing the permanent heads of departments to meet once a week for the discussion of administrative policies, for the formulation of policies for the consideration of council, for the prevention of overlapping and the securing of united action. At first this administrative board would be merely informal but the securing of co-operation depends more on common discussion and understanding than on legislation. In most cases all that would be needed to prevent action at cross purposes would be the institution of conferences at regularly occurring intervals. After being tried out for a year or two a detailed plan, based on actual experience, could be crystallized in provincial legislation.

A fair trial of the administrative board idea would provide a clear separation between the legislative, executive and administrative functions of government, and an effective provision for the continuity of general policy on the part of the city. In order to save time and avoid unnecessary details the following chart is presented which illustrates one way in which the administrative board idea might be worked out in any large Canadian city so as to centralize practical detailed management in the hands of those most liable, on account of training and self-interest, to render efficient service:—

Planning Spending Before it is Spent.

Perhaps more money is wasted on account of improper planning or planning after the fact than in any other way. All cities are compelled by law to make annual estimates as a basis for determining the amount and rate of taxation. Few cities have real budgets which represent a definite city-wide plan of work and expenditure based on proved needs. Few cities complete their plan before beginning to execute the plan and incur the expenditure the plan calls for. In fact, some cities actually spend one-third of their annual current income not only before the money is raised but before any plan of expenditure whatever is determined on. Not only does this lead to a tremendous increase in debt charges, but it makes effective control of expenditure impossible.

The citizen can determine for himself whether his city adequately plans for current expenditure by getting the answers to the following questions for his city:—

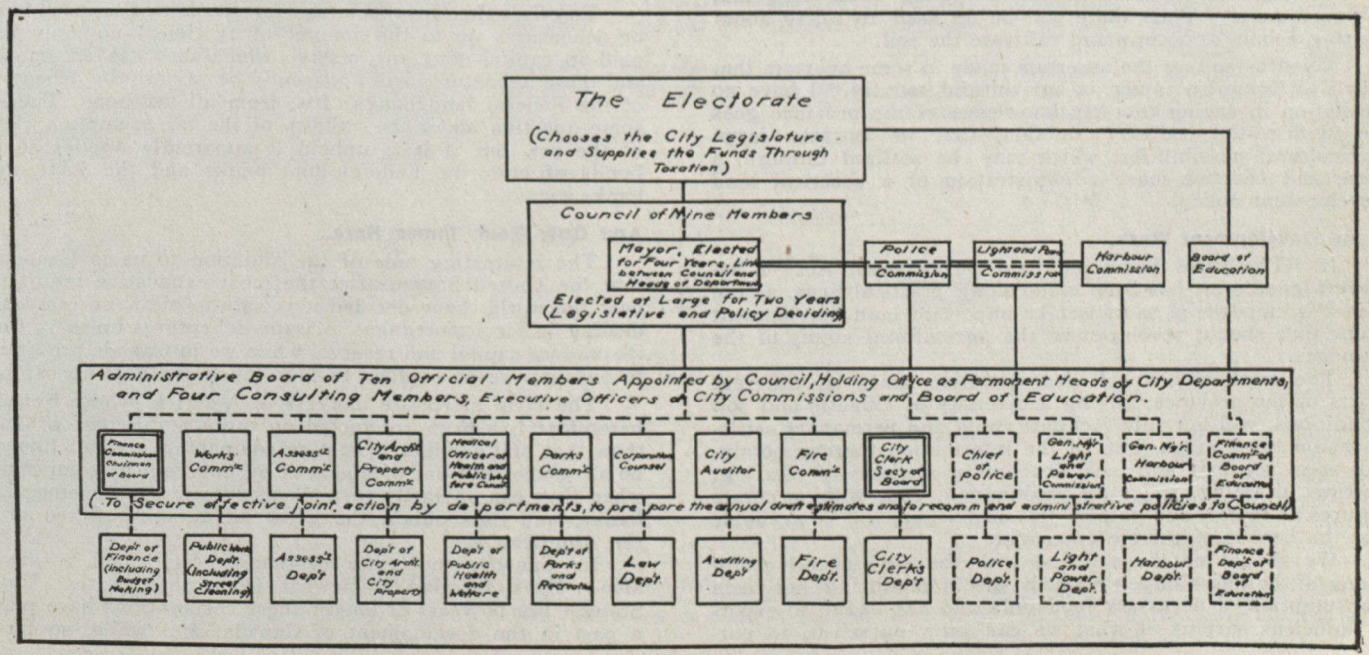
1. Are the budget estimates for any given year prepared before that year and that year's expenditures begin?
2. Does the budget document tell how much the city owes and how much the city owns, segregating the different forms of assets and liabilities?
3. Does it tell how much it has cost or will have cost to run the city the previous year?
4. Does it tell how much more or less the city spent or will have spent on current account than it had to spend?
5. Does it tell what it is proposed to do with your money for this year as well as what it did with it last year?
6. Does it tell by departments and divisions, and with comparative figures for other years, how much of the gross income is to go to debt charges, salaries and wages, contractual services, materials and supplies, equipment, pensions, contributions and other charges?
7. Does it give a detailed estimate, with comparative information, of the amount of revenue other than from taxation?
8. Does it contain a loan fund budget setting forth how it is proposed to spend loan funds and under what circumstances loans are to be effected?

If the answer to all these questions is not "yes," the planning of current expenditures is to some degree inadequate, and to some degree the city is liable to suffer the losses which flow naturally from inadequate planning.

Raising the Money Before it is Spent.

One prevailing cause of waste is the habit of municipalities to begin public works before debentures are sold. Sometimes it is felt that the time is a bad one in which to sell bonds and that it is better to postpone the sale until an improvement in the market. It is rarely recognized that a poor time for selling bonds is a poor time for incurring liabilities and a good time for postponing bond sales is a good time for postponing public works to be paid for out of bond sales. There are, of course, exceptions to this rule. In any case, where work is begun before money is in hand the work has to be financed by temporary loans, thus increasing the floating debt. This applies to expenditures out of the proceeds of taxation as well as out of bond sales. In the former case there is loss through unnecessary interest charges and in the second there may be loss through being finally compelled to sell bonds in a market still more unfavorable than in the first instance. It would be interesting to know how many cities, who were financing public works by temporary loans, have been greatly embarrassed by inability to sell debentures during the war period. How much better off such cities would be now if they had always followed the policy of postponing work until the necessary money was in hand?

A logical conclusion to this paper would give a statistical statement of the effect on municipal finance of disregard of



these principles. This would be possible for any one city but absolutely impossible for the country as a whole. Until we have developed in Canada uniform systems of accounts for cities of like size, and until we have reliable national municipal statistics, diagrams and charts based on nation-wide conditions will be more interesting than instructive or conclusive. Some provinces have fairly accurate municipal statatistics, but there is no co-ordination between them and in many instances the information contained is out of date before publication. Canadian municipalities will be under a heavy handicap in attempting to effect economies and reforms until comparative information of national scope is available. In order to mend one's ways, one must realize whither he is going and whither his neighbors are going.

BRITISH COLUMBIA RURAL CREDITS

Loans Made on First Mortgages for Agricultural Purposes —Land Development Work

By MAXWELL SMITH.

The Land Settlement and Development Act, passed at the last session of the British Columbia legislature, was designed with the object of benefiting every citizen of the province by facilitating increased agricultural production. The administration of the act is entrusted to what is known as the land settlement board consisting of the chairman and five directors.

While the loaning of money to farmers for development purposes will continue to be an important feature of the board's work, the public development and settlement operations, provided for in the act, will doubtless be the most far-reaching from a financial and educational point of view, as there are many areas of unoccupied fertile lands within the province where the board may undertake extensive clearing, draining, dyking, irrigation and reclamation schemes thereby helping solve many of the difficulties with which the farmer is confronted.

Is In Co-operative Field.

It should be borne in mind that the board is not entering the competitive but rather the co-operative field, as it is the intention that both the loaning and development features of the board's work shall be made self-sustaining and conducted on sound business principles.

I am a believer in legitimate and judicious advertising of the province, with its vast natural resources and opportunities, but our first duty is to create conditions that will facilitate the profitable occupation of the land, making it possible for the farmer to earn a fair living under congenial circumstances. Then there will be no need to worry about getting people to occupy and cultivate the soil.

Notwithstanding the assertion made in some quarters that "British Columbia is not an agricultural country," I have no hesitation in saying that my knowledge of the province goes to confirm the contrary opinion, that we possess large agricultural possibilities, which may be realized through a sane and common-sense administration of a practical land development policy.

Land Development Work.

In "The Land Settlement and Development Act" I believe a good start has been made along practical lines, as the board is empowered to undertake important land development work that should revolutionize the agricultural status of the province.

The establishment of demonstration areas in different parts of the province, having a diversity of climatic and soil conditions, will not only facilitate rapid and permanent settlement on these areas, but all the information thereby obtained, as to the best and most economical methods of clearing, dyking, draining, irrigation, cultivation, etc., with accurate figures as to cost and possibilities of revenue, will be available for the benefit of private enterprise.

We should not be satisfied with the agricultural conditions of British Columbia until she is producing her own consumption of necessary foodstuffs and has begun to export a sufficient surplus of what we can grow ourselves, to purchase the luxuries we are compelled to import from other countries.

While more or less paternal, it must be distinctly understood that the land settlement board is not a benevolent institution. Its operations must be conducted on sound business principles. It is proposed to make our demonstration development schemes sufficiently revenue-producing to reimburse the government for the expenditure, while at the same time facilitating settlement under reasonably advantageous conditions.

The loaning department must also be conducted on a self-sustaining basis. Loans are made on first mortgage securities for agricultural purposes.

We thus propose to help the farmer to help himself, and the consumer in the cities should be equally interested in his success. The transportation companies should meet us halfway in the matter of freight rates and, with the hearty co-operation of all concerned, every industry and class in the province should benefit in accordance with the progress and development of our agricultural interests.

I have a very keen appreciation of the difficulties confronting the board in these abnormal times, not the least of which is the question of obtaining the necessary funds with which to operate during the present unsettled state of the money market.

MORTGAGE LOANS IN CANADA AND STATES

Some Interesting Comparisons — Assets of Canadian Companies Total $1,000,000,000

By HUME CRONYN.

The rural credit system of the United States is managed by three bodies—(1) the Federal Farm Loan Board, at Washington (the head office of the organization); (2) the 12 Federal land banks scattered throughout the United States (the district managers) on whom the duty falls of raising money to lend the farmer; and (3) the countless national farm associations, whose chief business it is to arrange the farmers get the money they want.

These are all, in a sense, government institutions; at least they are not created for the purpose of making a profit for shareholders, but the act itself provides for the establishment of joint stock land banks, who can enter business and compete alongside the government for farm loans. These joint stock banks will be, in very truth, replicas of our mortgage companies, save that they are not allowed to take money on deposit.

Fifteen Times Capital and Reserve.

To offset this drawback, they are permitted to issue bonds or debentures up to the amount of 15 times—not only their paid-up capital—but any reserve which they can accumulate, and these debentures will apparently be (as are the debentures of the Federal land banks) free from all taxation. There is some question about the validity of the tax exemption clause of the act, but if it is upheld it apparently applies to the bonds of both the Federal land banks and the joint stock banks.

And Only Four Times Here.

The interesting side of the situation to us in Canada is that the United States, after the most exhaustive inquiry all over the world, have decided it is safe to allow an institution dealing in farm mortgages to issue debentures up to 15 times its paid-up capital and reserve, while we in Canada are limited to once our reserve added to four times our paid-up capital.

The farm mortgage bankers of America, whose business heretofore has been conducted on quite a different principle than that of Canadian mortgage companies, are not likely to be altogether put out of business by government competition, when they can so easily turn themselves into joint stock land banks, and thus obtain the great advantages offered under the American act.

In Canada, mortgage companies have had a growth along lines different somewhat from that in the United States. For 60 years or longer these corporations have played a part in the development of Canada, and while, so far as

size and profits are concerned, they are easily overshadowed by many of our financial institutions, yet they have in the main proved reliable and sound custodians of the moneys of depositors, debenture holders and shareholders alike.

Founded, in the first place, on the well-known building society basis, they soon enlarged their operations, and for a generation or more have by law been entitled to accept moneys on deposit, and to issue debentures as a floating charge against their assets. That is to say, depositors and debenture holders are preferred creditors, their claims ranking on winding up proceedings "pari passu" as between themselves but ahead of ordinary creditors, if such there be, and of course prior to the shareholders who must of necessity last share in what may remain of the assets. These borrowings are strictly limited by law and, generally speaking, cannot exceed the reserve fund added to the four times paid-up capital of the debtor company. Prior to the war the greater proportion of these debentures were marketed in Great Britain. As a rule they run no longer than five years, when they were repaid or renewed at the current rate of interest. This type of investment appealed strongly to the canny Scot, who preferred security to profit and who appreciated the opportunity of periodically reviewing the position of the concerns to whom he intrusted his funds. It is estimated that 90 per cent. of the mortgage company debentures floated abroad were placed in Scotland.

Situation Changed by the War.

As an evidence of the high opinions in which these bonds were held, our records show that a few years ago, even after paying a commission to agent and stamp tax, they could freely be marketed at a cost to the issuing company of less than 4 per cent. Since the war the situation has wholly changed, and it is a difficult matter to renew the bulk of maturing debentures in the face of the increasing demand and rates of the British government. In the meantime, Canadian investors have been educated to the advantages of these securities and some, at least, of our companies have been able to make up at home more than the shrinkage occurring abroad.

In earlier days the mass of mortgage loans was secured on farm lands, the province of Ontario being an attractive field for these operations. The opening of our western provinces synchronized with the decay of farm mortgages in the older field and absorbed a large amount of capital, while the growth of our cities called for the assistance of the mortgage lender to no small degree.

So far as we are aware, the principles adopted in mortgage lending are the same on both sides of the line, save in Canada it is well nigh the universal rule that the borrower pays no commission on his loan, whereas an agent who brings a loan to a corporate lender expects to receive, and is paid without question by that lender, a commission of not less than 1 per cent. In the United States, on the other hand, the borrower and not the lender pays the commission and this commission runs from 1 per cent. in the older sections of the country to 4 per cent. in the more remote districts.

Thirty years ago mortgages were commonly drawn for 15 to 20 years, repayable on an amortization plan, but one much favoring the lender, or at the end of the term. As interest rates fell the outcry against these long-dated burdens was so loud the parliament of the Dominion, in face of contracts to the contrary, empowered any borrower after five years to pay off his mortgage with a bonus of three months interest. As a result the custom of the trade limited the usual mortgage to five years where it has since remained.

Borrower has Many Privileges.

It is considered sound business practice to provide under the mortgage that, in addition to the interest, small repayments of principal shall annually be made. At the end of five years the mortgage, if satisfactory, can be renewed for a further term. As in the case with original loans, borrowers are not called upon to pay any commission on renewals, and such has been the force of competition that in many localities the borrower's loan is renewed absolutely free of expense. At the most he is asked to pay merely a nominal legal charge for the preparation of the necessary agreement.

You will note, therefore, that mortgage companies in Canada are called upon to bear, in addition to expenses of management, inspection charges and the like, a definite commission charge not only on the sale of their debentures, but upon their mortgage investments as well.

There is, so far as I am aware, no official record of the total investments of corporate mortgage lenders in Canada, but a conservative estimate places their assets at considerably over $1,000,000,000. Some 30 companies representative of the various classes named, and having assets in excess of $600,000,000 are now on the membership list of the Dominion Mortgage and Investment Association.

CANADIAN MUNICIPAL FLOTATIONS IN LONDON, 1907-1917*

TOWN	1907	1908	1909	1910	1911	1912	1913	1914	TOTAL
	£	£	£	£	£	£	£	£	£
‡Quebec		113,921			215,700		400,600		808,221
Winnipeg	327,642	1,500,000	500,000	500,000	900,000	960,000	1,440,000	1,150,000	7,277,642
" Water Bd.								400,000	400,000
Regina	111,000	113,700				117,400	553,900		989,600
Edmonton	139,400	187,400	187,300	288,000	302,000	595,000	1,968,700	350,000	4,017,800
Vancouver	244,900	405,000	286,400	453,600	579,000	991,900	971,200	425,000	4,357,000
" Sewerage Bd.								500,000	500,000
Montreal		1,000,000	400,000	1,123,800			4,368,900	1,500,000	8,392,700
Calgary		133,000	124,800	325,400	414,700	900,000		719,600	2,617,500
Victoria		159,800			117,500	308,623	482,870		1,068,793
Sherbrooke		102,700							102,700
St. John		115,000							115,000
Ottawa			156,900				189,600		346,500
Toronto			394,100				2,275,000		2,669,100
Westmount					500,000				500,000
Fort William			60,000	105,100					165,100
Maisonneuve					879,000		187,600	92,500	1,159,100
Saskatoon		100,000		88,600		629,726	169,700		988,026
Moose Jaw				101,300	89,200	257,600		100,000	548,100
Port Arthur					110,700		415,700		526,400
Hamilton					204,100				204,100
South Vancouver					310,239			423,287	733,526
Burnaby					118,300				118,300
New Westminster					120,600	357,600		188,000	666,200
North Vancouver					130,500	126,100	96,900	76,700	430,200
Point Grey					241,470			381,500	622,970
Lethbridge					90,740	128,100			218,840
Prince Albert							302,700		302,700
North Battleford							103,100		103,100
Medicine Hat								162,900	162,900
	£ 822,942	£3,930,521	£2,109,500	£3,079,400	£5,323,749	£5,372,049	£13,926,470	£6,469,487	£41,112,118

‡ Quebec City floated an issue of £78,000 in London in 1905. *There were no Canadian municipal issues made in the London market during 1915, 1916 or 1917 on account of war conditions.

MUNICIPAL FINANCE IN BRITISH COLUMBIA

Alternative System of Tax Sales Suggested — Some Interesting Figures

By LIEUT.-COLONEL C. H. DORRELL.

The latest official statistics show the total assessment for 1917 of all British Columbia cities to be $431,254,371 and of all districts $186,083,996, making a grand total of $617,338,367. This is $36,163,518 less than for 1916 and $119,379,174 less than for 1914. The total debenture debt of cities is $73,676,039 and of districts $21,623,064, or a grand total for both cities and districts of $95,299,103, the same as in 1916. All the 35 cities and 21 out of the 28 districts have debenture debts large or small, leaving seven districts unindebted. The total debenture debt of both cities and districts, excluding $16,878,589 on revenue producing undertakings is about 12 per cent. of their reduced assessment. The population is given as 239175 for the cities and 125,575 for the districts, or a combined total of 365,750. From these figures it will be seen that the average assessment per capita of the cities is $1,845 and of the districts $1,478, and that the average total debt per capita of the cities is $312 and of the districts $170. These averages compared with the east may seem high but the conditions are so different that any comparison as to security on that basis alone is misleading. For one reason, in newly settled countries the average of five to a family is not reached as in older places, so that there are more taxpayers in proportion, and the cities having been of rapid growth the expenditure has been compressed over much shorter periods. Also if we confine the debt per capita to non-revenue producing indebtedness leaving the revenue producing works to provide their own debts, we find that the average debt per capita of the cities is down to $240 and of the districts to $135.

Interest Payments Maintained.

Notwithstanding the higher borrowing per capita of British Columbia municipalities as against those in the east, interest payments have been well maintained and where in some cases the annual sinking funds have not been immediately banked or invested to the full extent, the uncollected taxes, which are, of course, a first charge on the properties assessed, are more than sufficient to provide for any temporary deficiencies. Pending collection or realization from tax sales they may perhaps be regarded as a temporary security for the sinking fund, but the councils concerned would be well advised if they turned them into cash at the earliest moment.

The year 1917 was marked by the creation of no new long-term issues, and the only borrowings of importance were in the nature of treasury certificates against arrears of taxes for terms of up to three years. In the earlier part of 1917 good prices were bid for such of these issues as came into the open market. The city of Vancouver placed $1,700,000 3-years 5½ per cents at 97.75 and the city of North Vancouver, on a small issue of $170,000 3-years 6 per cents, secured 97.18 in March, 1917, as against 97 bid for a similar issue of $225,000 in June, 1916. All three issues were bought by Toledo bond houses for resale. This class of bond forms an attractive short-term investment, as, although the apparent yield in war times is not especially attractive, the taxes upon which the certificates are secured come in steadily, and the larger portion of the bonds are usually redeemed before maturity, thus spreading the discount over a much shorter period. The advantage of this method of raising funds in circumstances such as have lately prevailed, is that it postpones, and perhaps, renders unnecessary, the disturbance of values invariably attendant on a tax sale, without imposing any additional charges on the taxpayer, as the interest payable on the arrears of taxes is generally more than sufficient to provide for interest and discount on the tax certificates. To provide for ultimate repayment the municipality can always have recourse to a tax sale in the last year of the loan if the arrears are not paid up.

A number of tax sales, 23 in all, were held in 1917, and in this connection the Union of British Columbia municipalities might well consider whether the existing system of obtaining payment of arrears by out and out sales with power to redeem within one year might not be improved by an alternative system under which the municipality can offer for sale an indefeasible first mortgage on the assessed property, for, say, three years at a comparatively high rate of interest increasing annually, less a rebate for punctual payment. Such tax mortgages would rank before all existing encumbrances and being for comparatively small amounts would, in most cases, provide an attractive investment for moderate sums. The purchaser of the tax mortgage would get a good and annually increasing rate of interest, while any failure to pay promptly would increase the ultimate amount receivable. Moreover, the owner or mortgagee would find it to his advantage to provide the small sum required to meet the half-yearly interest on the tax mortgage. One essential condition, however, would have to be provided—viz., that if within the three years payment was not made or a continuation of the tax mortgage arranged with the holder, foreclosure could be obtained on a 30-days' notice or by some other simple and inexpensive process.

Another departure from the existing order of things to which provincial and municipal authorities might give consideration when financial conditions improve, is the abolition of individual borrowing in the open market by the smaller municipalities and the institution of a provincial government consolidated municipal fund. From this consolidated fund raised by the provincial government primarily on the security of municipal debentures pledged to it, approved loans to the smaller municipalities would be made. The modus operandi would be very much as follows:—

Consolidated Municipal Fund.

When a municipality wished to raise a loan for works, the council would prepare estimates and pass by-laws for debentures as at present with the exception that the rate of interest would not then be specified. These would be submitted for approval to the inspector of municipalities (or to a local government board as in Saskatchewan) who would examine the proposed expenditure in relation to the assessment and existing indebtedness and the general character of and necessity for the undertaking. If the loan satisfied the customary tests, the amount required would be advanced from the consolidated municipal fund, and the rate of interest would then be fixed, having regard to the rate at which the consolidated municipal fund could itself obtain money. As this fund would be raised primarily on the security of the municipal debentures deposited with the government as security for the loan, backed by the province, the security would be of the soundest and the rate of interest very favorable. All municipal sinking funds would be payable to the consolidated municipal fund and would be available for other loans. The advantages to the smaller municipalities would be the saving of heavy discounts, a lower rate of interest, and the provision in full of the funds they wished to raise. The consolidated municipal stock of the provincial government would be a trustee investment and would have a ready market, thus supplying two of the conditions, the absence of which is largely responsible for the undue expense attendant on the borrowings of small municipalities. Had such a system been in effect during the past five years the saving to the municipalities in discount and interest would have amounted to hundreds of thousands of dollars. The system would involve a closer control of municipal expenditure by the provincial government, than at present exists; but there would be permanent benefits even from that, outweighing any passing inconveniences and it would put a brake on all ill-considered and hasty expenditure.

Improvements Tax Exempt.

The greater number of British Columbia municipalities have adopted the system of exempting improvements from taxation. Fourteen out of the 35 cities and 21 out of the 28 districts having exempted them wholly and the remainder in part, usually 50 per cent. This, compared with 1914, shows that three cities and three districts have returned to the system of taxing improvements in part. Space does not permit of any examination of this somewhat crude system of apportioning the contribution of individual taxpayers to expenditure for general purposes. At the best a tax on land values alone without improvements might be adopted as a rough and ready method of fixing individual taxation in a newly settled agricultural district, but it is full of unfairness and inequalities when applied to established cities and communities where wealth exists in many other forms.

The difficulty of selling municipal debentures during recent years has not been altogether an unmixed evil, for it

deterred new issuings. Up to three or four years ago municipal borrowings had become too easy, with the result that in many cases expenditure was incurred that would have been better left to later years. On the whole British Columbia municipal loans may be regarded as in a healthy condition, for while the borrowings have not increased and are well within the statutory 20% limit of the reduced assessments, the sinking funds are accumulating and the revenue producing works are becoming well established and in many cases are earning profits that go to reduce general taxation. It does not follow that in every case everything is absolutely as it should be—that would be to expect too much—but on the whole, the buyer of British Columbia municipal debentures may be well satisfied with his investment.

LAND SURTAX PROPOSED

It Would Secure Reasonable Maximum of Revenue from Unearned Land Values

By C. FRANK BEER.

It is self-evident that new sources of taxation must be found to provide interest charges and a sinking fund for the increased indebtedness—municipal, provincial and federal—resulting from the war. It has been claimed that for this purpose a tax upon the so-called "unearned increment" would prove of great service. These claims have probably been exaggerated, but from a study of the question it would appear unquestionable that a considerable revenue could be derived from this source. It appears to be equally true that "unearned" values are rightly the property of the whole people and should not be monopolized by individual property owners.

It is not the object of this article, however, to deal with all the aspects of so large a subject, but to direct attention to a method of taxation which if adopted will, it is believed, secure a reasonable maximum of revenue from unearned land values. Other merits of the plan outlined are found in the provision made for fluctuating values, for ensuring a comparative uniformity of revenue and for discouraging speculation in land. The name applied to this plan of taxation is the Surtax.

As to Land Surtax.

The land surtax is a special tax graduated from one to three per cent. over a period of three years and levied upon land values which are not the result of improvements made by the owner. It applies only to the increase in value and its object is to secure for the public exchequer a revenue from that portion of the value which is commonly referred to as unearned. A concrete illustration of the surtax will better explain its objects and operation.

For the purpose of this illustration it is assumed that a piece of land in 1915 is assessed at $10,000 and that the usual tax rate is 20 mills.

1915. Assessed value $10,000. Tax rate 20 mills.

1916. Property having increased in value $2,000 the tax rate of 20 mills will be levied upon the total value ($12,000) and a surtax of 1 per cent. upon the unearned increased value of $2,000. In 1917 the surtax will be 2 per cent., and in 1918 3 per cent., at which it will remain so long as the property is valued at not less than $12,000.

If in 1917 the property is found to be worth only its original value of $10,000 the surtax ceases to operate.

If Value Increases.

If, upon the other hand, the property is found to have further increased in value the surtax will be applied to the newly ascertained increase, beginning as in the former case at 1 per cent. and increasing yearly until 3 per cent. is reached. For instance, if in 1917, the new increase in value is ascertained to be an additional $2,000, the total taxation will be 20 mills upon the total value of $14,000, 2 per cent. upon the first $2,000 (this being the second year), 1 per cent. upon the second $2,000 (this being the first year).

In 1918—20 mills upon $14,000, 3 per cent. upon the first $2,000 (third year), 2 per cent. upon the second $2,000 (second year).

In 1919—20 mills upon $14,000, 3 per cent. upon both the first and second $2,000, and this taxation will continue thereafter as long as the value is maintained.

If in any year the value is found to have been reduced the surtax is discontinued upon the amount of the reduction. If the value is reduced to $10,000 the surtax ceases altogether. If the value goes below $10,000 the surtax comes into operation only when the value again exceeds this amount.

Change of Ownership.

If however, the property changes ownership at less than $10,000 the surtax is chargeable upon any valuation in excess of the purchase price. The new owner is not given the privilege of standing in the place of the original owner by receiving exemption from the surtax until the original $10,000 is again reached.

If at any time the property changes ownership at a price in excess of the assessed value the price at which the property is acquired will form a basis for the computation of the surtax. For instance if the property should in 1919 be sold for $16,000 instead of the assessed value of $14,000, the surtax of 3 per cent. would at once apply to $6,000. The market price of the property will, therefore, be largely affected by the surtax which it must carry and the incentive to hold land for prospective large profits will be partly if not wholly eliminated.

Since the surtax is collectable only upon increased values it will be to the advantage of owners to have their property assessed at its fair market value. Failure to do so will result ultimately in a considerable penalty since the market value of the property will be reduced owing to the operation of the surtax upon all the purchase price in excess of the assessed value. To prevent evasion of this tax the vendor and purchaser should be required to set out on oath the true consideration for each sale in the conveyance by which the sale is carried out.

Result of Surtax.

An immediate result of the surtax would be to discourage speculation in land. Land prices would be steadied and in some cases reduced. There would be no longer any incentive to market sub-divisions in advance of actual requirements. The tax would discourage any step which might lead to its coming into operation. It is obvious, therefore, that the adoption of a tax upon unearned values would probably not at first result in a large increase in revenue. There would be, however, a decided check upon land speculation, a check upon land monopoly, and a somewhat general reduction in land values since the opportunity for profit—even though postponed—is greatly lessened.

The advantages of the surtax over an alternative plan by which the state shares in the increased value only when actual sales have been made are apparent. Moreover, and this is important, provision is made for an elasticity of taxation to redress the ups and downs of boom activities. A severe check is provided against an artificial market. Land would be retained for its natural use as long as possible, since this would be found the most profitable practice. For instance, land near cities would be kept as farm land until the requirements of the cities made further sub-divisions necessary. Land for housing would cost, therefore, only a reasonable advance over farm lands. And even of this increased valuation the state would receive a considerable share.

Sub-Division Riot Impossible.

It would appear to the writer that the revenue anticipated from the operation of a special tax upon the unearned value of land has been greatly over-estimated. From this it is not argued that the tax is one which should not be levied. On the contrary, the social advantages of such a tax afford ample justification for its adoption. The market value of land would be subject only to the natural increase. Under its operation the wild riot which was witnessed a few years ago in land sub-divisions would be impossible. The advantages derivable from the ownership of land would be secured to those who use it instead of to those who withhold it from use. To every one else its ownership would be a burden. One of the chief obstacles to the betterment of housing conditions would be removed. And finally to the extent to which land values are reduced or stabilized the surtax would prove of general advantage since in the last analysis the burden of unearned values falls chiefly if not wholly upon the wage-earning members of the community.

HOW INTEREST RATES HAVE RISEN

Canada Paid 7 Per Cent. for Money in New York Last Year

In the early history of Canada we had to pay 6 per cent. for our loans. When Canada was a Crown colony, the Imperial government made good the deficits between revenue and expenditure. At a later date when we had begun to borrow in England, they frequently guaranteed our bonds. For a long time money cost us 6 per cent., even with a guarantee behind our securities. It was not until 1876 that the Dominion was able to borrow in London at 4 per cent. on its own unaided credit. In 1894, during a period of depression, the rate we paid for a large loan was only 3½. Since then it has varied, and during recent years, the tendency was upward. This has been especially the case during the war period. Our loan of $100,000,000 in New York in August last cost us approximately 7 per cent.

The United States was able to borrow last year, through its first Liberty Loan, $2,000,000,000. The country, however, had accumulated vast wealth during three years of war, and a patriotic appeal, when at last the United States had entered the war, brought the required amount at a 3½ per cent. rate. In issuing its second loan of $3,000,000,000 in October last, the United States raised the rate from 3½ per cent. to 4 per cent., thus following the precedent to which practically every other government in the war has had to resort.

Great Britain's second loan, floated in June, 1915, at par, bore interest at 4½ per cent., a nominal increase of 1 per cent., and an actual increase of a little more than ½ of 1 per cent. over the first loan, issued in November, 1914. The third British war loan, issued in February, 1917, bore interest at 5 per cent., but was offered at 95.

All the French loans have borne a nominal interest of 5 per cent. The first, offered in February, 1915, was placed at 96.50, involving an actual interest cost of 5.60 per cent.; and the National tax-free French rentes, offered in November, 1915, and placed at 88, brought an actual interest yield of 5.70 per cent. The loan of October, 1916, was offered at 88¾.

Russia's first two war loans were offered at a nominal 5 per cent.; the four loans following those carried at 5½ per cent., but the actual yield, allowing for selling price, started at 5.30 per cent., and is now high.

Italy had to pay only 4.70 per cent. net on her first war loan; her second was carried at 5.20, and at the beginning of 1917, she offered a 5 per cent. perpetual loan at 90.

All of Austria's loans have been offered at the nominal interest of 5½ per cent., with the actual yield running to 6¼ per cent. Hungary, with nearly all loans nominally at 6 per cent., has sold at discounts to yield 6½ per cent. or over.

Every German loan has borne a nominal interest rate of 5 per cent. The price of subscription was: On the first loan, September, 1914, 97½; on the second, March, 1915, 98½; on the third, September, 1915, 99; on the fourth, March, 1916, 98½; on the fifth, September, 1916, 98; on the sixth, March, 1917, 98; on the seventh, October, 1917, 98.

*COMMERCIAL FAILURES IN CANADA, 1902-1917

Calendar Year	Total Commercial			Manufacturing		Trading		Other	
	No.	Assets	Liabilities	No.	Liabilities	No.	Liabilities	No.	Liabilities
		$	$		$		$		$
1902	1101	7,772,418	10,934,777	209	4,247,723	874	6,221,017	18	466,037
1903	978	4,872,422	7,552,724	227	3,043,248	725	4,243,543	26	265,933
1904	1246	8,555,875	11,394,117	307	4,138,908	914	6,577,788	25	679,421
1905	1347	6,822,005	9,854,659	289	3,129,262	1039	6,552,821	19	172,576
1906	1184	6,499,052	9,085,773	293	3,482,511	863	5,145,142	28	458,120
1907	1278	9,443,227	13,221,250	393	6,667,452	847	5,756,651	38	797,156
1908	1640	12,008,113	14,931,790	426	5,967,498	1171	8,242,436	43	712,856
1909	1442	10,318,511	12,982,800	354	3,933,938	1059	7,867,287	29	1,181,575
1910	1262	11,013,396	14,514,650	292	7,030,227	947	6,943,579	23	540,850
1911	1332	9,964,604	13,491,196	321	4,760,016	986	7,606,891	5	1,124,289
1912	1357	8,783,409	12,316,936	323	4,556,615	975	6,906,665	59	853,656
1913	1719	12,658,979	16,979 406	452	6,792,763	1216	8,681,419	51	1,505,224
1914	2898	30,909,563	35,045,095	614	11,063,191	2164	18,677,935	120	5,303,968
1915	2661	39,526,358	41,162,321	655	13,877,414	1888	21,696,890	118	5,588,017
1916	1685	19,670,542	25,069,534	363	8,796,646	1237	12,290,368	85	3,982,520
†1917	1005	11,835,857	16,209,015	234	6,959,730	718	7,158,537	53	2,090,748

COMMERCIAL FAILURES IN CANADA, ELEVEN MONTHS, JANUARY TO NOVEMBER, 1917

Province	Total Commercial			Manufacturing		Trading		Other	
	No.	Assets	Liabilities	No.	Liabilities	No.	Liabilities	No.	Liabilities
		$	$		$		$		$
Ontario.....	253	2,927,536	2,991,582	71	1,509,752	161	1,278,062	21	203,768
Quebec	436	5,501,601	8,393,693	107	3,901,874	314	3,818,452	15	673,367
Brit. Columbia	62	904,739	1,217,148	13	463,867	45	642,751	4	110,530
Nova Scotia..	35	150,416	346,493	6	195,644	28	149,349	1	1,500
Newfoundl'nd	9	57,721	134,118	1	8,000	8	126,118	..	.....
Manitoba.....	90	599,743	757,471	16	358,222	68	379,719	6	19,530
New Bruns..	23	65,244	130,844	6	41,419	15	85,425	2	4,000
Prince E. I...	1	2,300	9,400	..	.....	1	9,400	..	.....
Alberta.....	31	1,024,639	1,274,319	4	110,525	24	156,741	3	1,007,053
Saskatchewan	65	601,918	953,947	10	370,427	54	512,520	1	71,000
Total.....	1,005	$11,835,857	$16,209,015	234	$6,959,730	718	$7,158,537	53	$2,090,748

*Figures of R. G. Dun & Co., Toronto. † Eleven months, from January to November, 1917.

CANADIAN BOND SALES IN THE *UNITED STATES*, 1917

Borrower	Amount	Securities	Rate %	Term Years	Remarks
	$	**CORPORATION**			
January					
Nova Scotia Tram. & Power Co..	2,250,000	Gold bonds	5	30	Offered by Lee, Higginson & Co. and Potter, Choate & Prentice, New York, at 95½.
March					
Canada West Coast Navigation Co.	600,000	Gold bonds	6	1918-27	Offered at par and interest by Tillotson & Wolcott Co., Cleveland
Wm. A. Rogers, Ltd..... ..	600,000	Gold bonds	6	1918-32	Offered at 100 and accrued interest by A. E. Ames & Co., Toronto
April					
Montreal Tramways & Power Co.	5,350,000	Gold notes	6	2	Offered by Potter, Choate & Prentice, New York, at 98¼ and interest
June					
New Brunswick Power Co.....	1,225,000	Gold bonds	5	5	Offered at 95 and interest by Harris, Forbes & Co., Montreal, and Coffin & Burr, Inc., Boston. This was an issue of $1,750,000, of which $525,000 was sold in Canada
October					
Canada Copper Corporation.....	2,500,000	Bonds	6	10	Issued to stockholders and underwriters at par
November					
Toronto Railway Co.....	750,000	Notes	6	1	Offered by Wm. A. Read & Co., New York, at 99
December					
Shawinigan Water & Power.....	4,500,000	Notes	6	2	Sold to syndicate (Lee, Higginson & Co. & other houses)
Total Corporation.....	17,775,000				
		RAILROAD			
July					
Canadian Northern Railway.....	2,700,000	Gold notes	6	1	Offered by Wm. A. Read & Co., New York, at 99¼.
August					
Canadian Northern Railway.....	10,000,000	Gold notes	6	1	Offered by Wm. A. Read & Co., New York, at 99.05
Total Railroad..... .	12,700,000				
		GOVERNMENT			
January					
Ontario.....	1,000,000	Bonds	—	—	
March					
Dominion.....	25,000,000	Bonds	5	20	This issue, made at 96, was one of $150,000,000, of which it is estimated $25,000,000 was sold in the United States
April					
Manitoba.....	1,500,000	Gold bonds	5	5	Sold to Wood, Gundy & Co., Toronto, and National City Bank, New York, at 98 and interest, less underwriting commission. This was an issue of $2,000,000, of which $500,000 was sold in Canada
July					
Dominion.....	100,000,000	Notes	5	2	Offered by J. P. Morgan syndicate at 98 and interest
September					
Saskatchewan.....	500,000	Bonds	5	15	This was an issue of $1,500,000, of which $1,000,000 was sold in Canada
November					
Dominion.....	10,000,000	Gold Bonds	5½	5,10 & 20	Issued at par. Of this, Canada's Victory Loan, for $150,000,000, approximately $418,000,000 was subscribed, of which about $400,000,000 was allotted. Only $10,000,000 of that amount was sold in the United States, the remaining $390,000,000 being sold in Canada
Total Government.....	138,000,000				
		MUNICIPAL			
January					
Quebec, Que	780,000	Gold bonds	5	5 or 10	Awarded to Wood, Gundy & Co., Toronto, on the 10-year basis at 99.09
Vancouver, B.C.....	1,674,000	Treasury notes	5½	3	Sold to Spitzer, Rorick & Co., Toledo, at 97¾
February					
South Vancouver, B.C.	450,000	Notes	6	3	Sold to Spitzer, Rorick & Co. against arrears of taxes up to and including 1916
Sutherland, Sask.....	35,725	——	—	—	
March					
North Vancouver, B.C.	47,440	Bonds	6	30	Sold to W. L. Slayton & Co., Toledo, at 95.14, plus accrued interest
North Vancouver, B.C.....	73,000	Bonds	5	50	Sold to W. L. Slayton & Co., Toledo, at 78.20, plus accrued interest
April					
Toronto Harbour Commission....	1,500,000	Sinking fund gold bonds	4½	40	Sold to Wm. A. Read & Co., New York, and Wood, Gundy & Co., Toronto; offered at 91¾
Sault Ste. Marie, Ont.....	63,200	Bonds	5½	1932-67	Sold to Spitzer, Rorick & Co., Toledo
June					
Trail, B.C.....	80,000	Bonds	6	20	Sold to Sweet, Causey & Foster, Denver, at 93.50
July					
Red Deer, Alta.	30,000	Treasury notes	6	1, 2 & 3	Sold to W. L. Slayton & Co. at 94
Greater Winnipeg Water District.	1,500,000	Bonds	5	5	This was part of an issue of $4,000,000 sold during June and July, the balance of $2,500,000 being sold in Canada. Offered at 94.70
Total Municipal.....	6,233,365				

BOND SALES *IN CANADA*, 1917

Borrower	Amount	Securities	Rate %	Term Years	Remarks
		CORPORATION			
	$				
February					
Dominion Flour Mills, Ltd.	75,000	Gold bonds	6	30	Offered by MacDonald, Bullock & Co., Toronto, at par and interest, with 50% stock bonus
March					
Wolthausen Hat Corporation, Ltd.	150,000	Gold bonds	6	20	Offered by Campbell, Thompson & Co., Toronto, at 97½ and interest, with 25% common stock bonus
June					
New Brunswick Power Co.	525,000	Gold bonds	5	5	Offered at 95 and interest by Harris, Forbes & Co., Montreal, and Coffin & Burr Inc., Boston. This was an issue of $1,750,000, of which $1,225,000 was sold in the United States
North'n Ontario Light & Power Co.	100,000	1st mortgage bonds	6	20	Offered at 85 and accrued interest by Hanson Bros., Montreal
July					
Hotel Renfrew	25,000	Bonds	—	—	Offered to local investors of Renfrew, Ont.
Teck Hughes Gold Mines	100,000	Bonds	7	5	
August					
Three Rivers Shipyards, Ltd.	100,000	Bonds	6	2-10	Purchased by Credit Canadien, Inc., Montreal, at 95.
Total Corporation	1,075,000				
		GOVERNMENT			
March					
Dominion	125 000 000	Bonds	5	20	This issue, made at 96, was one of $150,000,000, of which it is estimated $25,000,000 was sold in the United States
April					
Manitoba	500,000	Bonds	5	5	Sold to Wood, Gundy & Co., Toronto, and National City Bank, New York, at 98 and interest, less underwriting commission. This was an issue of $2,000,000, of which $1,500,000 was sold in the United States
May					
Ontario	8,000,000	Bonds	4	10	These bonds were issued, on behalf of the Ontario Hydro-Electric Commission, to the Sun Life Assurance Co. of Canada, in regard to the acquisition of the Ontario Power Co. by the Commission
July					
New Brunswick	500,000	Bonds	5	20	Sold at 95 to J. M. Robinson & Sons, St. John, N.B.
August					
Alberta	1,500,000	Bonds	5	5	Offered by Dominion Securities Corporation and Wood, Gundy & Co., Toronto, at 94.70 and interest
September					
Saskatchewan	1,000,000	Bonds	5	15	This was an issue of $1,500,000, of which $500,000 was sold in the United States
Saskatchewan	800,000	Rural credit bonds	5	10	These bonds, of the "Greater Production Loan," were issued at par
November					
Dominion	390 000 000	Bonds	5½	5, 10, 20	Issued at par. Of this, Canada's Victory Loan, for $150,000,000, approximately $418,000,000 was subscribed, of which about $400,000,000 was allotted. Only $10,000,000 of that amount was sold in the United States, the remaining $390,000,000 being sold in Canada
Total Government	527 300 000				

MUNICIPAL **(See page 132 for details.)**

Sales in	Amount	Sales in	Amount	Sales in	Amount
	$		$		$
January	1,969,256	June	1,642,003	November	917,191
February	458,874	July	3,814,489	December	890,000
March	229,013	August	4,637,836		
April	1,182,974	September	440,268	Total	17,955,714
May	1,375,039	October	398,771		

The investments of the Royal Exchange Assurance Corporation in British and allied government war loans now exceed £2,150,000.

The result of the seventh German war loan have been announced as 12,430,000,000 marks ($3,107,500,000), from upwards of 5,200,000 subscribers. Instead of being the great triumph which it has been proclaimed in the German press, British critics who have analysed the figures, consider that the loan bears the mark of rapidly increasing financial difficulties.

SUMMARY OF CANADIAN BOND SALES in all Markets, 1905-1917

Bonds	Sold in United States	Sold in Canada	Sold in United States	Sold in Canada
	1916	1916	1917	1917
January	$	$	$	$
Government	1,500,000	.....	1,000,000	.....
Municipal	3,183,215	1,909,441	2,454,000	1,969,256
Railroad	5,250,000	.....	.....	.....
Corporation	1,445,000	135,000	2,250,000	.....
	11,378 215	2,044,441	5,704,000	1,969,256
February				
Government	.....	.....	.....	.....
Municipal	899,500	1,419,909	485,725	458,874
Railroad	.....	.....	.....	.....
Corporation	850,000	.....	.....	75,000
	1,749,500	1,419,909	485,725	533,874
March				
Government	76,800,000	8,623,000	25,000,000	125,000,000
Municipal	595,000	2,027,741	120,440	229,013
Railroad	.....	.....	.....	.....
Corporation	150,000	.....	1,200,000	150,000
	77,545,000	10,650,741	26,320,440	125,379,013
April				
Government	2,650.000	.....	1,500,000	500,000
Municipal	2,158,306	1,979,852	1,563,200	1,182,974
Railroad	.....	.....	.....	.....
Corporation	.....	.....	5,350,000	.....
	4,808,306	1,979,852	8,413,200	1,682,974
May				
Government	4,000,000	.....	.....	8,000,000
Municipal	7,219,000	2,649,000	.....	1,375,039
Railroad	2,420,000	.....	.....	.....
Corporation	.....	.....	.....	.....
	13,639,000	2,649,000	.....	9,375,039
June				
Government	7,000,000	.....	.....	.....
Municipal	3,394,243	3,043,283	80,000	1,642,003
Railroad	.....	70,000	.....	.....
Corporation	1,000,000	.....	1,225,000	625,000
	11,394,243	3,113,283	1,305,000	2,267,003

Bonds	Sold in United States	Sold in Canada	Sold in United States	Sold in Canada
	1916	1916	1917	1917
July	$	$	$	$
Government	.....	.....	100,000,000	500,000
Municipal	3,631,200	1,521,525	1,530,000	3,814,489
Railroad	6,000,000	.....	2,700,000	.....
Corporation	807,000	750,000	.....	125,000
	10,438,200	2,271,525	104,230,000	4,439,489
August				
Government	.....	.....	.....	1,500,000
Municipal	97,300	852,447	.....	4,637,836
Railroad	3,750,000	.....	10,000,000	.....
Corporation	4,255,000	2,050,000	.....	100,000
	8,102,300	2,902,447	10,000,000	6,237,836
September				
Government	30,000,000	70,000,000	500,000	1,800,000
Municipal	200,000	960,435	.....	440,268
Railroad	.....	.....	.....	.....
Corporation	.....	.....	.....	.....
	30,200,000	70,960,435	500,000	2,240,268
October				
Government	.....	.....	.....	.....
Municipal	.....	1,361,665	.....	398,771
Railroad	.....	.....	.....	.....
Corporation	12,150,000	100,000	2,500,000	.....
	12,150,000	1,461,665	2,500,000	398,771
November				
Government	.....	.....	10,000,000	390,000,000
Municipal	7,894,000	1,246,480	.....	917,191
Railroad	2,750.000	.....	.....	.....
Corporation	195,000	1,205,000	750,000	.....
	10,839,000	2,451,480	10,750,000	390,917,191
December				
Government	7,600,000	.....	.....	.....
Municipal	3,065,000	669,000	.....	890,000
Railroad	2,000,000	.....	.....	.....
Corporation	2,035,000	365,000	4,500,000	.....
	14,700,000	1,034,000	4,500,000	890,000

NOTES.—(1) The above summaries include the internal War Loans of September, 1916, March, 1917, and November, 1917. (2) No Canadian bonds were sold in the United Kingdom in 1917. In 1916, there was sold in that market, only one issue, £1,000,000 6% 20-year debentures of Canadian Vickers, Ltd., and in 1917, one issue, £1,000,000 6% 3-year notes of the Grand Trunk Railway.

Sold in	Government		Municipal		Railroad		Corporation		Totals	
	1916	1917	1916	1917	1916	1917	1916	1917	1916	1917
	$	$	$	$	$	$	$	$	$	$
Canada	78,623,000	527,300,000	19,640,778	17,955,714	70,000	.....	4,605,000	1,075,000	102,938,778	546,330,714
United States	129,550,000	138,000,000	32,336,764	6.233,365	22,170,000	12,700,000	22,887,000	17,775,000	206,943,764	174,708,365
United Kingdom	.....	.....	.....	.....	.....	5,000,000	5,000,000	.....	5,000,000	5,000,000
	208,173,000	665,300,000	51,977,542	24,189,079	22,240,000	17,700,000	32,492,000	18,850,000	*356,882,542 314,882,542	726,039,079

NOTES.—In addition to the above loans, advances for war purposes have been made to Canada by the Imperial Government, and Canada has established credits here for the British Government. These loans are not included in the above figures.

*Included in this sum are $8,000,000 of a total of $50,000,000 Canadian bonds repurchased in United Kingdom since the war commenced to the end of 1916. The inclusion of the $42,000,000 of unclassified repurchases brings the total of Canadian bond sales in 1916 to $356,000,000.

Year	Sold in Canada	Sold in United Kingdom	Sold in United States	Total
	$	$	$	$
1905	35,149,921	85,621,395	9,256,782	134,874,531
1906	23,304,958	26,563,700	4,118,350	53,987,008
1907	14,761,683	63,095,057	4,779,000	82,635,740
1908	24,585,140	165,455,031	6,316,350	196,356,521
1909	60,433,964	194,356,788	10,367,500	265,158,252
1910	39,296,462	188,070,128	3,634,000	231,000,590
1911	44,989,878	204,269,143	17,553,967	266,812,988
1912	37,735,182	204,236,394	30,966,406	272,937,982
1913	45,603,753	277,470,780	50,720,762	373,795,295
1914	32,999,860	185,990,659	53,944,548	272,935,067
*1915	114,275,214	41,175,000	178,606,114	335,106,328
*1916	102,938,778	5,000,000	206 943.764	**356,882,542
1917	546,330,714	5,000,000	174,708,365	726,039,079

**Included in this sum are $8,000,000 of a total of $50,000,000 Canadian bonds repurchased in United Kingdom since the war commenced to the end of 1916. The inclusion of the $42,000,000 of unclassified repurchases brings the total of Canadian bond sales in 1916 to $356,000,000.

*In the above tables it has been estimated that of the first Canadian war loan of $100,000,000 in November, 1915, $25,000,000 was sold in the United States; second loan of $100,000,000 in September, 1916, $30,000,000 in the United States; third loan of $150,000,000 in March, 1917, $25,000,000 in the United States; and fourth loan (allotted) of $400,000,000 in November, 1917, $10,000,000 in the United States.

Canadian Trade with Britain, France and Italy

Charts Which Show at a Glance the State of Trade Before the War Between Canada and Important Countries Overseas

The tables and charts which follow are intended to enable readers to see at a glance the state of trade before the war between Canada, the United Kingdom, France, Italy and Belgium.

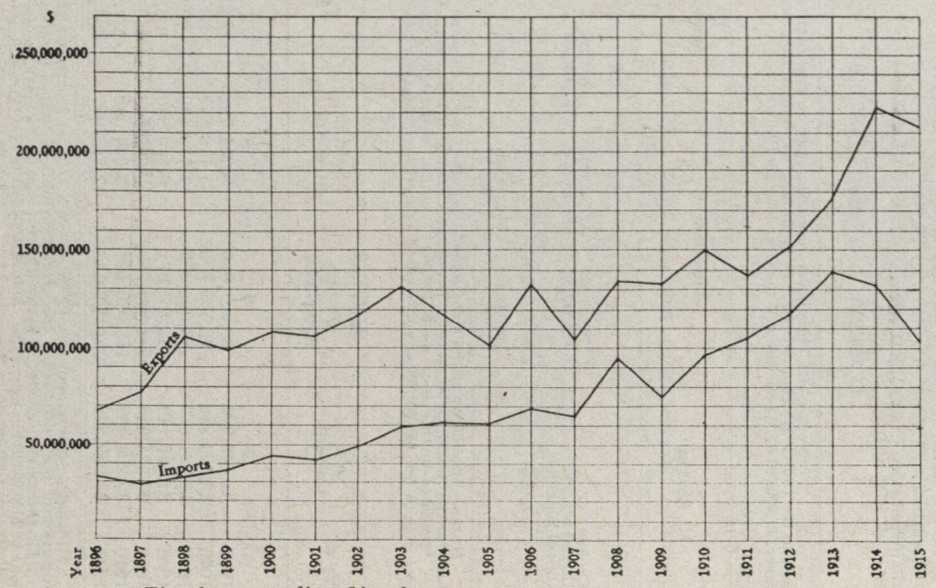
To indicate normal pre-war conditions, particularly with respect to the competition which Canada must expect in these markets, the trade returns of the British, French and Italian Governments for the year 1913 have been utilized. The figures of this one year, it is thought, will give a more satisfactory view of the situation than those of a series of years, or than an average over several years.

British returns are in pounds sterling. Italian import figures, originally in lire, have been converted to dollars. The French customs imports statistics do not give details of values, but only of weights of goods received from abroad. These details have been left in the original Metric Quintals (220.46 pounds) and the total value of any class of import has been converted from francs to dollars. The French imports are for consumption, those of the other countries are general imports.

The tables and charts, prepared by the Special Trade Commission of Canada which visited the United Kingdom, France, Italy and Belgium in 1916, are published below with the special permission of that Commission and of the Department of Trade and Commerce, Ottawa.

CANADA'S TRADE WITH UNITED KINGDOM, 1896-1915

Merchandise (Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

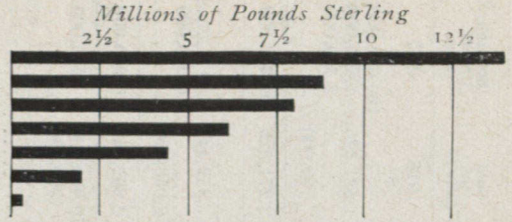
Canada's Competition in United Kingdom.

Imports, by Principal Countries of Origin, into United Kingdom in 1913, of Goods which Canada exports thereto in largest quantities. Board of Trade Returns. (Charts follow order of Table preceding.)

WHEAT

Millions of Pounds Sterling

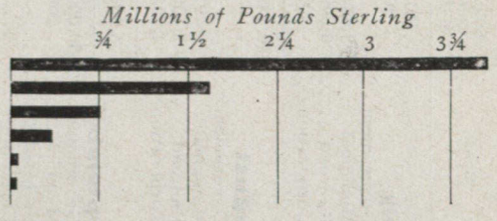
UNITED STATES..	13,953,072
CANADA	8,803,949
BRITISH INDIA...	7,998,552
ARGENTINE	6,137,518
AUSTRALIA	4,426,629
RUSSIA	1,984,964
CHILI	326,244



CHEESE

Millions of Pounds Sterling

CANADA	4,038,627
NEW ZEALAND ...	1,685,472
NETHERLANDS ..	760,089
ITALY	343,838
UNITED STATES..	67,217
FRANCE	57,762

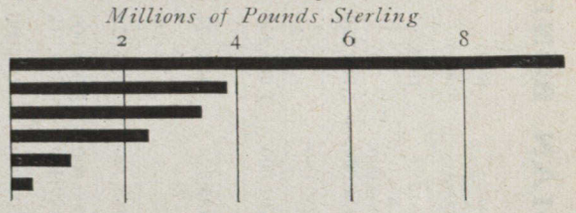


WOOD AND TIMBER

Sawn or split, planed or dressed and Sleepers

Millions of Pounds Sterling

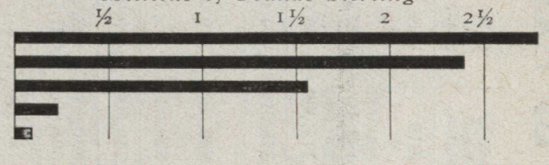
RUSSIA	9,767,698
SWEDEN	3,834,048
CANADA	3,379,273
UNITED STATES..	2,442,547
NORWAY	1,069,568
GERMANY	381,166



FLAX OR LINSEED

Millions of Pounds Sterling

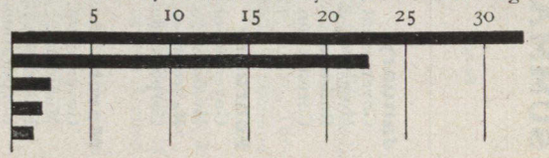
CANADA	2,792,955
ARGENTINE	2,396,635
BRITISH INDIA ..	1,564,428
RUSSIA	228,167
UNITED STATES..	98,366



WHEAT MEAL AND FLOUR

Hundreds of Thousands of Pounds Sterling

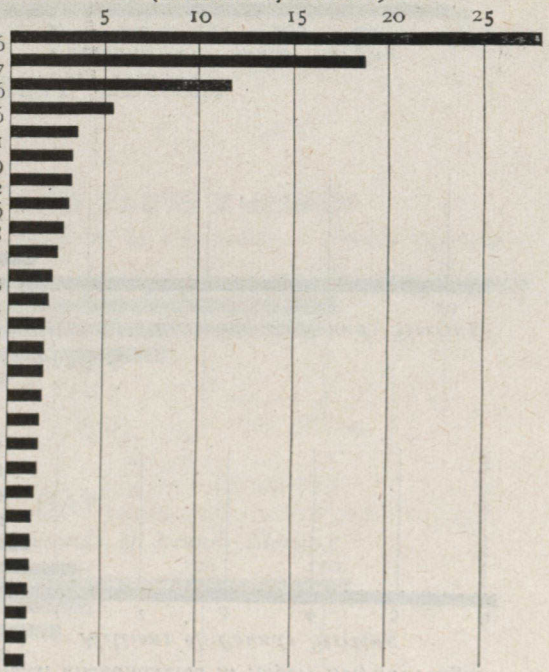
UNITED STATES..	3,247,423
CANADA	2,261,783
GERMANY	241,825
AUSTRALIA	188,218
FRANCE	137,803



Principal Imports of British Goods into Canada, 1913

(Canadian Government Returns)

(Millions of Dollars)

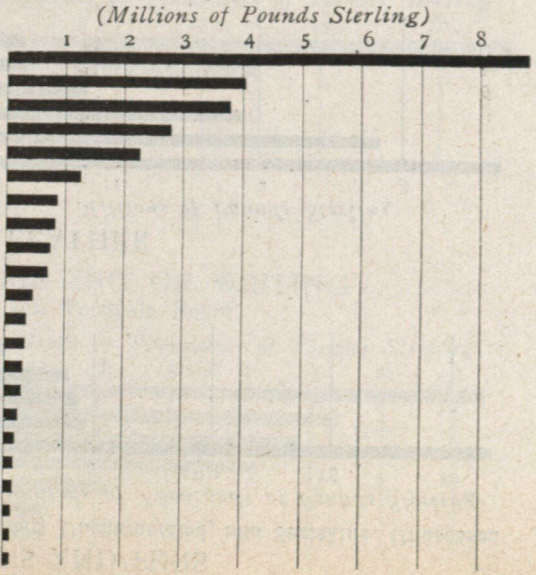


Wool and manufactures	28,173,086
Cotton and manufactures	18,807,657
Mfrs. Iron & St'l ex.Mch.	11,739,096
Flax, Hemp, Jute & mfrs.	5,474,396
Silk and manufactures	3,828,121
Spirits and Wines	3,300,319
Hats, Bonnets, etc.	3,295,152
Drugs, etc.	3,157,726
Machinery	2,918,028
Tea	2,620,301
Gutta Percha and mfrs.	2,304,523
Oilcloth	2,066,784
Fancy Goods	1,957,309
Earthenware	1,917,027
Leather and mfrs.	1,873,197
Paper and mfrs.	1,814,653
Tin and manufactures	1,697,923
Precious stones	1,690,691
Sugar and manufactures.	1,636,637
Glass and manufactures.	1,514,108
Books, etc	1,347,749
Hides and Skins not Fur.	1,316,706
Furs and manufactures.	1,294,462
Electric apparatus	1,193,723
Gloves and Mitts	1,161,835
Lead and manufactures.	1,156,488
Mics. metals and mfrs.	1,058,849

Principal Imports of Canadian Goods into United Kingdom, 1913

Board of Trade Returns)

(Millions of Pounds Sterling)



Wheat	8,803,949
Cheese	4,038,627
Wood & timber(incl. hwn)	3,789,477
Flax or Linseed	2,702,955
Wheat Meal and Flour.	2,261,783
Fish	1,257,835
Bacon	863,139
Barley	832,841
Oats	750,693
Raw Apples	730,036
Skins and Furs	472,382
Leather	360,780
Metals and manufactures.	340,197
Hams	336,695
Oatmeal, Groats, R. Oats.	298,215
Lard	229,227
Motor Cars and parts.	180,889
Hay	161,274
Wood Pulp	159,439
Paper and Wood Board.	137,615
Machinery and parts	114,977
Oil Seed Cake	112,899

FISH OF ALL KINDS

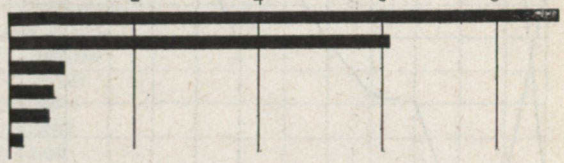
Except Oysters for Breeding

Hundreds of Thousands of Pounds Sterling

CANADA	1,257,835
NORWAY	1,056,820
UNITED STATES.	761,559
PORTUGAL	365,529
DENMARK	228,189

BACON

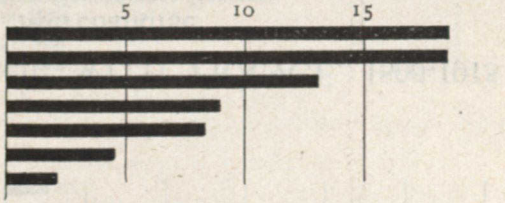
Millions of Pounds Sterling



DENMARK	8,865,670
UNITED STATES.	6,122,320
CANADA	863,139
RUSSIA	684,828
NETHERLANDS	633,864
SWEDEN	203,534

BARLEY

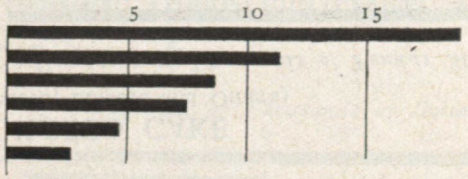
Hundreds of Thousands of Pounds Sterling



UNITED STATES.	1,852,756
RUSSIA	1,847,367
BRITISH INDIA.	1,308,478
ASIATIC TURKEY.	891,953
CANADA	832,841
ROUMANIA	457,830
DENMARK	211,731

OATS

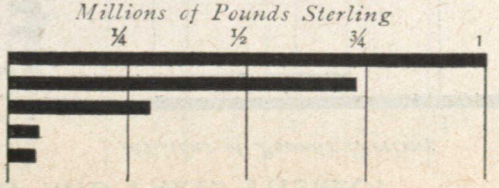
Hundreds of Thousands of Pounds Sterling



ARGENTINE	1,892,186
GERMANY	1,137,511
RUSSIA	865,237
CANADA	750,693
UNITED STATES.	465,904
CHILI	268,765

RAW APPLES

Millions of Pounds Sterling

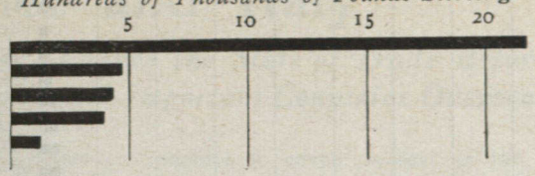


UNITED STATES.	1,000,074
CANADA	730,036
AUSTRALIA	296,245
PORTUGAL	64,645
FRANCE	58,036

SKINS AND FURS

(Other than Goat, Sheep and Rabbit) Unenumerated, and Sealskins, Undressed

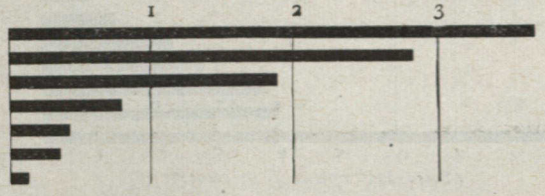
Hundreds of Thousands of Pounds Sterling



UNITED STATES..	2,171,737
CANADA	472,382
AUSTRALIA	432,897
GERMANY	392,651
NEWFOUNDLAND .	135,097

LEATHER

Millions of Pounds Sterling

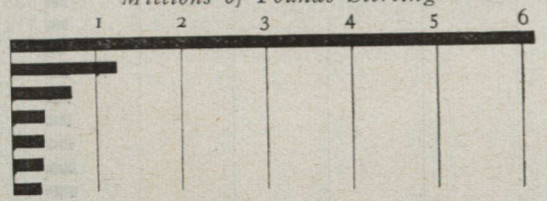


UNITED STATES..	3,693,012
BRITISH INDIA....	2,839,089
GERMANY	1,894,919
FRANCE	793,303
AUSTRALIA	430,034
CANADA	360,780
BELGIUM	134,052

METALS AND MANUFACTURES THEREOF

i.e., Copper Regulus and Precipitate, Iron and Steel of all kinds (excluding old iron, except old rails), Zinc, Crude, Metal unenumerated in import list, unwrought

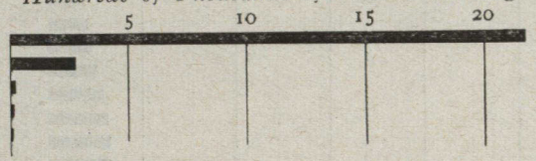
Millions of Pounds Sterling



GERMANY 6,146,730	
UNITED STATES...1,238,803	
FRANCE	702,989
NETHERLANDS ...	381,032
MEXICO	357,765
CANADA	349,197
CAPE of GOOD HOPE.	321,520

HAMS

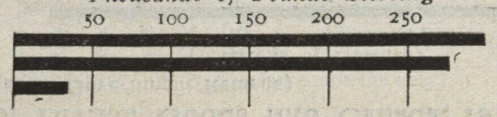
Hundreds of Thousands of Pounds Sterling



UNITED STATES...2,716,004	
CANADA	336,695
Other For'n Countries	6,294
DENMARK	4,339
GERMANY	4,138

OATMEAL, GROATS

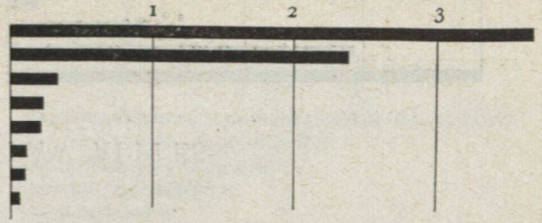
Thousands of Pounds Sterling



CANADA	298,215
UNITED STATES...	275,201
OTHER COUNTRIES	34,345

MACHINERY AND PARTS THEREOF

Millions of Pounds Sterling

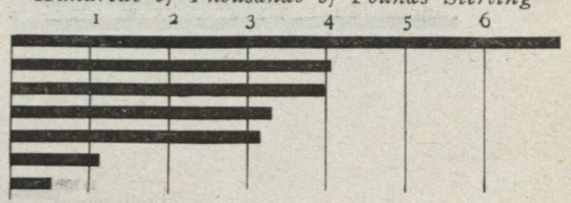


UNITED STATES...3,677,579	
GERMANY 2,384,142	
BELGIUM	332,069
FRANCE	231,929
SWEDEN	214,735
CANADA	114,977
SWITZERLAND	106,940
DENMARK	67,681

OILSEED CAKE

(Cottonseed, Linseed and Others)

Hundreds of Thousands of Pounds Sterling

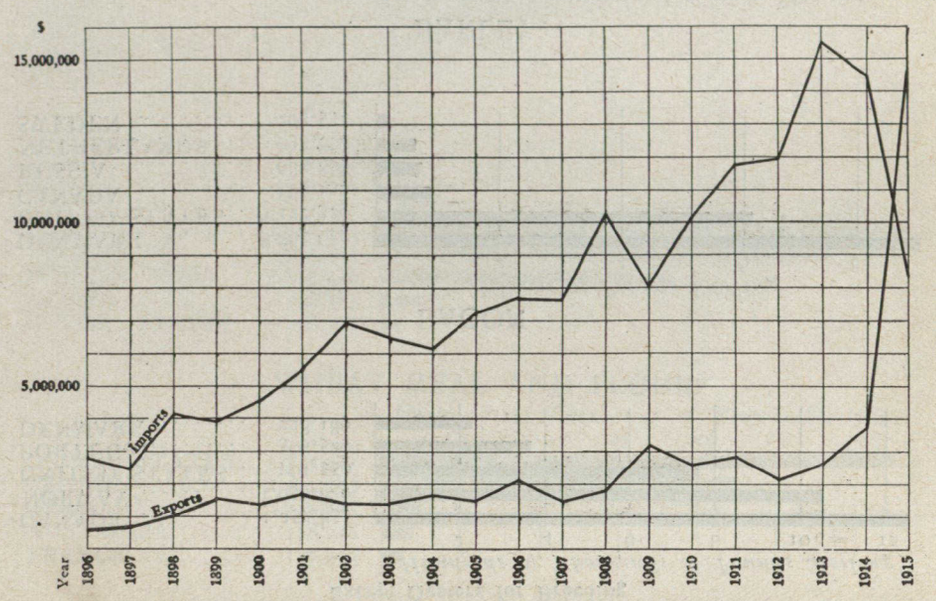


UNITED STATES...	696,980
GERMANY	405,973
BRITISH INDIA	397,696
RUSSIA	330,857
EGYPT	317,003
CANADA	112,899
SPAIN	52,738

CANADA'S TRADE WITH FRANCE, 1896-1915

Merchandise

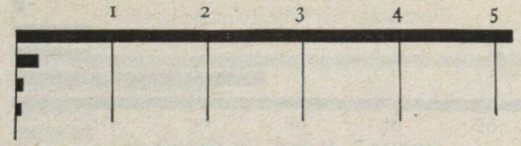
(Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

LARD

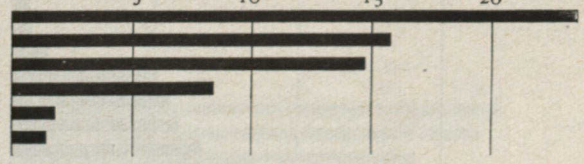
Millions of Pounds Sterling



UNITED STATES	5,184,713
CANADA	229,227
CHINA	69,321
DENMARK	52,063

MOTOR CARS AND PARTS THEREOF

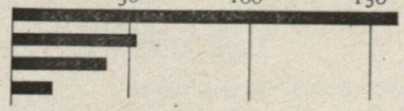
Hundreds of Thousands of Pounds Sterling



FRANCE	2,378,258
UNITED STATES	1,586,481
GERMANY	1,479,273
BELGIUM	845,396
CANADA	180,889
SWITZERLAND	145,082

HAY

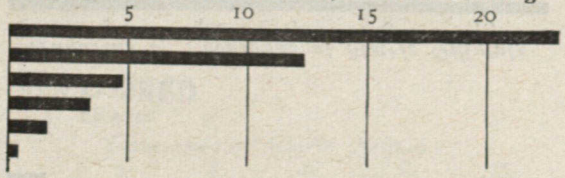
Thousands of Pounds Sterling



CANADA	161,274
NORWAY	52,304
SWEDEN	39,750
UNITED STATES	17,013

WOOD PULP

Hundreds of Thousands of Pounds Sterling

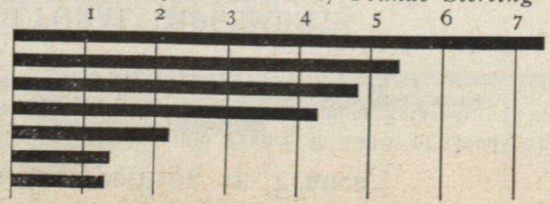


SWEDEN	2,302,691
NORWAY	1,230,828
RUSSIA	472,479
GERMANY	339,456
CANADA	159,439
AUSTRIA-HUNGARY	40,652

PAPER FOR PRINTING OR WRITING

Millboard and Woodpulp Board

Hundreds of Thousands of Pounds Sterling

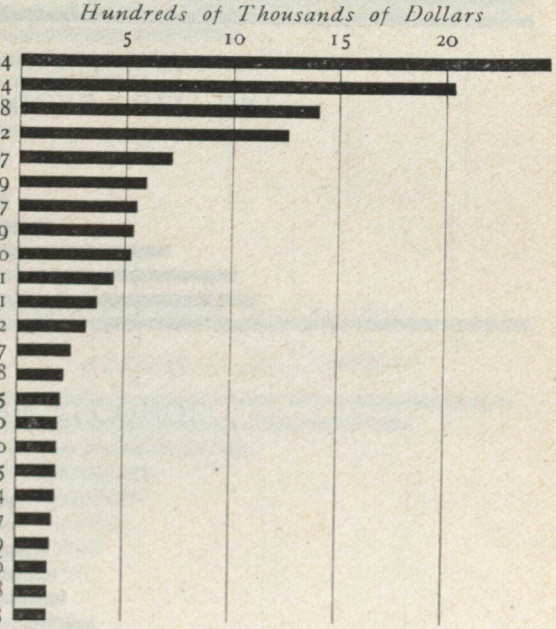


NORWAY	745,186
SWEDEN	540,470
GERMANY	484,834
NEWFOUNDLAND	428,066
RUSSIA	220,431
CANADA	137,615
UNITED STATES	131,549

Principal Imports of French Goods into Canada, 1913

(Canadian Government Returns)

Hundreds of Thousands of Dollars

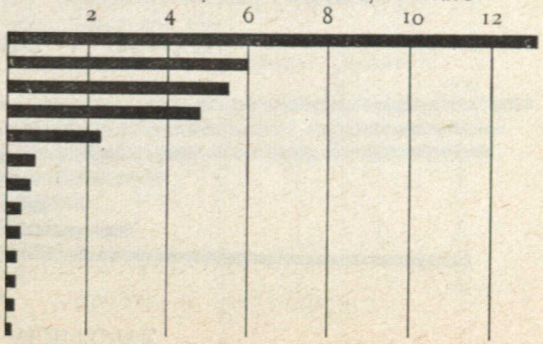


Spirits and Wines	2,483,144
Hides and Skins not Fur	1,929,674
Wool and manufactures	1,406,978
Silk and manufactures	1,264,812
Glove sand Mitts	716,207
Drugs and Chemicals	597,159
Cotton and manufactures	556,777
Precious Stones	543,699
Fancy Goods	534,050
Dried fruits and nuts	446,891
Ribbons	375,451
Furs and manufactures	325,752
Tobacco Pipes	252,627
Books	222,278
Jewellery	205,055
Breadstuffs	193,160
Metals, Minerals and mfrs.	191,440
Oils	189,935
Earthenware & Chinaware	185,054
Perfumery, etc.	168,717
Soap	163,489
Canned Vegetables	156,806
Hats, etc.	153,978
Paper and mfrs.	151,295

Principal Imports of Canadian Goods into France, 1913

(French Government Returns)

Hundreds of Thousands of Dollars



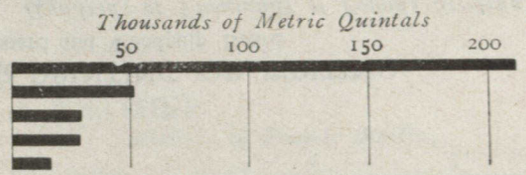
Mach's & Mech'l Applncs.	1,312,786
Oily Grains and Fruits	600,809
Cereals (Grains & Flour)	550,629
Lobsters and Langoustes	478,833
Chemical Products	233,144
Wood Pulp	69,480
Fish, fresh or preserved	58,672
Salted Meats	35,512
Dried Vegetables & Flours	34,740
Shell Fish	24,704
Raw Skins and Hides	23,160
Wool and Woolen Shoddy	20,844
Stones, Earths used in arts	14,861
Other Articles	139,153

Canada's Competition in France

Imports, by Principal Countries of Origin, into France in 1913, of Goods which Canada Exports thereto in Largest Quantities. French Government Returns. (Charts follow order of preceding table but do not in all cases correspond exactly.)

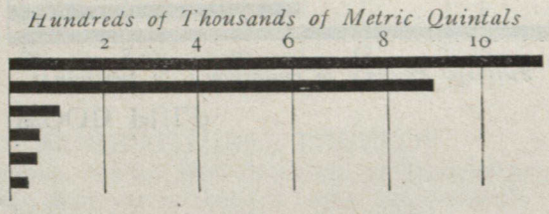
AGRICULTURAL IMPLEMENTS

Total Value ... $8,738,119	
UNITED STATES...	211,883
CANADA	51,803
GERMANY	29,460
GREAT BRITAIN ...	29,077
BELGIUM	16,174
OTHERS	9,874



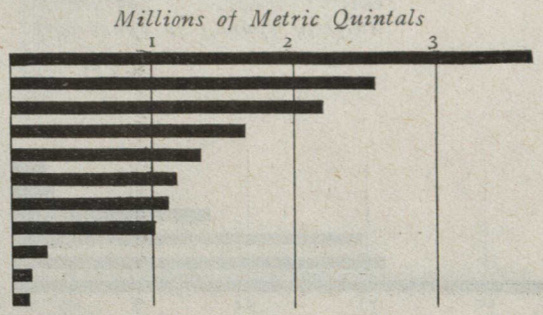
FLAX SEED

Total Value $13,310,525	
ARGENTINE	1,130,252
BRITISH INDIA ...	899,668
CANADA	107,150
CHINA	64,559
UNITED STATES...	58,388
BELGIUM	38,326
OTHERS	75,721



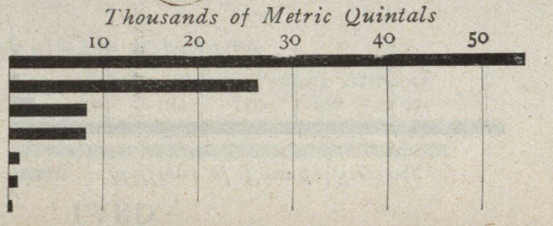
WHEAT

Total Value .. $64,825,620	
ARGENTINE	3,677,895
GERMANY	2,564,669
RUSSIA	2,204,547
AUSTRALIA	1,650,065
UNITED STATES...	1,336,811
ROUMANIA	1,169,292
BRITISH E. INDIES.	1,101,095
ALGERIA	1,011,420
BELGIUM	246,129
CANADA	136,156
TUNIS	115,700
OTHERS	342,738



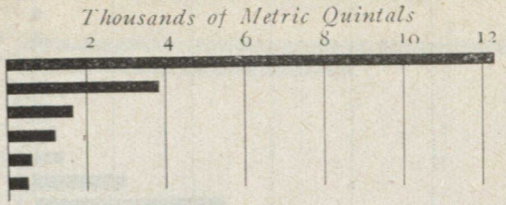
WHEAT FLOUR

Total Value $707,289	
ALGERIA	54,562
TUNIS	26,343
AUSTRIA-HUNGARY.	8,203
GERMANY	8,182
BELGIUM	1,177
GREAT BRITAIN ..	998
RUSSIA	420
OTHERS	646



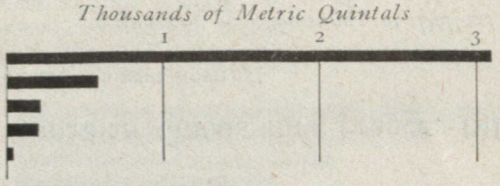
ACETONE

Total Value ... $699,837	
GERMANY	12,288
GREAT BRITAIN...	3,837
CANADA	1,633
BELGIUM	1,196
AUSTRIA-HUNGARY	611
UNITED STATES...	489
OTHERS	61



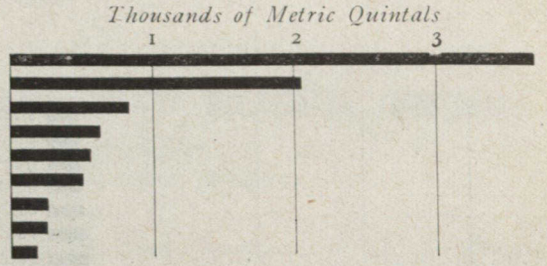
FORMIC ALDEHYDE

Total Value $71,651	
GERMANY	3,088
BELGIUM	582
GREAT BRITAIN...	215
SWITZERLAND	202
CANADA	38



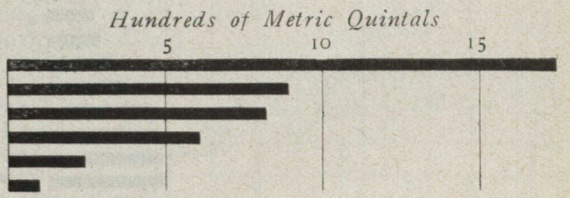
TANNIC EXTRACTS

Total Value $76,713	
BRITISH INDIA ...	3,936
AUSTRIA-HUNGARY	2,049
GREAT BRITAIN...	837
BELGIUM	631
NETHERLANDS ...	560
TURKEY	511
ITALY	258
CANADA	252
OTHERS	176



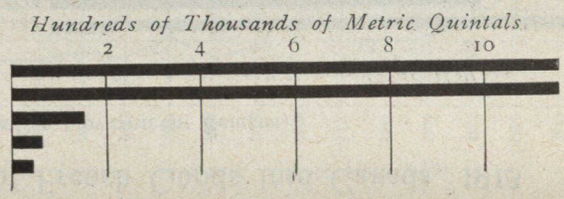
PURE ALCOHOL

Total Value $98,804	
GREAT BRITAIN...	1,743
ITALY	892
GERMANY	821
NETHERLANDS	608
ALGERIA	243
CANADA	101
OTHERS	246



MECHANICAL PULP, DRY

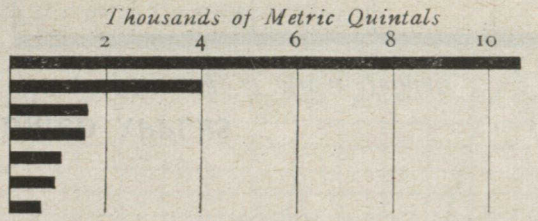
Total Value.... $4,005,891	
SWEDEN	1,163,424
NORWAY	1,159,232
RUSSIA	153,795
GERMANY	63,958
CANADA	45,039
OTHERS	9,041



GROATS, OATMEAL, ROLLED OATS, Etc.

Total Value ... $143,628

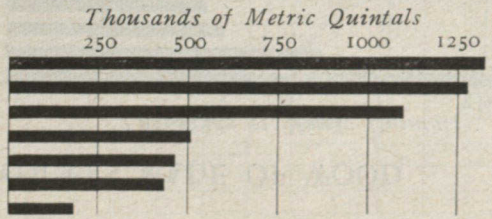
ALGERIA	10,667
TUNIS	4,010
GERMANY	1,615
NETHERLANDS	1,565
GREAT BRITAIN	1,083
CANADA	949
SWITZERLAND	650
OTHERS	815



OATS

Total Value ... $19,675,453

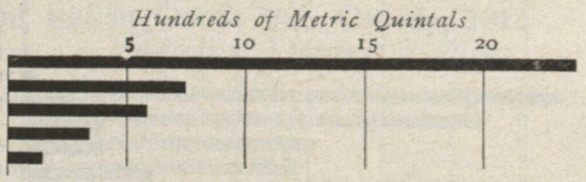
GERMANY	1,324,209
RUSSIA	1,276,614
ARGENTINE	1,097,328
SWEDEN	508,188
TUNIS	467,101
ALGERIA	435,828
UNITED STATES	184,464
OTHERS	511,084



CLOVER SEED, Etc.

Total Value ... $197,311

GERMANY	2,418
SPAIN	746
ITALY	586
BELGIUM	342
CANADA	148
OTHERS	171

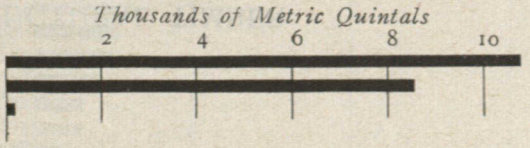


LOBSTERS

Canned

Total Value ... $871,819

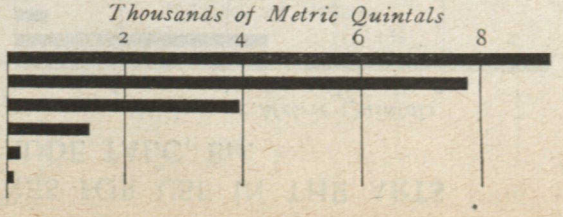
CANADA	10,786
GREAT BRITAIN	8,568
JAPAN	171
OTHERS	115



METHYL ALCOHOL

Total Value ... $328,452

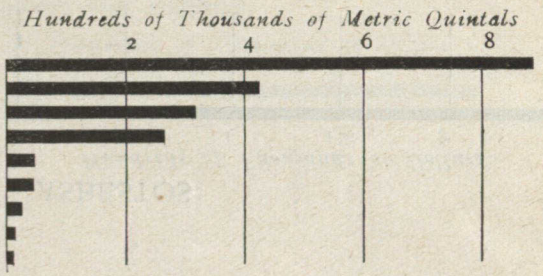
GERMANY	9,193
CANADA	7,782
GREAT BRITAIN	3,942
UNITED STATES	1,388
NETHERLANDS	230
AUSTRIA-HUNGARY	111
OTHERS	45



CHEMICAL PULP

Total Value ... $9,013,138

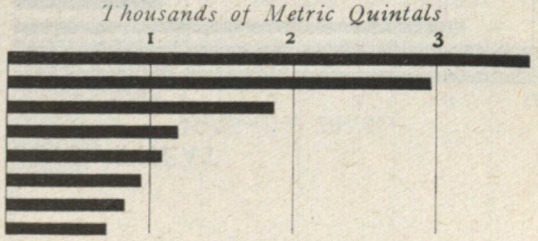
SWEDEN	888,025
GERMANY	427,160
NORWAY	318,297
AUSTRIA-HUNGARY	265,360
BELGIUM	46,646
SWITZERLAND	46,058
UNITED STATES	27,113
NETHERLANDS	13,453
ROUMANIA	10,809
Others (Inc. Canada)	12,074



FISH, Preserved or Prepared, other than Sardines

Total Value ... $583,983

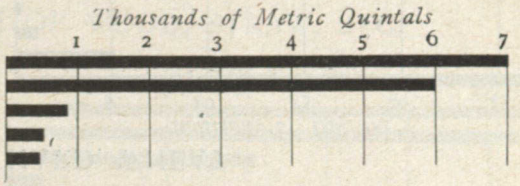
GREAT BRITAIN	3,655
JAPAN	2,968
ITALY	1,869
NORWAY	1,188
SPAIN	1,079
GERMANY	938
NETHERLANDS	823
CANADA	700
OTHERS	1,164



FRESH SALMON

Total Value ... $973,830

NETHERLANDS	7,026
GREAT BRITAIN	5,986
GERMANY	854
SWITZERLAND	527
CANADA	475
OTHERS	422

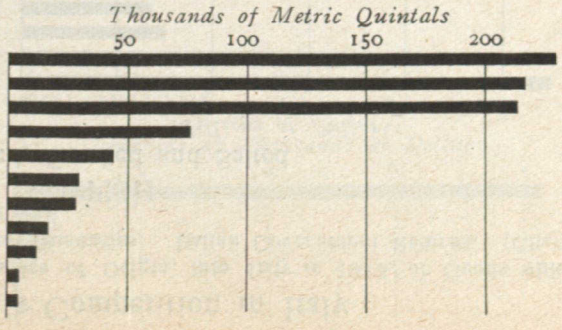


DRY VEGETABLES AND FLOURS THEREOF

Other than Beans and Peas

Total Value ... $6,618,651

ROUMANIA	229,713
RUSSIA	216,777
GERMANY	213,455
AUSTRIA-HUNGARY	75,911
NETHERLANDS	44,162
ITALY	29,508
BELGIUM	28,670
GREAT BRITAIN	17,126
BULGARIA	12,198
ALGERIA	4,987
CANADA	4,675
OTHERS	13,559

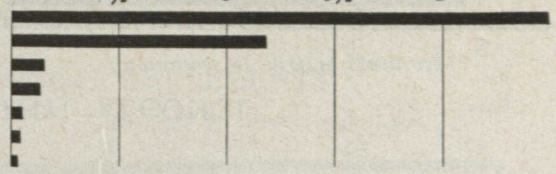


VARIOUS STONES FOR USE IN THE ARTS
CRUDE TALC, Etc.

Millions of Metric Quintals

½ 1 1½ 2

Total Value....$1,217,781	
BELGIUM	2,492,802
GERMANY	1,185,488
GREAT BRITAIN	153,074
AUSTRIA-HUNGARY	134,139
CANADA	51,385
SPAIN	39,364
TURKEY	29,679
OTHERS	115,374

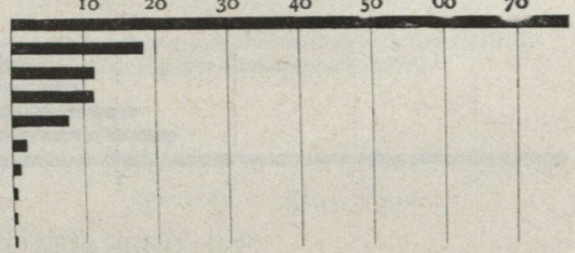


STRUCTURAL TIMBER
Square or Sawn, more than 80 millimetres thick

Thousands of Tons

10 20 30 40 50 60 70

Total Value....$2,512,443	
UNITED STATES	77,251
SWEDEN	18,369
AUSTRIA-HUNGARY	11,609
RUSSIA	11,581
GERMANY	7,948
JAPAN	1,919
FREE ZONES	973
BELGIUM	699
NORWAY	567
CANADA	529
OTHERS	537

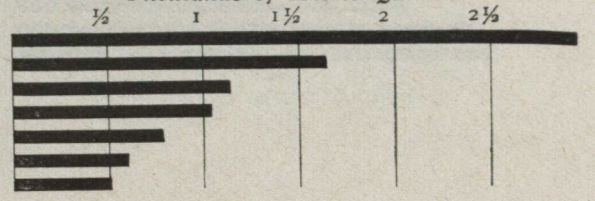


SUNDRY ARTICLES MADE OF WOOD

Thousands of Metric Quintals

½ 1 1½ 2 2½

Total Value....$106,142	
GERMANY	2,948
GREAT BRITAIN	1,645
UNITED STATES	1,136
ITALY	1,040
BELGIUM	784
SWITZERLAND	605
CANADA	508
OTHERS	500

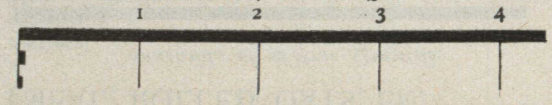


DRIED APPLES

Thousands of Metric Quintals

1 2 3 4

Total Value....$60,167	
UNITED STATES	4,381
CANADA	48
MEXICO	30
OTHERS	62



Canada's Competition in Italy

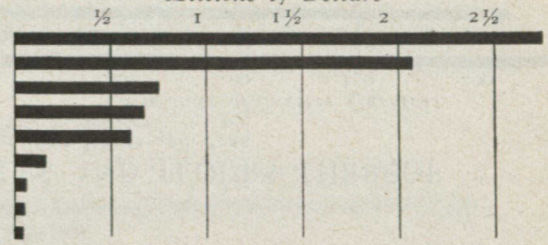
Imports, by Principal Countries of Origin, into Italy in 1913, of Goods which Canada Exports thereto in Largest Quantities. Italian Government Returns. (Charts follow order of table preceding.)

FISH
Dried, Smoked and Salted

Millions of Dollars

½ 1 1½ 2 2½

NORWAY	2,742,644
CANADA	2,064,150
FRANCE	749,486
DENMARK	671,378
GREAT BRITAIN	599,756
UNITED STATES	155,353
GERMANY	5,808
BELGIUM	5,197
SPAIN	4,229

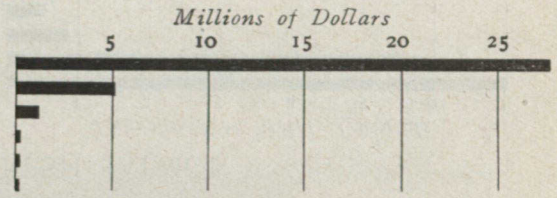


HARD WHEAT

Millions of Dollars

5 10 15 20 25

RUSSIA	27,724,632
UNITED STATES	5,109,436
BRITISH INDIA	1,178,515
BULGARIA	227,325
ROUMANIA	219,844
CANADA	178,084
ARGENTINE	6,073
MOROCCO	4,488
ERITREA	4,444
AUSTRALIA	3,035
ALGERIA	2,200

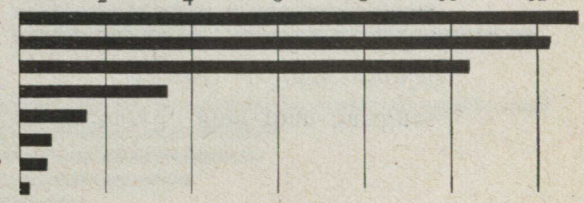


SOFT WHEAT

Millions of Dollars

2 4 6 8 10 12

ROUMANIA	13,048,144
ARGENTINE	12,331,608
RUSSIA	10,435,909
AUSTRALIA	3,422,217
UNITED STATES	1,566,021
BRITISH INDIA	734,834
GERMANY	639,520
CANADA	232,413
FRANCE	16,266
TURKEY IN ASIA	9,294
BRAZIL	6,805

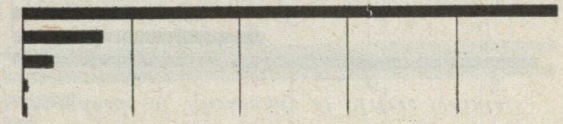


ASBESTOS

Hundreds of Thousands of Dollars

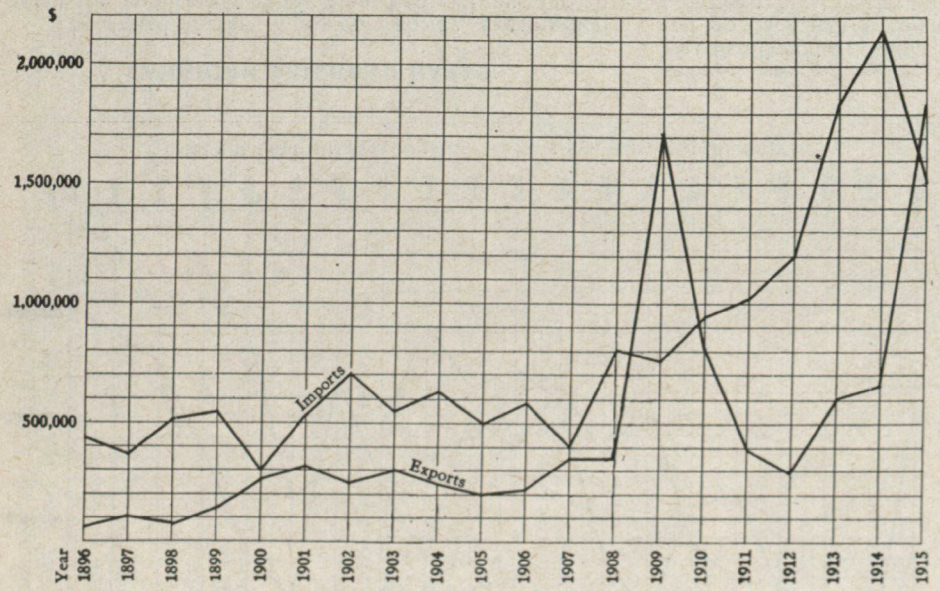
½ 1 1½ 2

CANADA	246,894
BRIT. CENT. AFRICA	36,828
AUSTRIA	13,891
RUSSIA	1,968
UNITED STATES	1,529
GERMANY	796
FRANCE	599



CANADA'S TRADE WITH ITALY, 1896-1913

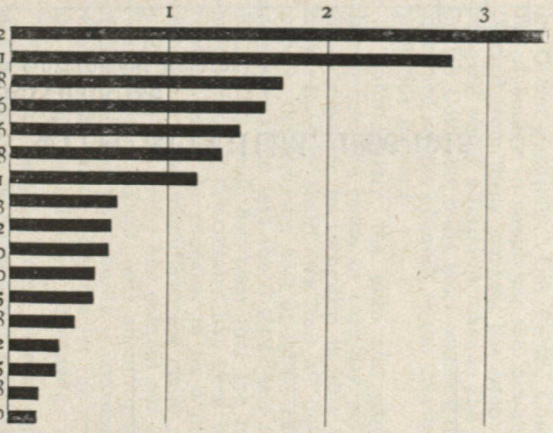
Merchandise (Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

Principal Imports of Italian Goods into Canada, 1913

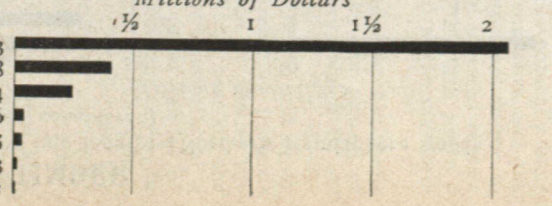
Hundreds of Thousands of Dollars



Green Fruits	339,912
Breadstuffs (inc. Vermicelli)	278,101
Olive and other Oils	172,108
Hats, Caps and Bonnets	160,976
Gutta Percha and mfrs.	145,476
Cheese	133,868
Canned Vegetables	118,431
Dried Fruits and Nuts	68,063
Spirits and Wines	64,642
Gloves and Mitts	62,830
Drugs, Chemicals, Sulphur	53,800
Silk and mfrs.	53,135
Flax, Hemp, Jute & mfrs.	41,538
Wool & mfrs.	31,622
Marble & mfrs.	20,435
Fancy Goods	18,758
Electric Apparatus	18,070

Principal Imports of Canadian Goods into Italy, 1913

Millions of Dollars

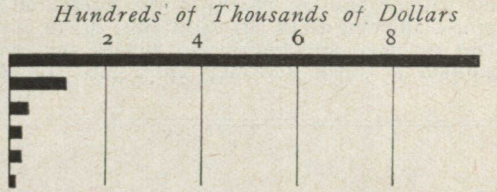


Dried, Smoked & S. Fish	2,064,413
Wheat	410,498
Asbestos	246,894
Agricultural Machinery	28,556
Chemical Wood Pulp	22,235
Colophony	7,603
Wood, squared or sawn	2,162

AGRICULTURAL MACHINERY

Mowers and Reapers

Hundreds of Thousands of Dollars

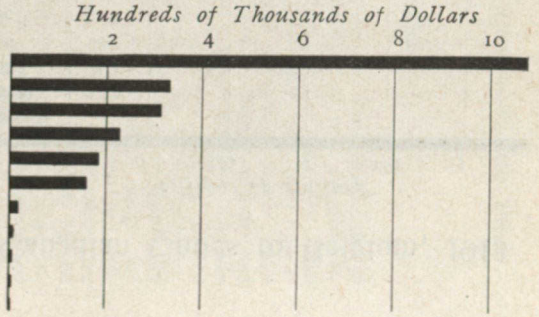


UNITED STATES	982,308
GERMANY	119,274
GREAT BRITAIN	39,047
FRANCE	25,753
CANADA	25,707
SWITZERLAND	22,905

AGRICULTURAL MACHINERY

Other than Mowers and Reapers

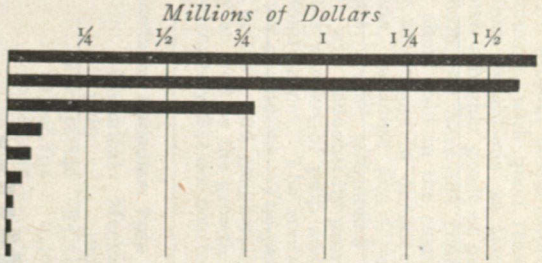
Hundreds of Thousands of Dollars



GERMANY	1,081,548
BELGIUM	333,596
GREAT BRITAIN	315,670
UNITED STATES	229,816
FRANCE	186,785
AUSTRIA	160,707
SWITZERLAND	21,307
DENMARK	7,480
NETHERLANDS	5,535
SWEDEN	4,469
CANADA	2,848

CELLULOSE OF WOOD, STRAW, ETC.

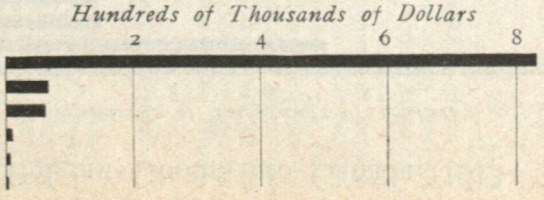
Millions of Dollars



GERMANY	1,648,131
AUSTRIA-HUNGARY	1,596,612
NORWAY	772,641
SWEDEN	110,536
SWITZERLAND	78,822
ROUMANIA	50,300
CANADA	22,234
NETHERLANDS	17,899
UNITED STATES	16,951
FRANCE	3,606
BELGIUM	1,806
GREAT BRITAIN	1,083

COLOPHONY

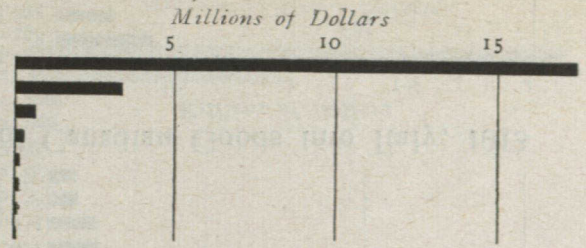
Hundreds of Thousands of Dollars



UNITED STATES	831,243
FRANCE	66,512
GREECE	60,967
CANADA	7,586
AUSTRIA	5,636
GERMANY	2,285

TIMBER

Common Wood, squared or sawn into lengths (Northern Hemisphere woods only considered)

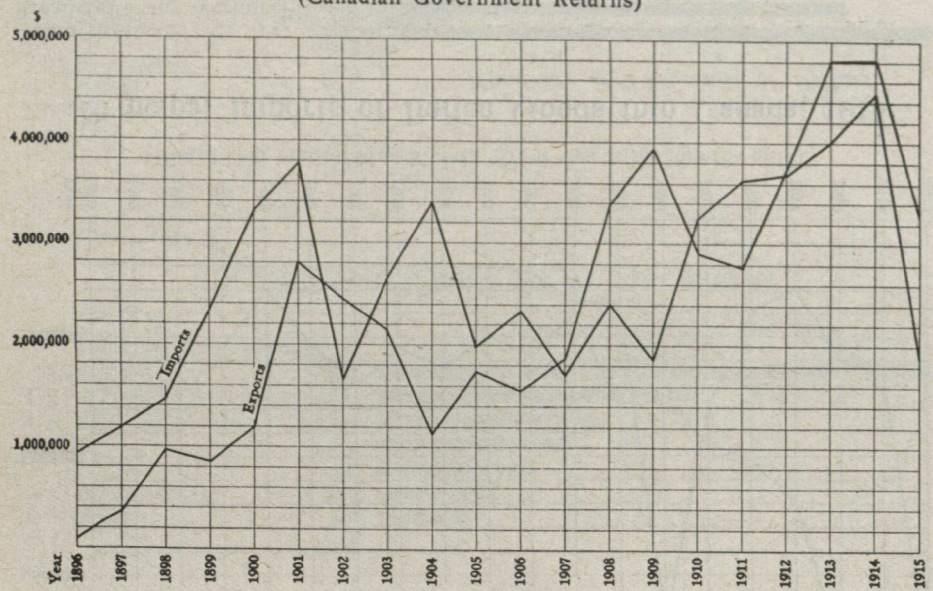


AUS.-HUNGARY	17,448,628
UNITED STATES	3,362,195
ROUMANIA	648,209
RUSSIA	260,878
FRANCE	128,016
GERMANY	111,554
SWITZERLAND	96,461
SWEDEN	63,497
JAPAN	21,049
GREAT BRITAIN	13,124
NORWAY	8,839
DENMARK	8,781
BELGIUM	5,423
NETHERLANDS	2,470
CANADA	2,161

CANADA'S TRADE WITH BELGIUM, 1896-1915

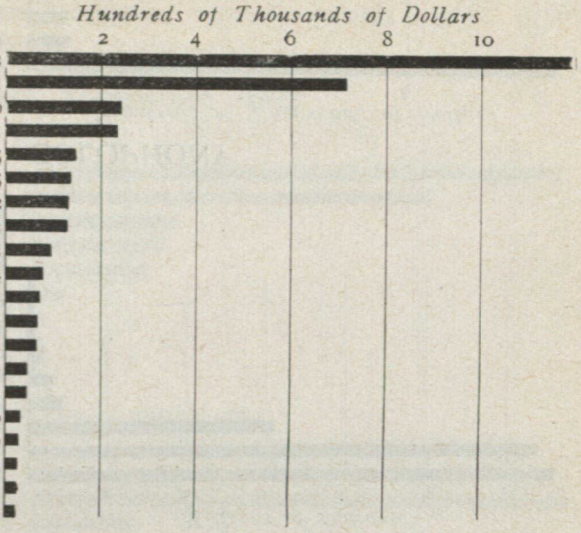
Merchandise

(Canadian Government Returns)



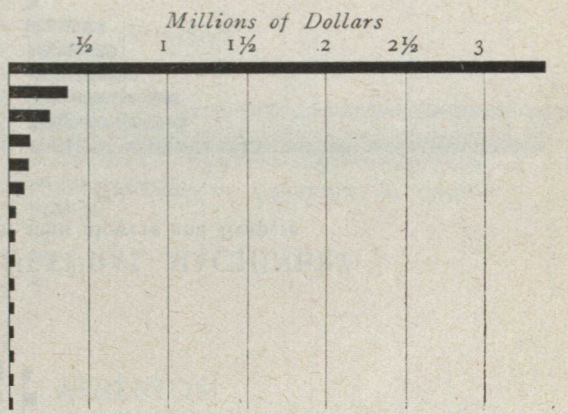
(Fiscal year ending March 31st. Year 1907, nine months only).

Principal Imports of Belgian Goods into Canada, 1913



	$
Glass and mfrs.	1,210,652
Precious stones	716,651
Zinc and manufactures.	244,000
Iron and Steel & mfrs.	235,391
Wool and manufactures	146,745
Drugs and chemicals..	137,225
Paper and manufactures	123,822
Canned Vegetables	123,212
Gutta percha & mfrs.	96,482
Boot, shoe & other laces	79,954
Oils	73,057
Books, etc.	67,634
Cotton and mfrs.	67,141
Paints and Colors	45,980
Misc. Minerals & mfrs.	43,794
Furs and manufactures.	31,966
Animals living	28,040
Flax, Hemp, Jute & mfrs.	24,533
Plants and Trees	23,855
Hats, Caps and Bonnets	23,086

Principal Exports of Canadian Goods to Belgium, 1913



	$
Wheat	3,416,778
Oilcake	369,619
Aluminum	260,336
Oats	130,241
Asbestos	121,939
Fish	95,876
Tar	41,625
Leather and mfrs.	39,797
Iron & Steel & mfrs.	38,828
Grain products	33,279
Drugs, Dyes, Chemicals	31,930
Buckwheat	30,360
Cereal foods prepared	27,085
Seeds	26,353
Wood and mfrs.	22,723

CANADIAN RAILROAD RATES

The award of the Dominion Railway Commission anent the application of the Canadian railways for an increase of rates was examined and commented on in railway circles in Montreal, last week. The consensus of opinion was that the award, in its incidence and amount, was inadequate; and that the railways would have to follow the example of roads in the United States and go back to the commission with a fresh petition.

The refusal of the fifteen per cent.. in the West, on the ground of high rates there, took no account, it was said, of the fact that in the West particularly the demands of labor reached their apogee and was adversely commented on, while the long delay in making the award, thus cutting the railways off from the increased revenue at the time when the grain haulage would have been important, was criticized. It was pointed out, too, that it would take about three months more in which to make out classifications; and, in the meantime, the costs of operation were constantly increasing.

PULP AND PAPER INDUSTRY

What Its Growth Means to Canada — Unfair Price Fixing

By F. R. GRAHAM.

One of the outstanding features of the industrial revival in Canada following the first few months of war conditions, has been the steadily increased output of the existing pulp and paper mills and the number of new mills put into operation. In a general way, the Canadian investing public have had confidence in the industry, but United States capital has given it a support latterly that means a great deal for Canada and certainly should repay handsomely those United States investors who have employed their funds in this direction. Outside of United States' branch factories there is probably more United States money invested in Canadian pulp and paper enterprises than in any single Canadian industry, and, in the opinion of the writer, no industry offers more attractive investment opportunities. With the possible exception of the case of one or two greatly over-capitalized properties, investors in this class of securities have enjoyed uninterrupted and growing returns for a number of years, and with the continued growth of the industry the holders of the junior securities of those companies having extensive timber limits, and ample water powers to permit of further development, are bound to receive greatly increased returns on their investment, accompanied by material increases in the market value of their holdings. In the meantime, the underlying securities of the same concerns will command the attention and consideration of the most conservative.

Excel at Paper Industry.

In a recent article Sir Edmund Walker, that able exponent of Canadian financial affairs, points out the necessity for Canada to develop those industries natural to her and he makes particular reference to the pulp and paper industry as follows:—

"Papermaking is another basic industry in which Canadians can excel. We began this trade by cutting down pulpwood and shipping it all to the United States. We were more or less terrorized into the idea that we could not make pulp much less the paper, but in a few years we have been able to assume a commanding position in the paper-making industry of North America, which we can maintain by careful and wise development, but what we need to do is to go farther and discover what better varieties of paper we can manufacture. We should make from the commonest to the finest qualities and take a stand with the big papermaking countries of the world."

No Danger of Over-Production.

While there has been fully $80,000,000 additional capital invested in Canadian pulp and paper properties since 1910 there is no danger of our reaching a point where the question of over-production becomes a factor. In the first place we have every civilized country in the world as a potential market and an existing large and growing market to the south of us—the United States—which is quite able to take all the pulp and paper Canada can produce with existing plants. In the second place, the amount of paper Canada can produce, in spite of her large supplies of wood, is limited by the combination of important factors necessary to the establishment of a paper mill on a profitable basis, and these are: (a) Timber holdings sufficient in extent to ensure a supply of suitable wood for at least thirty years; (b) sufficiently well-watered limits to ensure good driving streams and consequently low delivery cost of wood at the mills; (c) ample water powers, within reasonable hauling or driving distance of the wood supply, capable of economical development.

It will be seen, therefore, that the number of pulp and paper mills even in Canada, so plethoric in wood supplies and water powers, is bound to be limited, although we have a long way to go as yet before we need face the bogey of "over-production."

After War Conditions.

Conditions likely to prevail after the war is the uppermost thought in the mind of the industrial captain as well as in that of the investor in industrial securities. There is no denying that imports from abroad, particularly from Sweden, to the United States, have been cut off since the commencement of the war. This, consequently, has thrown open to us, practically without competition, that great market; but our manufacturers, with good reason, do not fear the return to ante-bellum conditions as Canada is now producing, at a lower cost, a higher grade of pulp than the European product. In addition, we have the considerable advantage of an extremely short haul in the case of the United States markets and the advantage in distance also to the South American, Australian, Japanese and Oriental markets generally. Our shipments to the last-named countries continue to expand and they will undoubtedly prove a permanent market for our exportable surplus of pulp and paper products—90 per cent. of our total output. The actual figures in this connection in dollars are of interest. The period covered extends from 1910 to March, 1917, and graphically illustrates the growth of the industry as well as the growth of the export trade amounting to approximately $44,000,000 for the fiscal year ended March, 1917:—

Exports of Canadian Pulp and Newsprint, 1910-1917.

Fiscal year.	Chemical pulp.	Mechanical pulp.	Newsprint.	Total.
1910 ..	$ 1,658,846	$3,545,751	$ 2,612,243	$ 7,816,840
1910-11 ..	1,308,101	4,407,431	3,092,437	8,807,969
1911-12 ..	1,587,535	3,507,770	3,291,926	10,387,231
1912-13 ..	2,100,842	3,408,702	5,692,126	11,201,670
1913-14 ..	2,923,083	3,441,741	11,385,845	17,750,669
1914-15 ..	4,806,622	4,459,539	14,091,682	23,357,843
1915-16 ..	6,801,011	3,775,537	17,974,292	29,550,840
1916-17 ..	14,032,950	6,371,133	23,594,134	43,998,217

Helping to Adjust Balance.

These figures will impress the student of Canadian economic conditions as he will see in them an important and rapidly growing factor in adjusting the adverse balance of trade with our neighbors to the south, which last fiscal year approximated $460,000,000. We are not, however, wholly dependent on the United States market. Chemical pulp has been exported in increasing quantities to England since the outbreak of war as well as to other European States, and the leaders of the pulp and paper industry in Canada plan to extend the trade to every civilized country of the globe. In the meantime, in addition to the United States and European markets, we export to South America, Australia, Japan, China and the Orient generally. Our Pacific Coast mills naturally have the advantage in supplying the last-named countries and the demand from these markets has been an important factor in bringing about a large increase in the capital invested in new British Columbia mills since war began and this will prove a continued source of profit to the province and to the investors from this forward.

Unfortunately, the pulp and paper industry has been thrown into the realm of everyday politics by the refusal of the newspapers to recognize in this industry, which is acknowledged in their own and all industries at this time—namely, the growing cost of labor, raw materials and other factors entering into the costs of any manufacturing proposition. The result has been that the influence of almost the entire press of the country has been brought to bear on the government in an endeavor to fix a price for newsprint at a point where the manufacturers claim a fair profit cannot be made. As the writer has pointed out in a previous article in *The Monetary Times*, only about 10 per cent. of the output of the Canadian paper mills is consumed in Canada, but the result of the unfair agitation for the price fixing of newsprint has had the logical effect of endangering the export market.

In fact, the press of the country appear to have been able to bring about an understanding between the government at Washington and the government at Ottawa in an endeavor to fix the price of newsprint in the United States markets as well as in the Canadian, at a figure considerably below the current market price—thus sacrificing the advantages of a free export market which was accruing to the industry in particular and to Canadian trade and commerce in general. While these conditions have retarded the growth of the industry somewhat and discouraged a large additional amount of capital that would otherwise have been devoted to the development of the industry—that is so far as the manufacture of newsprint is concerned—they will no doubt prove only temporary in nature and within a very short term of years it is not unreasonable to expect that our exports of pulp and paper products will reach a total several times the present figures of $60,000,000 to $70,000,000, which is estimated for the present fiscal year.

UNPREPAREDNESS OF CORPORATE INSURANCE

Team Work and Organized Publicity Needed to Overcome Existing Prejudice and Trend Toward State Insurance

BY GEORGE GILBERT.

While it is true that the principle of insurance has received more conspicuous public endorsement since the war started than ever before, it is also true that the question has been more frequently raised whether the function of insurance is one which should be left to private institutions or should be assumed by the state.

If it is a fact that corporate insurance, under efficient supervision, is the form of insurance best adapted to meet the requirements of the public, no time should be lost in bringing about a general realization of this fact. All agitation for municipal and state insurance schemes, including workmen's compensation insurance by the provinces, health, unemployment and other kinds of so-called social insurance, would cease if the people were adequately shown the disadvantages of establishing in a free country government bureau insurance monopolies, such as they have in Germany, where the chief object is to increase the power of the state thereby, and not to benefit the individual, but rather enslave him. As it is, we find union labor in many quarters advocating the elimination of insurance companies from participation in workmen's compensation insurance and the establishment of a government monopoly of the business, the principal argument advanced being the success of Germany's state-controlled insurance of that hazard!

While it is impossible to foretell what the social tendencies will be after the war, the present is unquestionably a testing time, and almost every institution is being called upon to justify its existence Corporate insurance is no exception, and the service which it performs, in the economy of things, must be brought home to the public generally in order to offset the work of the propagandists, who are now busily engaged in creating a public opinion favorable to the acceptance of various schemes of state insurance as remedies for social evils and social injustice, and part of whose programme of reforms is to have the state take over all kinds of insurance—fire, life, casualty, marine, etc. Private insurance is attacked from the angle of stockholders' dividends and agents' commissions, which are denounced as uneconomic and indefensible from the public standpoint.

Knowledge of Insurance Business.

It is rightly held that prejudice cannot exist in an atmosphere of knowledge. The time is opportune to begin the work of creating that atmosphere of knowledge about the insurance business which will free it from unjust criticism, the result of existing prejudice, and which will also enable the public to get a better grasp of what is really involved in making the state an underwriter of insurance hazards of any description. Co-operation of all branches of the business and systematic publicity are required. Every individual whose livelihood is dependent upon the perpetuation of insurance as a private institution, whether company official, agent, broker or clerk, or whether in the fire, life or casualty branch, or whether a believer in stock, mutual, old-line or fraternal principles, should be actively engaged in the work of public enlightenment.

Service is now recognized as the greatest commodity in the world, and it is on the basis of the superiority of its service that corporate insurance must justify its continued existence. It should not be difficult to prove to the satisfaction of the people generally that they will be better served by adhering to the principles of individualism and independence, as exemplified by private insurance, rather than by adopting the principles of paternalism, with loss of freedom and independent initiative, as exemplified by state insurance. As a matter of fact, "Save the world for democracy" is the watchword of the hour, and voluntary insurance, as opposed to compulsory state insurance, is essentially a democratic institution. Its underlying principle is voluntary co-operation for the distribution of loss. While the company supplies the security and the machinery for operation, it is the voluntary co-operation of individuals which makes possible the successful working of the principle.

While in Canada there is not as yet apparent as widespread an agitation for state insurance as is in evidence in the United States and in Great Britain, it is idle to ignore the effect on public opinion of what is going on around us. In the United States the federal government, besides furnishing its soldiers and sailors with insurance protection against death and disability, has also established a government war risk bureau, where those engaged in war service may obtain additional life insurance of from $1,000 to $10,000 at net term rates, ranging from 63 cents monthly per $1,000 at age 15, 69 cents at age 30, 81 cents at age 40, to $3.35 monthly at age 65. That there will be a powerful demand for the continuance of these facilities after the war goes without saying. In Great Britain the proposal has been seriously put forward by the Fabian Society that all the life assurance business of the country should be transferred to the government. Even in Canada we have witnessed the elimination of the insurance companies from participation in workmen's compensation insurance without as much as being given an opportunity to show what they could do in competition with state-administered insurance. It is but a step from state workmen's compensation insurance to state health insurance, state unemployment insurance, and state life and disability insurance.

Right Kind of Publicity

We have also had state control and state regulation of fire insurance rates advocated in many quarters in Canada. This can best be met by a campaign of publicity which will make it plain that the way to get lower fire insurance rates is not by state regulation of premiums, but by having fewer fires, and that this can be brought about by better construction, improved protection, and greater care on the part of property owners The right kind of publicity would also show conclusively that the companies give property owners adequate reductions in rates for improvements effected in their risks, and that if proper laws are made and enforced for safe construction and for every reasonable measure to suppress fires, and for the punishment of those who, through carelessness or negligence, are responsible for fires starting, the rate question will solve itself in all classes of risks, as has already been done in the sprinklered classes.

Publicity could also be used to advantage to show what all classes of insurance companies are doing to improve their methods and practices so that the burden of insurance taxation upon the community will be no greater than is absolutely necessary to protect it from financial loss through the happening of the various contingencies insured against. If the public were convinced of this fact, they would realize that the proposal to have the state go into the insurance business is not the right way to take hold of the question of reducing the insurance tax. But a great deal of team work on the part of insurance interests will have to be called into action without delay if this happy consummation is ever to be reached.

CANADA'S COAL AND COKE PRODUCTION

The following is an estimate, in short tons, of the coal and coke production of Canada for the first six months of 1917, compared with the year's production in 1916, the figures being those of the Mines Branch, Ottawa:—

Province.	1916.	Six months, 1917.
Nova Scotia	6,912,140	3,058,216
New Brunswick	143,540	93,485
Saskatchewan	281,300	139,023
Alberta	4,559,054	1,763,506
British Columbia	2,584,061	1,100,190
Yukon	3,300	.....
Production	14,483,395	6,154,420
Imports:		
Bituminous	13,009,788	6,392,378
Anthracite	4,570,815	2,231,859
Total	17,580,603	8,624,237
Exports	2,135,359	825,427

The record of exports and imports is compiled from the published reports of the customs department, and for imports represents the quantities of coal entered for consumption.

The production of coke includes only the coke made in bee-hive or by-product ovens and does not include coke made by gas companies in retorts.

Last Year's Statistics of Canadian Development

Statistical Summary of Trade, Production, Banking, Borrowing, Industry and other National Factors (with comparisons)

Table 1.—Canadian Imports (Merchandise).

Fiscal Year.	Value.
1906	$287,207,412
*1907	252,268,999
1908	364,237,864
1909	299,768,166
1910	385,835,103
1911	462,041,330
1912	533,286,663
1913	686,604,413
1914	635,511,492
1915	497,451,902
1916	530,245,594
1917	845,356,306

*Nine months.

Table 2.—Canadian Exports (Merchandise).

Fiscal Year.	Value.
1906	$246,657,802
*1907	192,087,233
1908	263,368,952
1909	259,922,366
1910	298,763,993
1911	290,000,210
1912	307,716,151
1913	377,068,355
1914	455,437,224
1915	461,442,509
1916	779,290,070
1917	1,179,211,100

*Nine months.

Table 3.—Total Trade of Canada (Merchandise).

Fiscal Year.	Value.
1906	$ 533,865,214
*1907	444,356,232
1908	627,606,816
1909	559,690,532
1910	684,599,096
1911	752,041,540
1912	841,002,814
1913	1,063,672,768
1914	1,090,948,716
1915	958,894,411
1916	1,309,545,664
1917	2,024,567,406

*Nine months.

Table 4.—Capital Subscriptions in the United Kingdom (Including Public War Loans).

Year.	Amount.
1907	£ 131,436,382
1908	204,667,536
1909	213,098,768
1910	232,142,731
1911	196,216,492
1912	211,337,980
1913	248,237,207
1914	539,080,884
1915	1,242,030,562
1916	1,332,472,000
*1917	1,365,952,000

*The total for 1917 is made up as follows: Domestic war loans to December 15th, £1,279,516,000; estimated for remaining 16 days to December 31st, £60,000,000; other issues for year, £26,436,000.

Table 5.—Primary Production.

(Field crops, forests, mines, fisheries.)

Year.	Total Value.
1908	$ 703,590,000
1909	816,274,000
1910	701,085,000
1911	901,709,000
1912	909,358,000
1913	907,311,000
1914	975,379,706
1915	1,071,219,879
1916	1,275,734,812
*1917	1,507,687,000

*Preliminary estimates.

Table 6.—Canadian Flotations in London.

Year.	Amount.
1906	£ 6,427,500
1907	11,203,711
1908	29,354,721
1909	37,411,723
1910	38,453,808
1911	39,855,517
1912	32,456,603
1913	47,363,425
1914	36,777,271
1915	8,235,000
1916	1,000,000
1917	2,250,000

Table 7.—Canadian Municipal Bond Sales in Canada.

Year.	Amount.
1909	$31,532,960
1910	29,043,325
1911	30,295,838
1912	19,767,256
1913	20,550,239
1914	34,483,359
1915	31,910,214
1916	19,640,778
1917	17,955,714

Table 8.—Canadian Municipal Bond Sales in United States.

Year.	Amount.
1910	$ 350,000
1911	2,334,461
1912	3,876,406
1913	22,168,053
1914	12,303,200
1915	35,483,114
1916	32,336,764
1917	6,233,365

Table 9.—Canadian Municipal Bond Sales.

(In Canada, Great Britain and United States.)

Year.	Total.
1906	$ 9,087,008
1907	14,430,540
1908	46,461,021
1909	36,278,528
1910	29,740,325
1911	59,249,040
1912	50,493,907
1913	112,041,642
1914	79,133,994
*1915	67,393,000
*1916	51,977,542
*1917	24,189,079

*Canada and United States only.

Table 10.—Canadian Municipal Bond Sales in Great Britain.

Year.	Amount.
1905	£ 78,000
*1906	.....
1907	822,942
1908	3,930,521
1909	2,109,500
1910	15,347,000
1911	26,618,745
1912	26,860,245
1913	69,323,350
*1914	32,347,435
1915	No sales
1916	No sales
1917	No sales

*No sales were made in London in 1906 and none have been made since the declaration of war in August, 1914.

Table 11.—Bank Deposits (after notice).

October.	Amount.
1906	$390,909,519
1907	416,787,636
1908	414,789,347
1909	480,837,606
1910	549,016,725
1911	586,451,045
1912	640,097,928
1913	621,511,207
1914	659,806,682
1915	701,336,850
1916	814,297,404
1917	985,790,850

Table 12.—Bank Deposits (on demand).

October.	Amount.
1906	$181,408,733
1907	170,498,311
1908	190,144,091
1909	250,968,487
1910	280,838,612
1911	331,953,562
1912	383,814,572
1913	389,856,507
1914	348,732,830
1915	392,042,193
1916	489,230,234
1917	495,058,449

Table 13.—Bank Clearings.

Calendar Year.	Amount.
1906	$3,997,969,065
1907	4,321,441,616
1908	4,142,233,379
1909	5,203,269,249
1910	6,153,701,587
1911	7,391,368,207
1912	9,143,196,764
1913	9,260,163,171
1914	8,073,460,725
1915	7,796,781,250
1916	10,557,187,917
1917	12,552,821,949

Table 14.—Bank Deposits (on demand and after notice).

October.	Amount.
1906	$ 572,318,252
1907	587,285,947
1908	604,903,438
1909	730,806,093
1910	829,855,337
1911	918,404,607
1912	1,023,912,500
1913	1,011,367,714
1914	1,008,539,512
1915	1,093,379,043
1916	1,303,527,638
1917	1,480,849,299

CASH WHEAT FLUCTUATIONS, 1894 TO 1917

Prices per Bushel at Winnipeg, on Opening Market Day of each Month.*

Month	1894	1895	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
January	0.63	0.69	0.55½	0.81	0.92	0.77	0.64½	0.80½	0.72	0.70	0.81¾	0.98	0.75⅝	0.71¾	1.07⅛	0.99½	1.03¼	0.92	0.93	0.81½	0.83½	1.25⅝	1.13	1.77⅛
February	0.64	0.66	0.64⅝	0.71	0.92	0.75	0.65⅛	0.83	0.73	0.73⅜	0.83⅛	0.91¼	0.76	0.73⅛	1.05	1.00	1.03	0.93	0.96½	0.83	0.86¼	1.49	1.26⅝	1.57⅝
March	0.65	0.70	0.65½	0.73	1.00	0.69	0.66¾	0.84	0.72½	0.73⅜	0.94⅜	0.97	0.74⅝	0.74⅜	1.09¼	1.11⅝	1.03⅜	0.88¼	0.98¼	0.85⅝	0.91⅝	1.48½	1.08⅜	1.79
April	0.68	0.70	0.66	0.68	0.98	0.69	0.67⅛	0.81	0.72⅛	0.73½	0.93⅜	0.92	0.75⅜	0.75⅜	1.06¾	1.13½	1.05	0.88	1.00	0.87⅝	0.89⅜	1.50	1.14⅞	1.94⅝
May	0.64	0.72	0.64	0.70	1.28	0.71	0.67⅜	0.79	0.77¼	0.77	0.84⅝	0.88¼	0.78½	0.80⅝	1.10⅜	1.20	0.98½	0.94⅝	1.03¼	0.92¾	0.90⅜	1.63⅜	1.19⅜	2.55¾
June	0.62	1.05	0.61	0.69	1.22	0.74	0.69	0.79	0.75	0.78¾	0.80¼	0.93	0.79¼	0.90½	1.10	1.26¾	0.88	0.96	1.03⅜	0.93¾	0.94¾	1.43½	1.10⅝	2.37
July	0.63	1.05	0.59	0.73	1.03	0.75	0.84	0.68	0.76	0.83¼	0.86¾	1.05½	0.81	0.92¼	1.02⅝	1.32¾	0.98	0.97	1.08	0.96¾	0.89¾	1.32	1.13⅜	2.18
August	0.61	.....	0.65	0.80	0.93	0.68½	0.80¼	0.69½	0.75⅜	0.87¾	0.96⅜	1.01	0.78	0.91¼	1.04¾	1.10	1.05	0.96	1.06	0.95¼	0.97⅝	1.27½	1.28¼	2.38
September	0.57	0.60	0.60	0.87	0.80	0.68	0.84	0.69½	0.69	0.84¾	1.03	0.78½	0.71¼	0.97	0.97⅛	0.95¾	1.06	1.02	1.05⅜	0.88	1.14⅜	.96½	1.56¼	‡2.21
October	0.54	0.61	0.68½	0.85	0.69	0.70	0.88½	0.67¾	0.68	0.81¾	1.00¼	0.76½	0.75⅝	1.03⅝	0.97⅜	0.96¼	0.98	0.99¼	0.88⅜	0.83⅝	1.07⅝	.91½	1.65⅜	2.21
November	0.55	0.57	0.76	0.95	0.72	0.69	0.81	0.70	0.72	0.81⅛	0.97⅜	0.77⅝	0.74¾	1.03⅝	0.98⅜	0.98¾	0.89	0.98	0.87¼	0.81¼	1.17⅛	1.02½	1.85	2.21
December	0.58	0.55	0.81¼	0.92	0.69	0.65¼	0.76	0.71	0.71	0.79	0.91½	0.75½	0.72½	1.02	0.99½	0.96	0.91	0.96¼	0.78½	0.81⅝	1.17	1.04⅝	1.84½	2.21
Average in cents	61.25	71.81	65.52	78.66	93.16	70.89	74.56	75.18	72.91	78.75	91.65	90.31	76.04	88.09	103.97	108.56	99.19	95.08	97.38	87.66	98.30	127.86	135.50	211.75

* Prices for the years previous to 1910 taken from compilation by the Dominion Government's Labour Gazette. Other prices are those of the Winnipeg Grain Exchange. No. 1 Manitoba Northern Wheat in store, Fort William or Port Arthur. ‡ For the balance of the year the price was $2.21 in accordance with the order issued by the Board of Grain Supervisors on September 12th, 1917.

BANK CLEARING HOUSE FIGURES BY PROVINCES

	1911	1912	1913	1914	1915	1916	1917
	$	$	$	$	$	$	$
Ontario	§2,298,228,008	2,728,432,820	2,747,331,878	†*2,536,380,813	2,411,179,697	3,248,026,159	3,792,647,962
Quebec	2,501,810,415	3,003,128,011	3,035,683,846	2,797,227,742	2,786,448,334	3,939,249,604	4,435,709,612
Manitoba	1,202,192,416	1,571,114,599	1,667,163,735	1,397,358,263	1,557,815,297	2,090,717,775	2,653,354,314
British Columbia	678,414,170	827,663,115	813,301,278	560,899,682	371,713,956	415,837,842	521,913,559
Alberta	368,939,005	529,704,867	**510,935,718	399,965,447	308,836,962	400,754,671	566,007,431
New Brunswick	77,328,182	88,969,218	85,756,651	78,001,844	76,468,267	90,966,795	102,948,814
Nova Scotia	87,994,038	100,467,672	105,623,769	100,260,107	104,414,585	125,997,877	151,812,753
Saskatchewan	*176,461,973	294,716,462	284,366,306	203,366,827	179,903,764	245,637,184	328,427,504
TOTAL	7,391,368,207	9,143,196,764	9,260,163,171	8,073,460,725	7,796,781,250	10,557,187,917	12,552,821,949

*Moose Jaw started February, 1911, and the total clearings for the 11 months were $39,988,342. § Fort William started October, 1911, and the total clearings for 3 months were $7,865,923. ** Medicine Hat started May, 1913. * Peterboro started June, 1914. †Sherbrooke started February, 1916. *a* Kitchener started April, 1916.

Summary of Clearing House Figures.

CLEARING HOUSE	1911	1912	1913	1914	1915	1916	1917
	$	$	$	$	$	$	$
BRANDON	29,430,274	32,297,075	32,186,498	26,397,457	27,132,173	28,922,518	30,429,612
BRANTFORD	27,206,985	31,337,116	32,697,443	28,669,309	26,640,280	34,325,070	42,189,449
CALGARY	218,681,921	275,491,303	247,882,758	201,669,873	169,758,599	233,099,671	348,663,426
EDMONTON	121,438,391	220,727,617	213,053,268	157,308,683	105,834,951	114,345,955	142,606,772
§FORT WILLIAM	7,865,923	40,503,087	49,154,076	38,698,454	24,840,905	27,472,159	34,224,050
HALIFAX	87,994,038	100,467,672	105,623,769	100,260,107	104,414,585	125,997,877	151,812,753
HAMILTON	125,250,982	167,712,729	185,811,574	148,934,686	151,420,271	200,811,087	244,401,339
*a*KITCHENER						26,066,436	30,268,621
LETHBRIDGE	28,818,693	33,485,947	28,893,477	21,218,029	19,740,218	31,638,543	45,021,074
LONDON	71,554,221	84,526,961	90,720,202	86,024,236	89,774,787	100,090,560	112,664,207
†MEDICINE HAT			21,106,215	19,768,862	13,503,194	21,670,502	29,716,159
MONTREAL	2,368,491,239	2,844,368,426	2,880,029,101	2,631,354,501	2,628,122,428	3,722,605,000	4,188,255,210
*MOOSE JAW	39,872,743	63,090,348	59,370,943	45,846,351	42,634,319	52,971,442	64,896,741
N. WESTMINSTER			29,424,494	18,284,692	13,460,081	13,918,003	17,480,445
OTTAWA	213,952,292	244,123,451	207,667,006	209,662,599	211,636,520	261,049,599	291,197,713
‡PETERBORO				‡11,335,965	20,910,677	26,675,636	32,917,018
QUEBEC	133,319,176	158,759,585	165,654,745	165,873,241	158,325,906	192,165,705	213,504,960
REGINA	73,032,088	115,727,647	132,087,453	98,205,535	87,122,604	124,349,588	169,800,113
ST. JOHN	77,328,182	88,969,218	85,756,651	78,001,844	76,468,267	90,966,795	102,948,814
SASKATOON	63,557,142	115,898,467	92,907,910	59,314,941	50,146,841	68,316,154	93,730,650
‖SHERBROOKE						24,478,899	33,949,442
TORONTO	1,852,397,605	2,160,229,476	2,181,281,577	2,013,055,664	1,885,956,257	2,571,535,622	3,004,785,565
VANCOUVER	543,484,354	644,118,877	606,899,710	420,951,718	281,575,949	321,588,718	419,610,898
VICTORIA	134,929,816	183,544,238	176,977,074	121,663,272	76,677,926	80,331,121	84,822,216
WINNIPEG	1,172,762,142	1,537,817,524	1,634,977,237	1,370,960,806	1,530,683,124	2,061,795,257	2,622,924,702
TOTALS	$7,391,368,207	$9,143,196,764	$9,260,163,171	$8,073,460,725	$7,796,781,250	10,557,187,917	12,552,821,949

§ Started October 1911. * Started Feb., 1911. †Started May, 1913. ‡Started June, 1914 ‖ Started Feb, 1916. *a* Started April, 1916

WESTERN WHEAT CROP ESTIMATES

The following are eight of the estimates made last year of the western wheat crop:—

Estimate of—	Bushels.
Northwest Grain Dealers	217,377,000
Manitoba Free Press, Winnipeg	214,250,000
Norman P. Lambert, western correspondent Toronto Globe	217,000,000
Canadian Northern Railway	250,000,000
E. L. Pease, president Royal Bank of Canada	250,000,000
Canadian Bank of Commerce	225,000,000
Grain Growers' Guide, Winnipeg	224,307,200
Census and statistics office, Ottawa	225,778,700

MOOSE JAW'S FINANCIAL POSITION

In the condensed general balance sheet of the city of Moose Jaw, printed on page 155, the miscellaneous assets should read $182,982.70 instead of $183,182.70.

ESTIMATES OF WORLD'S CROPS

The International Institute of Agriculture gives the following official estimates of cereal production in 1917:—

The production of wheat in Spain is 141,090,000 bushels, or 92.6 per cent. of the crop of 1916, and 112.7 per cent. of the average production during the five years, 1911-15; France, 145,074,000 bushels, 71 per cent. of 1916, and 53.4 per cent. of average; Italy, 140,000,000 bushels, 79.5 per cent. of 1916, and 76.7 per cent. of average; Netherlands, 3,453,000 bushels, 73.3 per cent. of 1916, and 60 per cent. of average; Sweden,

VICTORY LOAN ALLOTMENT

On December 31st, 1917, Victory Loan returns were still coming into the finance department, Ottawa, which had not then received the subscriptions from Canadian soldiers and others overseas. Final figures will be impossible until all returns are at hand. A total of $393,000,000 had been allotted up to the end of December, 1917.

COBALT ORE SHIPMENTS, 1904-1917

In tons of 2,000 lbs.—Figures for 1917 are preliminary estimates.

Mine	*1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917
Aladdin Cobalt	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	117.77	491.33
Badger	.....	.....	.....	.....	.....	27.10	.....	.....	.....	.....	.....	....
Bailey	30.00	.....	88.80	36.85	.....	20.00	41.57	150.35	20.50	.....	.....	.....
Beaver	.....	.....	.....	51.38	140 06	790.81	402.97	292.21	392.07	621.63	541.05	410.40
Buffalo	992.80	1,241.54	536.90	648.86	1,185.77	1,275.19	1,251.64	66.13	.....	567.33	422.43	1,348.33
Casey Cobalt	.....	.....	10.00	8.50	48.40	277.74	214.34	401.54	608.30	260.98	310.39	.....
Chambers Ferland	.....	.....	223.89	517.88	885.92	622.85	501.29	223.78	308.06	326.57	.....	.....
City of Cobalt	.....	50.61	761.04	566.82	329.40	281.30	230.00	105.14	495.71	.....	.....	.....
Cobalt Lake	.....	.....	225.97	95.47	296.80	2,111.32	1,085.22	1,196.33	919.01	.....	.....	.....
Cobalt Townsite	.....	143.22	177.71	27.35	310.99	703.51	1,944.77	2,762.54	1,950.73	.....	.....	.....
†Cobalt Comet(Dr'm)	274.70	104.13	1,161.38	1,225.47	2,194.41	714.83	458.85	610.06	587.03	634.22	51.04	.....
Colonial	15.00	40.38	.....	.....	178.60	114.10	86.48	21.56	.....	.....	.....	.....
Coniagas	422.02	2,447.37	610.25	806.93	,261.46	1,813.89	2,119.87	1,620.40	1,217.26	914.25	821.55	1,099.49
†Crown Reserve	.....	.....	657.35	3,167.52	2,184.25	977.32	561.65	791.15	1,067.00	956.14	22.58	.....
Dominion Reduction	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,168.54
Foster	117.00	312.13	191.20	113.90	.....	.....	.....	.....	4.50	.....	.....	.....
Green Meehan	37.03	98.39	.....	.....	.....	102.98	.....	12.96	.....	.....	.....	.....
Hargreave	.....	.....	.....	.....	343.68	102.44	17.35	.....	.....	.....	.....	20.00
Hudson Bay	.....	149.53	1,094.23	743.64	260.33	898.88	694.55	609.14	647.95	.....	131.04	453.66
Imperial Cobalt	.....	14.61	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
†Kerr Lake	158.35	319.76	660.24	1,173.42	5,088.78	1,292.58	788.10	933.35	628.42	1,080.32	229.97	533.96
King Edward	.....	31.12	338.19	146.58	134.12	20.00	.....	87.21	.....	.....	.....	.....
La Rose	854.61	2,815.45	4,843.17	6,757.21	5,131.53	3,581.54	3,511.40	3,275.14	1,582.54	1,625.54	1,184.32	1,382.70
Lawson	.....	61.12	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Lost and Found	.....	.....	.....	.....	.....	.....	65.20	8.80	.....	.....	.....	.....
Lumsden	....	.....	.....	.....	.....	.....	.....	20.00	.....	.....	.....	.....
McKinley Darragh	80.45	742.42	1,808.39	1,056.49	2,393.39	3,238.64	2,673.40	2,865.66	2,903.50	1,778.85	2,025.00	2,954.59
Mining Corp. of Can. Cobalt Lake	.....	.....	.....	.....	.....	.....	.....	.....	223.37	1,221.87	1,907.70	2,272.18
Townsite City	.....	.....	.....	.....	.....	.....	.....	.....	533.40	2,563.29		
Nancy Helen	.....	30.10	201.32	116.32	.....	.....	.....	.....	.....	.....	.....	.....
National	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	214.41
Nipissing	2,125 08	2,538.26	3,571.96	6,470.52	6,833.81	2,952.20	1,869.27	1,950.22	1,235.07	473.47	2,927.82	3,541.52
North Cobalt	.....	.....	.....	6.87	.....	3.00	.....	.....	.....	.....	.....	.....
Nova Scotia	43.95	272.21	237.95	224.79	.....	.....	.....	.....	.....	.....	.....	.....
O'Brien	114.18	1,491.61	3,459.51	1,419.11	608.57	628.44	711.43	703.43	523 21	396.12	251.01	1,626.84
Penn Canadian	.....	77.33	187.99	339.01	285.62	22.40	126.35	332.18	460.-3	685.30	558.14	371.75
Peterson (Leases)	.....	.....	.....	.....	.....	.....	.....	.....	122.52	.....		
Gould	.....	.....	.....	.....	.....	.....	.....	9.00	50.05	.....		
Little Nipissing	.....	.....	40.67	39.62	313.76	28.45	.....	.....	.....	.....	407.17	.....
Nova Scotia	.....	.....	.....	121.15	.....	.....	.....	.....	.....	.....		
Seneca Superior	.....	.....	.....	.....	.....	.....	432.97	457.93	398.96	1,008.80		
Provincial	.....	.....	75.84	.....	52.05	100.54	22.22	.....	.....	.....	.....	.....
Princess	.....	3.93	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Red Rock	.....	45.71	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Right of Way	46.25	129.37	750.04	1,608.99	981.41	636.06	243.24	146.12	184.16	125.43	105.07	138.57
Rochester	.....	.....	.....	.....	28.30	.....	.....	.....	.....	.....	.....	.....
Silver Bar	.....	.....	.58	.....	.....	2 72	.....	20.00	20.00	.....	.....	.....
Silver Cliff	.....	.....	160.44	149.06	156.84	92.30	.....	48.05	.....	.....	.....	.....
Silver Leaf	.....	46.36	197.03	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver Queen	130.94	478.57	885.70	316.64	.....	.....	31.25	201.98	105.42	19.69	.....	25.00
Temiskaming	.....	204.32	795.20	852.14	1,119.12	855.60	967.31	406.26	417.56	552.43	461.16	324.87
Temiskaming Cobalt	20.47	67.98	.....	.....	.....	.....	.....	.....	.....	.....	.....	32.00
Trethewey	198.48	833.58	1,408.69	1,134.50	536.64	602.98	579.10	587.54	613.28	124.29	246.52	435.62
University	55.28	60.23	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Victoria	.....	.....	.47	.....	.....	.....	.....	.....	.....	.....	.....	.....
Violet	20.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Waldman	.....	.....	.....	.....	38.81	.....	.....	.....	.....	.....	.....	.....
Wyandoh	.....	.....	.....	.....	24.15	.....	.....	.....	.....	.....	.....	.....
Totals	5,836.59	14,851.34	25,362.10	29,942.49	33,976.97	24,921.71	21,631.79	20,916.16	18,220.71	15,936.52	15,044.00	20845.76

* The shipments for 1904 totalled 158.55 tons ; and for 1905, 2,336.01 tons.

† In addition to the shipments by this Company, the Dominion Reduction Company shipped from this mine and two others, 2,322 tons of ore, which are included in the total shipments of 15,044 tons in 1916.

POPULATION AND MILEAGE OF RAILWAYS

The following table shows the population per mile of railway in Canada and in other parts of the British Empire:—

Country.	Total mileage of railways —Miles.	Per mile of line open. Population— Number.	Area— Square miles.
Canada (1915)	35,582	227	105
Australia (1915)	22,263	222	134
New Zealand (1915)	2,945	370	35
South Africa (1914)	8,428	*162	56
Newfoundland (1914)	875	283	49
United Kingdom (1914)	23,701	1,944	5

*Excluding native population.

WESTERN CANADA'S SHARE OF CROPS

Taking the Dominion government estimates as at the end of September of the principal crops of the whole of Canada, and comparing with the prairie provinces production alone, the following results are obtained:—

Crop.	All Canada, bushels.	Three prairie provinces, bushels.
Fall wheat	16,034,000	1,423,700
Spring wheat	233,113,500	224,355,000
All wheat	249,147,500	225,778,700
Oats	439,823,100	268,189,350
Barley	59,310,650	43,168,400
Rye	4,194,950	2,498,850
Flax	7,455,470	7,339,470

RECORD OF INTERNATIONAL EXCHANGE QUOTATIONS, 1910-1917

(Compiled for The Monetary Times by J. S. Munro, Foreign Department, The Canadian Bank of Commerce)

The following table shows the course of English, French and German exchange in New York, for sight drafts during the past six years, as well as that of some other countries. New York funds are expressed in 64ths. For instance, in January, 1910, the highest rate for New York funds was a $\frac{4}{64}$ premium, and the lowest a $\frac{3}{64}$ discount.

Months and Years		New York Funds in Canada (in 64ths)		Sterling		(France) Francs		(Germany) Marks	
		High	Low	High	Low	High	Low	High	Low
January	1910	4 P	3 D	486.90	486.15	516 7/8	518 1/8	95 3/16	95 1/16
	1913	6 P	Par	487.75	485.75	516 7/8	518 3/4	95 1/4	94 15/16
	1914	6 P	2 P	486.95	485.55	518 1/8	521 1/4	94 15/16	94 11/16
	1915	64 P	20 P	485.05	483.95	516 3/4	519 3/4	88 1/4	86 1/2
	1916	22 P	4 P	478.00	473.63	583 1/2	588	76 7/8	72 7/8
	1917	8 P	Par	475.85	475.56	584 1/4	584 3/4	73 1/8	67 1/4
February	1910	4 P	4 D	487.15	486.00	516 7/8	518 1/8	95 3/16	94 15/16
	1913	5 P	Par	487.80	487.30	516 7/8	517 1/2	95 1/4	95 1/8
	1914	5 P	Par	485.95	485.35	518 1/8	518 3/4	95 1/16	94 15/16
	1915	52 P	28 P	484.70	479.15	518 1/4	528	87 3/8	82
	1916	53 P	22 P	476.50	475.81	586	590 1/2	77 1/2	73
	1917	72 P	5 P	475.80	475.33	584 3/8	585 1/2	71	66 7/8
March	1910	1 P	3 D	487.70	486.70	516 7/8	517 1/2	95 1/4	95 3/16
	1913	4 P	Par	487.95	486.90	517 1/2	518 3/4	94 3/8	94 1/8
	1914	6 P	3 P	486.65	485.85	517 1/2	518 3/4	95 1/4	95 1/16
	1915	52 P	40 P	481.15	478.55	525 1/8	532 1/4	84 1/4	81 3/4
	1916	52 P	9 P	476.94	475.87	587 3/4	598	73 1/4	71 1/4
	1917	48 P	16 P	475.56	475.12	584 3/8	585 1/2	69 1/2	68 1/8
April	1910	Par	4 D	487.95	487.60	516 7/8	517 1/2	95 1/4	95 3/16
	1913	3 P	5 D	487.20	486.35	518 1/8	518 3/4	95 7/8	95 1/16
	1914	4 P	4 D	487.65	486.30	515 5/8	517 1/2	95 1/4	95 1/8
	1915	44 P	36 P	479.80	478.90	531 5/8	532 3/4	83 1/4	81 5/8
	1916	31 P	18 P	476.56	476.31	592 1/2	607	76 3/4	71 15/16
	1917	33 P	18 P	476.00	475.31	568	584 1/2	No quotations	
May	1910	Par	5 D	487.80	486.35	517 1/2	518 3/4	95 1/8	95
	1913	3 P	Par	486.75	486.05	517 1/2	518 3/4	95 3/16	95 1/16
	1914	3 P	3 D	488.75	487.60	515 5/8	515 5/8	95 1/16	95 1/4
	1915	40 P	32 P	479.80	478.25	531 7/8	543	83 1/4	82 1/2
	1916	26 P	12 P	476.31	475.50	591 1/4	594 1/2	77 1/4	76 1/4
	1917	33 P	1 P	475.62	475.45	570 5/8	573 3/4	No quotations	
June	1910	Par	5 D	487.05	485.85	518 1/8	519 3/8	95 1/8	95
	1913	2 P	3 D	486.90	486.50	518 1/8	518 3/4	95 1/16	95 1/8
	1914	1 P	2 D	489.00	487.65	515	516 1/4	95 7/8	95 1/8
	1915	52 P	40 P	478.45	475.85	543	570	82 1/16	80 7/8
	1916	30 P	14 P	476.94	475.06	590 3/4	592 1/4	77	72 15/16
	1917	20 P	1 D	475.55	475.37	572 1/4	578	No quotations	
July	1910	3 P	3 D	485.80	485.20	518 1/8	519 3/8	95 1/8	94 7/8
	1913	5 P	3 P	487.05	486.45	518 1/8	518 3/4	95 3/16	95 1/8
	1914	1 P	5 D	492.00	485.30	505	516 7/8	96	95 1/16
	1915	48 P	16 P	476.75	476.00	553	570 3/4	82 1/8	81 1/4
	1916	31 P	5 P	475.87	475.69	590 3/4	591 1/8	74 3/8	71 3/4
	1917	40 P	10 P	475.70	475.37	573	579 1/4	No quotations	
August	1910	2 P	5 D	486.75	485.25	518 1/8	519 3/8	95 1/8	94 7/8
	1913	5 P	5 D	486.65	485.80	518 3/4	519 3/8	95 1/8	95 1/16
	1914	4 P	80 D	507.50	506.00	No quotations		No quotations	
	1915	20 P	2 P	476.25	455.00	564	602	82 3/8	80 1/4
	1916	16 P	6 P	475.87	475.75	589	592	72 1/4	71 3/8
	1917	12 P	7 P	475.56	475.55	576 1/4	578 1/2	No quotations	
September	1910	Par	5 D	486.75	486.05	518 3/4	518 3/4	95 3/16	95 1/16
	1913	1 P	5 D	485.90	485.30	519 3/8	520	95 1/8	94 7/8
	1914	20 D	80 D	506.00	495.25	506	510	96 3/4	94 3/8
	1915	22 P	6 P	471.87	454.00	576	601	80 5/8	84 1/4
	1916	10 P	1 D	475.75	475.69	583	589 5/8	70 15/16	69 1/8
	1917	8 P	4 D	475.50	475.30	577	580	No quotat ons	
October	1910	Par	5 D	486.65	486.10	518 3/4	520	95 1/8	94 15/16
	1913	3 P	5 D	486.10	484.95	520	521 1/4	94 15/16	94 5/8
	1914	Par	56 D	497.50	489.40	505	515	93 1/2	88 3/4
	1915	8 P	Par	472.37	461.62	579	598 1/2	81 1/8	84 1/4
	1916	2 P	1 D	475.68	475.37	583 3/4	585 1/4	70 3/8	70 1/4
	1917	4 P	60 D	475.38	475.19	571 3/4	579 5/8	No quotations	

RECORD OF INTERNATIONAL EXCHANGE—*Continued*

Months and Years		New York Funds in Canada (in 64ths)		Sterling		(France) Francs		Germany) Marks	
		High	Low	High	Low	High	Low	High	Low
November	1910	2 P	6 D	486·05	485.45	519⅜	520⅝	95	94⅞
	1913	3 P	5 D	485.50	484.85	520⅝	521¼	94 1/16	94⅝
	1914	36 D	Par	490.65	486.85	510	515½	88½	85½
	1915	2 P	4 D	471.37	463.50	582½	599	79⅜	81¼
	1916	1 P	4 D	476.68	475.56	584¼	584¾	70⅛	67¼
	1917	8 P	20 D	475.25	475.19	573⅝	576¾	No quotations	
December	1910	1 P	5 D	486.10	484.90	520	520⅝	95 1/16	94⅞
	1913	3 P	3 D	485.55	485.05	520⅝	521¼	94¾	94⅝
	1914	56 P	6 P	489.15	485.00	511¼	517	92½	86 3/16
	1915	5 P	5 D	473.65	470.25	583½	588	79¼	76 1/16
	1916	5 P	1 D	475.68	475.45	583⅝	586	75¼	66
	1917	30 P	3 P	475.25	475.19	572¾	574⅛	No quotations	

Years and Months		(Holland) Guilders		(Italy) Lire		(Norway) Kroner	
		High	Low	High	Low	High	Low
July	1914	40¼	40 5/16	516⅞	518⅛	26.75	26.72
August	1914	No quotations		No quotations		No quotations	
September	1914	No quotations		No quotations		No quotations	
October	1914	No quotations		No quotations		No quotations	
November	1914	40⅞	40½	533	540	26.00	25.00
December	1914	40⅝	40¼	524	536	25½	25.00
January	1915	40 9/16	40	533¼	544	25⅛	24¾
February	1915	40 5/16	39⅞	542½	580	25.00	24⅜
March	1915	40	39½	563	595	25.30	24¼
April	1915	39⅝	39 5/16	576½	589	25.90	25.05
May	1915	39 9/16	39⅜	575	592	26.30	25.75
June	1915	40	39 9/16	591	616	26.55	26.20
July	1915	40⅛	39⅞	609	640	26.35	25.60
August	1915	40 5/16	39½	620	652	26.25	25.40
September	1915	40½	39½	615	652	26.25	25.25
October	1915	41½	40½	622	646	26.30	25.65
November	1915	42	41¼	643	651	29.00	26.10
December	1915	43¼	41⅞	651⅛	660	29.00	27.00
January	1916	44⅞	42⅝	653	678	28.10	27.35
February	1916	42⅝	41 1/16	667½	676	28.30	27.55
March	1916	42 1/16	42 3/32	652	671½	28.95	28.10
April	1916	43⅛	42	631	662¾	30.35	29.00
May	1916	41 5/16	40⅞	647	621	31.25	29.60
June	1916	41¼	41 7/16	635	641⅛	31.00	28.00
July	1916	41⅝	41⅜	637¾	649⅛	29.20	28.05
August	1916	41⅜	41⅛	642	648½	28.80	28.40
September	1916	41 1/16	40¾	641¾	648	28.75	28.10
October	1916	41 9/16	40 13/16	646	666	28.35	27.65
November	1916	41	40 1/16	664	674¾	27.75	27.66
December	1916	40⅞	40 1/16	673	691½	28.15	27.70
January	1917	40 13/16	40 13/16	687	720	28.10	27.90
February	1917	40 13/16	40 5/16	709	756	28.00	27.90
March	1917	40 9/16	40¼	762	785	29.30	28.05
April	1917	41 1/16	40 9/16	687	768	29.70	28.30
May	1917	41¼	40 13/16	701	706	29.40	29.10
June	1917	41¼	40 13/16	703½	736	29.50	29.00
July	1917	41 7/16	41⅛	719½	726¼	30.75	29.25
August	1917	42¼	41¾	723	749½	31.00	30.00
September	1917	42⅛	41⅞	751	779½	31.30	30.30
October	1917	45¼	42	772	795	35.50	31.13
November	1917	45½	43¾	795	895	37.50	33.00
December	1917	44¼	43½	842	791	33.50	31.50

Mutualization of the Equitable Life Assurance Society was favored by more than 96 per cent. of the policyholders, according to an official count of their vote on the proposed plan announced in New York last week by the State Insurance Commissioner. The total valid vote, he said, was 88,126, of which 84,964 were for the plan. The next step required is the approval of the State Superintendent of Insurance. If this is obtained the society will then pass permanently under the control of its policyholders.

CANADIAN WAR LOAN INTEREST PAYMENT DATES

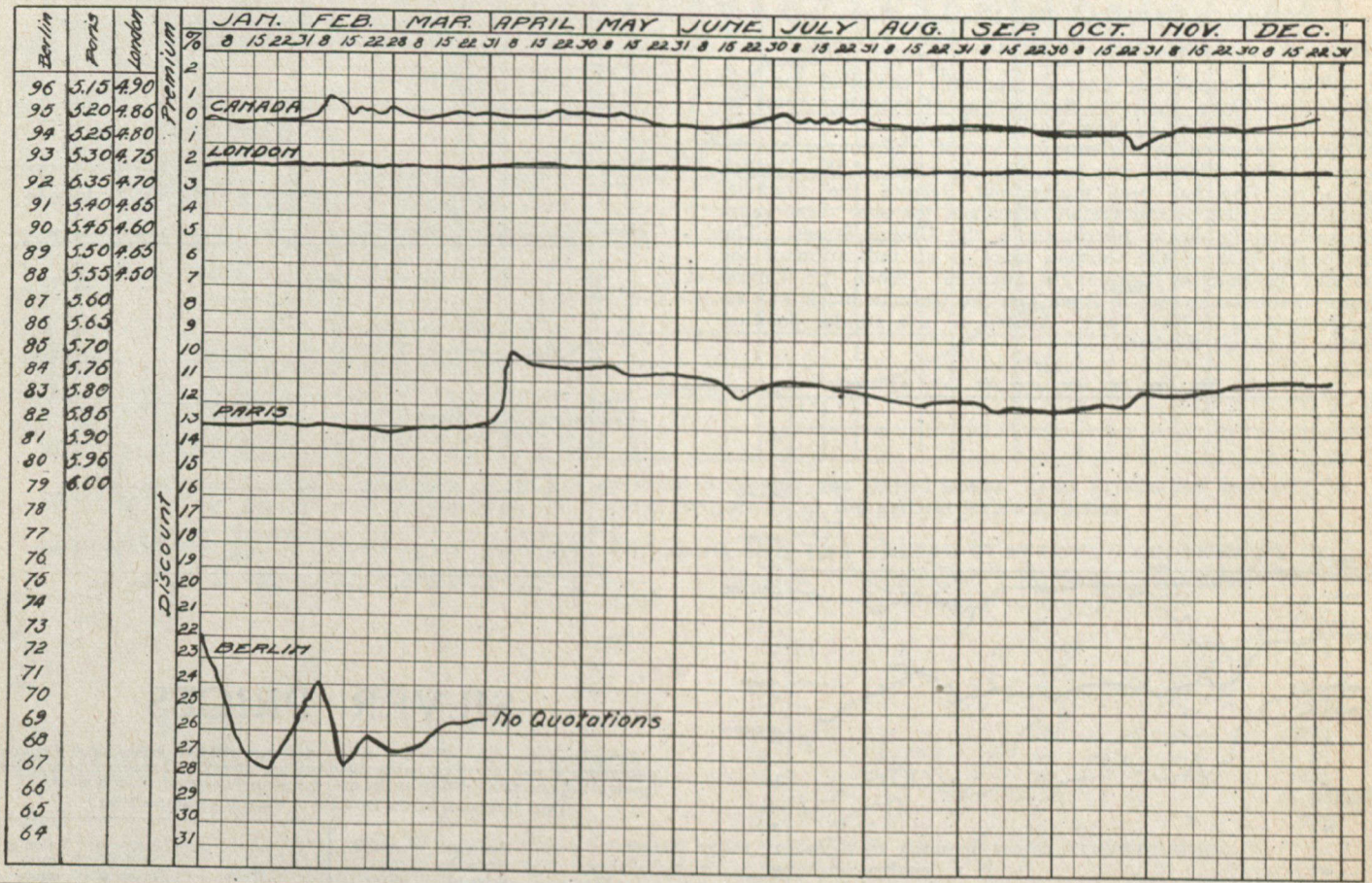
The following table shows the half-yearly interest payment dates of our four war loans:—

Loan.	Due.	Rate %.	Interest payable.
First.....	1925	5	June 1st and December 1st
Second....	1931	5	April 1st and October 1st
Third.....	1937	5	March 1st and September 1st
Fourth....	1922-27-37	5½	June 1st and December 1st

STERLING AND INTERNATIONAL EXCHANGE QUOTATIONS FOR 1917

(Compiled for The Monetary Times by Mr. J. S. Munro, Toronto.)

Graph Showing the Percentage Premium or Discount on the Gold Par of Exchange of the Rates Quoted in New York for Cheques on London, Paris and Berlin respectively, during 1917.



Who's Who in The Monetary Times

(Continued from page 4.)

RAWLINGS, H. E., Montreal.—Born in 1876; second son of the late Edward Rawlings, who, in 1872, founded the Guarantee Company of North America, with which, since leaving school, he has been associated at its head office in Montreal and various branches throughout the United States and of which, in 1916, he was elected president and managing director. He is also a vice-president and a director of its subsidiary company, the United States Guarantee Company of New York, and a director of the Montreal Telegraph Company. Mr. Rawlings, in the administration of his company's affairs, reflects his father's training and years of experience, and is strongly of the opinion that most men who occupy positions of trust are born honest, but that an absence of consistent accounting or supervision has generated a temptation that has made many a defaulter. (Page 204.)

ROBINSON, H. BEVERLEY, Montreal.—Partner, J. M. Robinson & Sons, investment bankers and stock brokers, Montreal; formerly with the Bank of Montreal; later with N. W. Harris & Company, Boston; member of Montreal Stock Exchange; Active figure in the financial world. (Page 158.)

RUNDLE, W. E., Toronto.—Managing director, National Trust Company; well-known financier and public-spirited citizen. (Page 160.)

SADLER, W. A., Toronto.—Formerly an Ontario barrister and solicitor at law. For the past six years has specialized in credit investigations and credit adjustments throughout the Western States and Western Canada; has recently opened an office in Toronto, with a western organization, for the purpose of engaging in this business. Has contributed financial and other articles to various publications. (Page 83.)

SCLANDERS, F. MACLURE, F.R.G.S., F.R.H.S., F.R.C.I., Mem. Royal Agric. Sc., Eng., Windsor.—Commissioner, Border Chamber of Commerce, comprising Ford, Walkerville, Windsor, Sandwich and Ojibway; keen observer of Canadian conditions; a vigorous and instructive writer. (Page 258.)

SMITH, MAXWELL, Victoria, B.C.—Chairman, Land Settlement Board of British Columbia; formerly superintendent of now defunct agricultural credits board; has had wide experience in business and farming. (Page 86.)

STEVENS, H. H., M.P., Vancouver.—Has been in British Columbia for the past 22 years; is one of the best known of our Pacific Coast citizens; has been active in watching in the federal house the interests of his province. (Page 234.)

SWANSON, W. W., M.A., Ph.D., Saskatoon.—Educated at Oshawa High School and Queen's University. Specialized in economic science under Professor Adam Shortt. Received the gold medal and graduated M.A. (1905). Fellow at the University of Chicago, 1905-1908. Graduated Ph.D., 1908. Associate professor of economic science, Queen's University, 1908-1916; now professor of political economy, University of Saskatchewan. Author of "The Establishment of the National Banking System." Frequent contributor on financial questions to reviews of Canada and United States. (Page 23.)

TAYLOR, SIR FREDERICK WILLIAMS-, LL.D., Montreal.—General manager, Bank of Montreal; formerly manager of the same bank, in London, England; one of the most distinguished bankers on this continent; winner of Society and Arts gold medal on Canadian banking system; is doing a great deal of patriotic work. (Page 33.)

THOMPSON, J. ENOCH, Toronto.—Spanish consul, Toronto; has represented that country here for 27 years; has received frequent recognition of services, the last about a year ago when he was promoted at end of 25 years services from Chevalier to Knight Commander of the Order of Isabel la Catolica. (Page 250.)

THOMSON, JOHN STUART, Jersey City, N.Y.—Oriental explorer and author; prominent as a propagandist of many international movements for the past 18 years; born and educated at Montreal but is a United States citizen; author of many books, including "China Revolutionized," "The Chinese," etc. He has travelled in nearly every country. From the year 1899, he has been a prime mover of a propaganda in the world's magazines to bring about a permanent naval defensive alliance of the English-speaking nations and France. For three years was Oriental manager at Hong Kong, China, of the Pacific Mail and Toyo Kisen Kaisha trans-Pacific steamship companies, and for some years assistant to vice-president at New York of the Savannah, Florida & Western Railway (Atlantic Coast line) and manager of the Plant Steamship Lines to Cuba and Canada. He started in life as a junior secretary with the late Sir Joseph Hickson, general manager of the Grand Trunk Railway, Montreal, and began his world-travels on the personal staff of that famous railway magnate. Mr. Thomson was educated at Senior School, Presbyterian College and McGill University, Montreal, but has spent recent years in New York, or the suburbs of that city. (Page 20.)

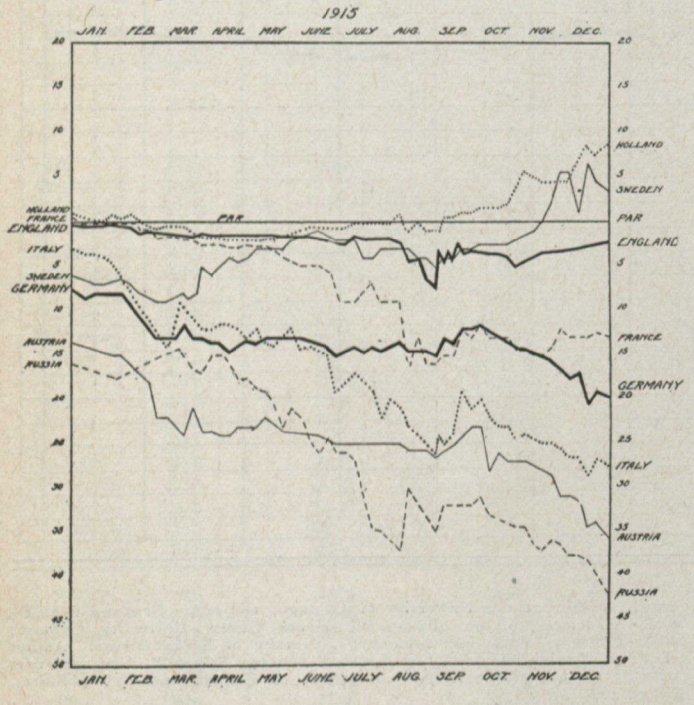
WHITE, ARTHUR V., Toronto.—Formerly consulting engineer with Brown Brothers, London, England, for whom he executed commissions in France, Belgium and the United States, travelling for a number of years extensively in connection therewith; later with Mr. R. A. Ross, of Montreal, for whom he executed work connected with the field investigations of the Ontario Power Commission, the precursor of the Hydro-Electric Power Commission of Ontario. Later, Mr. White was with Department of Public Works, Canada; for several years past he has been consulting engineer to International Joint Commission, Ottawa and Washington, on the Lake

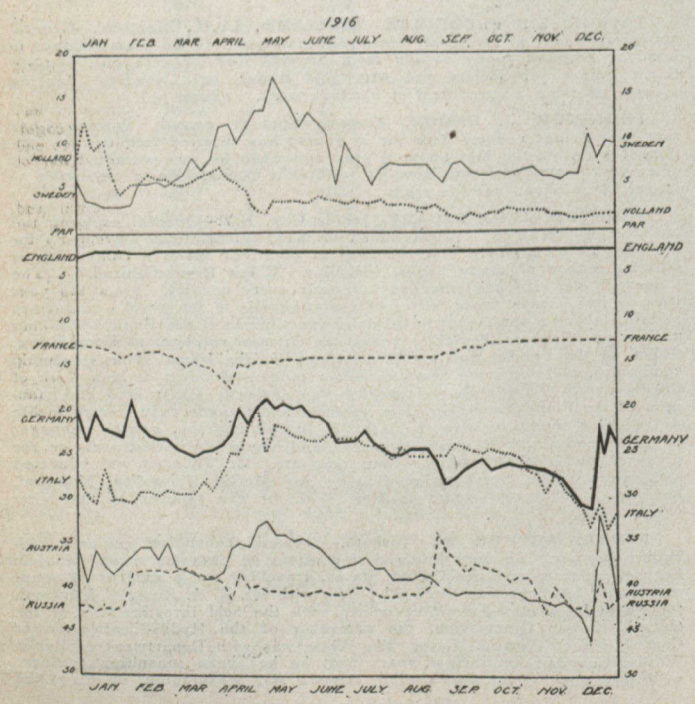
(Concluded on page 105.)

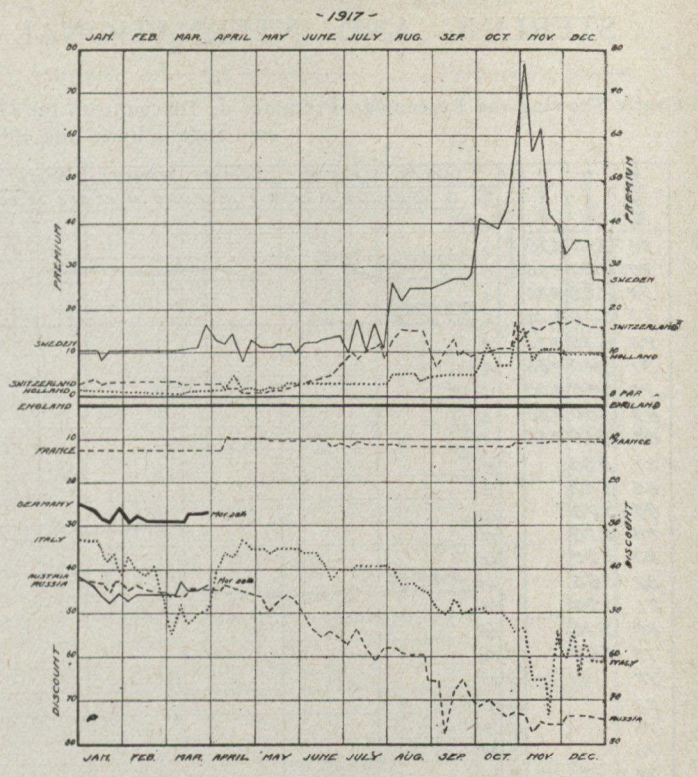
Fluctuations of Exchange Rates on European Countries in New York

(Charts compiled for The Monetary Times by W. J. Little, B.A., Victoria College, Toronto.)

The accompanying charts, especially compiled for *The Monetary Times*, show the fluctuations of exchange rates on European countries in New York. Among the interesting features revealed by an examination of the course of the curves is the splendid way in which the value of the English pound sterling has been maintained, despite the financial burdens carried by the United Kingdom for over three years of war and its heavy purchases in the United States. The declining value of the German mark is an indication of the serious position of Germany's finances. When the United States entered the war in April last the German mark was no longer quoted in New York. Austria is in a similar position in the exchange markets.







SILVER PRICES

Annual average price of a fine ounce of silver 1882-1916, based upon London quotations at par rate of exchange; also bullion value of 371¼ grains of pure silver (contents of one silver dollar) at the average annual prices of silver quoted.

(Data furnished by the Director of the United States Mint.)

Year	Average annual price of ounce of fine silver	Value of pure silver in a silver dollar	Year	Average annual price of ounce of fine silver	Value of pure silver in a silver dollar
	$	$		$	$
1882	1.13562	0.87833	1900	.62007	0.47958
1883	1.10874	.85754	1901	.59595	.46098
1884	1.11068	.85904	1902	.52795	.40835
1885	1.06510	.82379	1903	.54257	.41960
1886	.99467	.76931	1904	.57876	.44763
1887	.97946	.75755	1905	.61027	.47200
1888	.93974	.72683	1906	.67689	.52358
1889	.93511	.72325	1907	.66152	.51164
1890	1.04634	.80927	1908	.53490	.41371
1891	.98800	.76416	1909	.52016	.40231
1892	.87145	.67401	1910	.54077	.41825
1893	.78030	.60351	1911	.53928	.41709
1894	.63479	.49097	1912	.61470	.47543
1895	.65406	.50587	1913	.60458	.46760
1896	.67565	.52257	1914	.55312	.42810
1897	.60483	.46745	1915	.51892	.40135
1898	.59010	.45640	1916	.68647	.53094
1899	.60154	.46525			

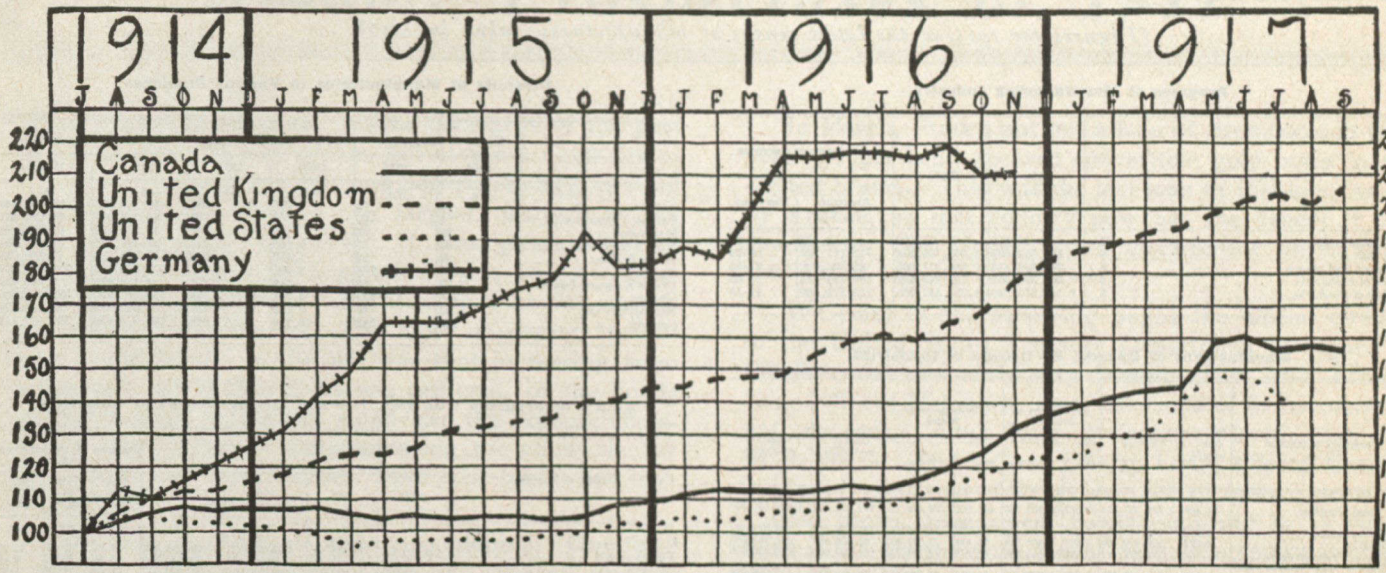
Average price of a fine ounce of silver for each month during the calendar years 1915 to 1917, based upon London quotations at par rates of exchange; also bullion value of 371¼ grains of pure silver (contents of one silver dollar) at the average monthly prices of pure silver.

(Data furnished by the Director of the United States Mint.)

Months	Average monthly price of ounce of fine silver			Value of pure silver in a silver dollar		
	1915	1916	1917	1915	1916	1917
January	$0.49678	$0.59099	$0.80412	$0.38423	$0.45710	$0.62194
February	.50007	.49133	.82721	.38677	.45736	.63980
March	.51823	.60496	.79844	.40082	.46790	.61754
April	.51925	.67215	.81102	.40161	.51986	.62727
May	.51706	.77989	.83163	.39991	.60319	.64321
June	.51035	.68088	.85712	.39472	.52662	.66293
July	.49556	.65632	.87913	.38328	.50762	.67995
August	.49973	.69040	.94409	.38651	.53398	.73019
September	.51761	.71469	1.11965	.40034	.55277	.86597
October	.52441	.70942	.....	.40559	.54869	.....
November	.54986	.74852	.....	.40528	.57893	.....
December	.57812	.79815	.....	.44714	.61732	.....

RETAIL PRICES COMPARED: COST OF FOODSTUFFS AT HOME AND ABROAD

(Compiled by the Canadian Food Controller's Office)



The above chart gives a comparison of the rise in prices in Canada, the United States, Great Britain and Germany, as compared with the pre-war level in each case. It is not a comparison of the general levels of prices.

COMPARATIVE RETAIL PRICES IN CANADA, ENGLAND AND THE UNITED STATES FOR SEPTEMBER, 1917.

	New York.	Montreal.	Buffalo.	Toronto.	Chicago.	St. Paul.	Winnipeg.	England.
Milk (qt.)	†14 (17.5)	11	†11 (13.75)	11.1	†10½ (13)	† 9 (11)	12	14
Fresh eggs (doz.) ..	68	55	57	55	44	46	45	85
Potatoes (bush.) ..	2.20	1.31	1.68	1.19-1.39	1.76	1.40	1.00	.....
Sugar (lb.)	8½	10	9	10	9½	9½	10½	.....
Bacon (lb.)	50	43	53	45	47	46	38	51½-57 (Rump)
Round steak (lb.) ..	40	25-28	33	25-30	31	28	25	52½
Canned salmon (lb.)	25	22.5	24	25	27	32	.....	.....
Bread (lb.)	9	6.7	11	7.3	11½	10	6.4	*4½ (Oatmeal)
Rolled oats (lb.) ..	.....	6	.....	6	.....	.....	6	9.10

†The figures in brackets show the price of the Canadian quart, which is in ratio of 5-4 to American quart.
*War bread subsidized by Government and containing other than white flour.

Who's Who in The Monetary Times

(Continued from page 103.)

of the Woods investigation; also consulting engineer to Commission of Conservation, Canada. He has for many years persistently been urging that Canada take prompt and statesmanlike action with respect to her grave national fuel and power problems. (Page 25.)

WILCOX, W. J., Winnipeg.—Managing director, Canada Hail Insurance Company; partner, Carson & Williams Brothers, Limited, insurance agents and brokers; has had a long and varied insurance experience. (Page 224.)

WILLIAMS, E. B., Edmonton.—Solicitor to the attorney-general's department, Alberta. (Page 269.)

WILSON, J. T., Halifax.—Manager, Canada Life, Nova Scotia; president, Life Underwriters' Association of Canada; insurance career began with the Manufacturers' Life in Fredericton, N.B., in 1900, as a local agent; in New Glasgow, N.S., took district for the same company, and stayed with them until 1907, partly at New Glasgow and later on in Halifax in charge of a larger territory; assumed present position with Canada Life in 1908. (Page 200.)

WINTEMUTE, P. A., Calgary.—Manager, Southern Alberta, Manufacturers' Life Insurance Company; born, Haldimand County, Ont.; moved to Buffalo, 1892, remaining there as a salesman until 1903, when he went West; farmed for three years and entered the life insurance business, 1906, with the Manufacturers' Life Insurance Company, and has been with that company continuously since. Mr. Wintemute says: "My favorite pastime is writing life insurance applications, and reading 'The Monetary Times'."

WRIGHT, ALFRED, Toronto.—Has been with the London and Lancashire Fire Insurance Company, Limited, since 1882, and now occupies position of chief agent for Canada and manager of Toronto branch for that company; general agent of the Quebec Fire Assurance Company for the provinces of Ontario, Manitoba and Saskatchewan, and secretary of the Mercantile Fire Insurance Company. The two latter companies are subsidiary offices of the London and Lancashire; president of the London and Lancashire Guarantee and Accident Company, Limited. (Page 210.)

YOUNGE R. J., Montreal.—General manager of the Export Association of Canada; formerly associated with the Canadian Manufacturers' Association. (Page 262.)

Notable advances on prices of all farm products which have not been the subject of governmental regulation were a feature of the past year's trade in Canada.

BUILDING PERMITS

Town or city.	1916.	1917.
Brandon	$ 244,873	$ 180,338
Brantford	282,677	287,195
Chatham	1,338,924	390,997
Edmonton	208,140	309,800
Fort William	414,025	658,265
Galt	253,795	186,430
Hamilton	2,410,131	2,733,865
Kitchener	324,838	205,352
Kingston	184,321	150,705
London	926,125	837,890
Maisonneuve	310,265	993,780
Montreal	5,334,184	4,387,638
Moose Jaw	318,945	295,460
New Westminster	85,307	81,515
Ottawa	1,530,400	1,041,017
Port Arthur	1,565,095	1,345,174
Prince Rupert	8,323	99,000
Quebec	2,912,157	2,459,386
Regina	222,175	416,460
St. John	464,350	531,250
Saskatoon	146,150	582,739
Sudbury	155,690	140,565
Three Rivers	537,345	422,950
Toronto	9,882,477	7,163,556
Vancouver	2,412,889	768,255
Vernon	17,880	9,370
Victoria	170,265	147,875
Welland	202,587	241,334
Westmount	545,754	155,890
Winnipeg	2,507,300	2,212,450
Woodstock	90,258	91,730
Yorkton	12,325	63,445
Totals	$36,049,970	$29,591,676

Statistics of Canada's Manufacturing Industry

(Figures for 1915, of the latest census of manufactures, taken in 1916).

Progress of Manufacturing Industry.

Items.		1910.	1915.	Increase or decrease.	
				Amount.	Per cent.
Establishments	No.	19,218	15,593	−3,625	−18·86
Capital	$	1,247,583,609	1,958,705,230	711,121 621	56·99
Salaries and wages	$	241,008,416	283,311,505	42,303,089	17·55
Cost of materials	$	601,509,018	791,943,433	190,434,415	31 65
Value of products	$	1,165,975,639	1,381,547,225	215,571,586	18·58

Manufactures of Canada, by Groups of Industries.

Groups of Industries.	Establishments.	Capital.	Employees on Salaries.		Employees on wages.		Cost of materials.	Value of products
			No.	Salaries.	No.	Wages.		
Total of groups	21,306	1,994,103,272	52,683	60,308,293	462,200	229,456,210	802,135,862	1,407,137,140
1 Food products	6,472	199,205,254	7,250	7,333,245	55,085	22,026,238	301,618,217	388,815,362
2 Textiles	2,671	126,490,509	5,827	6,462,926	68,624	27,044,812	81,429,429	144,686,605
3 Iron and steel products	851	195,877,015	5,683	6,833,897	53,678	27,267,716	59,207,670	120,422,420
4 Timber and lumber and their re-manufactures	3,187	263,588,882	4,707	5,725,475	63,663	28,964,555	59,212,349	123,396,686
5 Leather and its finished products	524	60,269,498	2,279	2,540,270	20,307	10,306,114	45,201,497	71,036,644
6 Paper and printing	1,306	138,544,786	6,247	6,879,560	30,817	18,780,569	29,324,906	74,038,398
7 Liquors and beverages	341	52,283,857	1,016	1,712,503	4,376	2,961,993	10,129,252	34,859,927
8 Chemicals and allied products	255	52,248,588	1,993	2,302,447	10,436	5,413,846	24,930,308	45,410,486
9 Clay, glass and stone products	772	96,376,573	1,269	1,713,189	14,498	8,249,184	10,971,641	27,244,813
10 Metal and metal products other than steel	1,173	174,621,994	2,781	3,418,307	27,011	17,557,632	45,931,080	90,943,278
11 Tobacco and its manufactures	186	23,066,898	1,081	1,445,524	8,532	3,083,000	16,017,707	28,987,250
12 Vehicles for land transportation	464	125,965,499	2,630	2,652,568	34,195	18,637,539	40,547,113	73,878,212
13 Vessels for water transportation	103	12,331,341	270	326,954	5,261	2,467,074	3,035,857	8,419,648
14 Miscellaneous industries	1,437	441,132,723	8,367	9,324,448	47,901	25,934,136	56,324,658	154,268,231
15 Hand trades	1,584	32,099,855	1,283	1,626,980	17,816	10,761,802	18,254,178	40,729,180

Number of Establishments, Capital, Employees, Salaries and Wages, Cost of Materials and Value of Products by Provinces.

Provinces.	Establishments.	Capital.	Employees on Salaries	
			Number.	Salaries.
CANADA	No. 21,306	$ 1,994,103,272	52,683	60,308,293
Alberta	584	42,239,693	1,242	1,456,574
British Columbia	1,007	158,636,983	2,376	3,050,303
Manitoba	840	95,845,845	2,427	3,012,197
New Brunswick	714	46,290,014	1,482	1,465,384
Nova Scotia	968	126,539,183	2,330	2,277,622
Ontario	9,287	956,883,423	27,763	31,460,937
Prince Edward Island	291	1,906,564	224	120,033
Quebec	7,158	548,972,575	14,084	16,723,756
Saskatchewan	457	16,788,992	755	741,487

Provinces.	Employees on Wages.		Cost of Materials.	Value of Products.
	Number.	Wages.		
CANADA	111,487	$ 225,580,998	$ 802,133,862	$ 1,407,137,140
Alberta	6,013	3,618,168	21,121,439	30,592,833
British Columbia	18,678	11,517,448	42,284,883	73,624,431
Manitoba	17,241	10,602,660	38,513,514	61,594,184
New Brunswick	15,941	7,300,049	21,495,324	37,832,034
Nova Scotia	31,251	14,039,090	37,738,161	70,860,756
Ontario	216,142	112,611,380	415,285,954	727,923,274
Prince Edward Island	2,110	434,434	1,520,327	2,646,469
Quebec	134,245	63,493,502	216,497,844	387,900,585
Saskatchewan	2,866	1,964,267	7,678,416	14,162,574

Variation of Average Output.

Summary	Establishments.		Total Production.		Average Production.	
	1910.	1915.	1910.	1915.	1910	1915.
	No.	No.	$	$	$	$
Under $200,000	18,121	20,159	431,336,533	383,652,159	23,803	19,031
$200,000 to under $500,000	716	635	219,099,372	198,834,765	306,005	313,126
$500,000 to under $1,000,000	231	288	156,519,094	201,054,201	677,572	698,105
$1,000,000 to under $5,000,000	136	197	261,081,166	414,518,358	1,919,715	2,104,154
$5,000,000 and over	14	27	97,939,474	209,077,657	6,995,677	7,743,617
Total of summary	19,218	21,306	1,165,975,639	1,407,137,140	60,671	66,044

Diversity of Manufacturing in Various Provinces.

	Kinds of Industries.		Total Establishments.		Total Production.	
	1910.	1915.	1910.	1915.	1910.	1915.
	No.	No.	No.	No.	$	$
Alberta	39	70	290	584	18,788,826	30,592,833
British Columbia	74	100	651	1,007	65,204,235	73,624,431
Manitoba	82	96	439	840	53,673,609	61,594,184
New Brunswick	81	77	1,158	714	35,422,302	37,832,034
Nova Scotia	92	86	1,480	968	52,706,184	70,860,756
Ontario	260	289	8,001	9,287	579,810,225	718,923,274
Prince Edward Island	29	28	442	291	3,136,478	2,646,469
Quebec	210	235	6,584	7,158	350,901,656	387,900,585
Saskatchewan	23	44	173	457	6,332,132	14,162,574
Canada	300	343	19,218	21,306	1,165,975,639	1,398,137,140

Values of Products 1900, 1905, 1910 and 1911 by Groups of Industries.

Groups of products.	Products.				Increase of products per cent.		
	1900.	1905.	1910.	1915.	1900 to 1905.	1905 to 1910.	1910 to 1915.
	$	$	$	$	p.c.	p.c.	p.c.
Food products	125,202,620	173,359,431	245,669,321	388,815,362	38·46	41·71	58·27
Textiles	67,724,839	85,982,979	135,902,441	144,686,605	26·96	58·06	6·46
Iron and steel products	34,878,402	53,012,689	113,640,610	120,422,420	51·99	114·36	5·96
Timber and lumber and their re-manufactures	80,341,204	112,545,298	184,630,376	123,396,686	40·08	64·04	33·16
Leather and its finished products	34,720,513	42,132,007	62,850,412	71,036,644	21·34	49·17	13·02
Paper and printing	20,653,028	33,749,020	46,458,053	74,038,398	63·41	37·66	59·36
Liquors and beverages	9,191,700	14,394,319	28,936,782	34,859,927	56·60	110·29	20·47
Chemicals and allied products	11,437,300	15,728,306	27,798,833	45,410,486	37·51	76·74	63·35
Clay, glass and stone products	7,318,582	13,963,400	25,781,860	27,244,813	77·12	84·64	5·67
Metals and metal products other than steel	19,561,261	50,923,144	73,241,796	90,943,278	160·33	43·83	24·17
Tobacco and its manufactures	11,802,112	15,274,923	25,329,323	28,987,250	29·43	65·82	14·44
Vehicles for land transportation	19,971,605	37,536,302	69,712,114	73,878,212	87·25	86·41	5·97
Vessels for water transportation	2,043,668	1,943,195	6,575,417	8,419,648	−4·91	238·38	28·05
Miscellaneous industries	35,607,217	66,249,395	104,618,560	134,268,231	86·05	57·92	28·34
Hand trades	599,329	1,698,195	14,829,741	40,729,180	183·35	773·26	174·63
Totals	481,053,375	718,352,603	1,165,975,639	1,407,137,140	49·33	62·31	20·68

Capital Employed 1900, 1905, 1910, 1915 by Groups of Industries.

Groups of Industries.	Capital.				Increase of Capital per cent.		
	1900.	1905.	1910.	1915.	1900 to 1905.	1905 to 1910.	1910 to 1915.
	$	$	$	$	p.c.	p.c.	p.c.
Food products	57,167,466	88,826,866	133,044,523	199,205,254	55·38	49·78	49·73
Textiles	60,606,555	73,758,622	108,787,407	126,490,509	21·70	47·49	16·27
Iron and steel products	40,861,164	60,642,516	123,561,319	195,877,015	48·41	103·75	58·53
Timber and lumber and their re-manufactures	89,959,336	148,416,643	259,889,715	263,588,882	64·98	75·11	1·42
Leather and its finished products	21,436,594	27,681,935	48,788,803	60,269,498	29·13	76·25	23·53
Paper and printing	26,822,420	47,863,983	62,677,612	138,544,786	78·45	30·95	121·04
Liquors and beverages	20,467,389	26,129,862	43,237,757	52,283,857	27·66	65·47	20·92
Chemicals and allied products	10,272,743	16,039,312	26,926,124	52,248,588	56·13	61·64	94·04
Clay, glass and stone products	8,697,716	24,800,605	45,859,507	96,376,573	185·18	84·91	110·15
Metals and metal products other than steel	20,832,505	104,079,075	67,133,540	174,621,994	399·60	−35·49	160·11
Tobacco and its manufactures	7,247,540	10,575,402	21,659,935	23,066,898	45·91	104·81	6·49
Vehicles for land transportation	15,994,402	31,076,801	49,397,096	125,965,499	94·29	58·95	155·00
Vessels for water transportation	3,297,914	3,409,699	10,351,765	12,331,141	3·36	203·59	19·12
Miscellaneous industries	63,089,415	169,190,960	235,148,103	441,132,723	168·17	38·98	87·59
Hand trades	613,328	1,423,874	11,120,403	32,099,855	132·15	681·99	188·66
Totals	446,916,487	833,916,155	1,247,583,609	1,994,103,272	86·59	49·61	39·84

Principal Manufacturing Centres of Canada.

	Value of Products.			Increase per cent.		
	1900	1910	1915	1900 to 1910.	1910 to 1915.	1900 to 1915.
	$	$	$	p.c.	p.c.	p.c.
Montreal	71,099,750	166,296,972	243,237,575	133·89	46·20	242·11
Toronto	60,366,857	154,306,948	219,143,728	155·62	42·02	263·01
Hamilton	17,122,346	55,125,946	66,063,339	221·95	19·84	285·83
Winnipeg	8,616,248	32,699,359	47,686,070	279·38	45·77	453·44
Vancouver	4,990,152	15,070,105	33,871,044	202·00	124·75	578·75
Ottawa	7,638,688	19,877,233	18,947,325	161·52	−4·67	148·04
Quebec	12,779,546	17,149,385	18,933,227	34·19	10·40	48·15
London	8,122,185	16,273,999	18,885,212	100·36	16·04	132·51
Kitchener	3,307,513	9,266,188	16,408,401	180·15	77·07	396·09
Halifax	6,927,552	12,140,409	15,119,527	75·25	24·53	118·25

It was stated at Ottawa last week that the railways of Canada will not be taken over by the government as has been done in the United States.

During the past year the Canadian Pacific Railway built over 10,000 box cars at the Angus Shops, Montreal, in addition to a large number of cars ordered from Canadian car manufacturing companies.

As a Christmas gift to their employees, the American Bank Note Company, of Ottawa, has arranged that each employee who has been with the company in Canada for more than one year will receive a life insurance policy for a substantial amount based upon length of service. The insurance went into effect at midnight of December 24th, 1917, the amount being based on wage received and length of service.

Notable Prospectuses of 1917

THE most notable war finance document of the past year was the war credits bill of the United States authorizing new bonds and certificates aggregating $11,538,000,000. This is the largest measure of its kind in the world's history. It was passed by the United States Senate on September 15th, 1917, without a roll call or a dissenting vote, it already having passed the United States House. The most important amendment of the Senate to the bill was that increasing from one-seventh to one-fourth of one per cent. of the bonds and war savings certificates authorized the expense allowance for their flotation and decreasing the allowance for the indebtedness certificates from one-tenth to one-twentieth of one per cent.

Two other amendments were also adopted. One fixed 4 per cent. as the maximum rate of interest on the $2,000,000,000 war savings certificates. Another provided that the reduction or increase of allotment of bonds should be made under general rules to be prescribed by the Secretary of the Treasury, and should apply to all subscribers similarly situated. The bill authorized $7,538,945,460 of new convertible 4 per cent. bonds, subject to income surtaxes and war excess-profit taxes. Of these, $4,000,000,000 are for new loans to the Allies, the remainder for the 3½ per cent. Liberty Loan, and to refund miscellaneous bond issues. Issuance of $2,000,000,000 of war savings certificates and the same amount of short-term Treasury certificates of indebtedness also was provided.

The British government's loan of $250,000,000, one and two-year 5½ per cent. secured convertible gold notes issued in the United States in January, 1917, was the last loan of its kind made by Great Britain in that market. After the United States entered the war, the United Kingdom was able to arrange credits in the United States with the government of that country and through the medium of Liberty Loan funds. In connection with this particular British loan, many railway, provincial government, Dominion government and municipal securities of Canada were pledged. The aggregate value of the pledged securities, including the Canadian securities, was not less than $300,000,000. The Canadian government at various times issued to the Imperial treasury its 3½ and 4 per cent. securities maturing in 1928 and 1945 in liquidation of the advances made by the Imperial government. Those securities were pledged by the Imperial government in New York and used with other securities as the basis of the large British loan noted above.

In this issue are printed the prospectuses of two Canadian domestic war loans, one made in March and one in November last year. This was the first year in which two domestic war loans were issued. The first internal war loan of $50,000,000 (later increased to $100,000,000) was issued in November, 1915, the second, of $100,000,000, in September, 1916, and the third and fourth on March 12th and November 12th respectively last year, both for $150,000,000.

In March, France put out a loan of $100,000,000 two-year 5½ per cent. secured convertible gold notes in the United States. This was the last loan of this kind issued by France, as that country now has the benefit of advances by the United States government through the medium of Liberty Loan funds.

We print in the following pages the official circular of the United States Treasury Department in regard to the first and second Liberty Loans. The first Liberty Loan, offered May 14th, 1917, consisted of $2,000,000,000 3½ per cent. United States government bonds maturing in 30 years. The second Liberty Loan, offered October 1st, 1917, consisted of $3,000,000,000 or more 4 per cent. United States government bonds maturing in 25 years, but callable by the government on any interest date after the tenth year.

The first act authorized a total issue of $5,538,945,460 in 3½ per cent. bonds. It also authorized the issue of $2,000,000,000 short-time treasury certificates of indebtedness, the character of these being quite distinct from the bonds.

The second act authorized a total issue of $7,538,945,460 in 4 per cent. bonds and cancels all unissued 3½ per cent. bonds authorized by the first act. Hence this act authorizes in fact $4,000,000,000 bonds over and above those authorized by the first act. The second act also authorized the issue of $4,000,000,000 certificates. Provision was also made for $2,000,000,000 war-savings certificates.

The bonds were sold direct from the United States treasury to the people. There was an appropriation of one-fifth of 1 per cent. for expenses for rent, clerk hire, postage, printing, etc., and the engraving of bonds; but no commission, brokerage, or profits were allowed.

The second Liberty Loan was oversubscribed by $1,617,532,300. There were 9,400,000 subscribers to the loan. The total subscriptions were $4,617,532,300. Of this amount 50 per cent. over the minimum of $3,000,000,000 was allotted. The total allotment was therefore $3,808,766,150.

A Canadian government loan of $100,000,000 two-year 5 per cent. notes was issued in the United States in August. This was the only such issue in that market and is the third Dominion loan floated there since war commenced.

In place of the 5 per cent. exchequer bonds 1922 of the United Kingdom, which were withdrawn from sale in September, a new series of bonds, to which the title of National War Bonds was given, was substituted. The new bonds are issued (for an unlimited amount in denominations of £50, £100, £200, £500, £1,000 and £5,000), at par, carrying interest at 5 per cent., but repayable at a premium in five, seven and ten years. There was also a tax-compounded 4 per cent. bond, repayable at par at the end of ten years. The national war bonds, it was reported in October, were selling at the rate of £20,000,000 weekly.

1. ***British Government Loan of $250,000,000 1 and 2 Year 5½% Secured Convertible Gold Notes, at 99.52 and interest, and 99.07 and interest respectively. January, 1917***

$250,000,000

United Kingdom of Great Britain and Ireland

ONE-YEAR AND TWO-YEAR 5½% SECURED LOAN CONVERTIBLE GOLD NOTES

Dated February 1, 1917. **Interest payable February 1 and August 1.**

$100,000,000 One-Year Notes due February 1, 1918
$150,000,000 Two-Year Notes due February 1, 1919

Principal and interest payable at the office of J. P. Morgan & Co.

Convertible upon notice, at the option of the holder, at any time before maturity, or (if called for earlier redemption) at any time until and including the date of such redemption into Twenty-Year 5½% Bonds of the United Kingdom of Great Britain and Ireland, payable February 1, 1937, and not subject to prior redemption.

Principal and interest of the notes, and of the bonds into which they may be converted, is to be payable, without deduction for British taxes, present or future, in New York in United States gold coin, or, at the option of the holder, in London in sterling at the fixed rate of $4.86½ to the pound.

Coupon Notes in denomination of $1,000, $5,000 and $10,000.

Redeemable at the option of the Government, in whole or in part, on thirty (30) days' notice, as follows:

	One-Year Notes	Two-Year Notes
From February 1, 1917, to January 31, 1918	101 and Interest	102 and Interest
From February 1, 1918, to January 31, 1919		101 and Interest

The notes are to be secured by pledge with Bankers Trust Company, New York, under a pledge agreement executed by the Government, of securities approved by J. P. Morgan & Co., of an aggregate value of not less than $300,000,000, calculated on the basis of the then prevailing markets, sterling securities being valued in dollars at the prevailing rate of exchange, viz.:

Group I. Stocks, bonds and-or other securities of American municipalities and corporations and of the Canadian Pacific Railway Company, and bonds and-or other obligations (either as maker or guarantor) of the Government of the Dominion of Canada, the Colony of Newfoundland, and-or Provinces of the Dominion of Canada, and-or approved Canadian municipalities: Aggregate value not less than $150,000,000
(Of the foregoing there will be somewhat over $100,000,000 in value in the securities of municipalities and corporations of the United States and of the Canadian Pacific Railway Company.)

Group II. Bonds and-or other obligations (either as maker or guarantor) of any or all of the several following Governments, to wit: Argentina, Chile, Cuba, Commonwealth of Australia, Egypt, Japan, New Zealand, and Union of South Africa, and-or bonds and-or other obligations of approved Railways in Argentina and-or of the Grand Trunk Railway Company of Canada, and-or approximately $25,000,000 value in bonds and-or other obligations of dividend-paying British railway companies: Aggregate value not less than $150,000,000

Total $300,000,000

Pending the arrival and deposit of definitive securities as above, the Government is to deposit temporarily with the Trust Company either approved New York Stock Exchange collateral or cash.

If the pledged securities depreciate in value, the Government is to deposit additional securities to maintain the 20% margin.

The Government is to reserve the right from time to time to sell for cash any of the pledged securities, the proceeds of sale to be applied to the retirement of notes by purchase or by redemption by lot.

Upon the retirement of the one-year notes, or upon reduction of the amount of notes outstanding, through conversion, a proportionate amount of the collateral may be withdrawn approximately ratably from each class.

The Government also from time to time may make substitutions of securities, but such substitutions are not to vary the then relative amounts in value of the groups. All substitutions, withdrawals and valuations of securities are to be approved by J. P. Morgan & Co.

This offering is made subject to the approval by our Counsel of necessary formalities

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AS FOLLOWS:

The One-Year Notes at 99.52 and interest, yielding 6 per cent.
The Two-Year Notes at 99.07 and interest, yielding 6 per cent.

Subscription books will be opened at the office of J. P. Morgan & Co., at 10 o'clock A.M., January 24, 1917, and will be closed at 10 o'clock A.M., January 31, 1917, or earlier, in their discretion.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS, AND ALSO, IN ANY EVENT, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR.

AMOUNTS DUE ON ALLOTMENTS WILL BE PAYABLE AT THE OFFICE OF J. P. MORGAN & CO., IN NEW YORK FUNDS, TO THEIR ORDER, AND THE DATE OF PAYMENT WILL BE GIVEN IN THE NOTICES OF ALLOTMENT.

Temporary certificates will be delivered pending the preparation of the definitive notes.

J. P. MORGAN & CO.

HARRIS, FORBES & CO

J. & W. SELIGMAN & CO.

LAZARD FRERES

GUARANTY TRUST COMPANY OF NEW YORK

FIRST NATIONAL BANK, New York City

NATIONAL CITY COMPANY, New York City

BROWN BROTHERS & CO.

WM. A. READ & CO.

KIDDER, PEABODY & CO.

LEE, HIGGINSON & CO.

KISSEL, KINNICUTT & CO.

WHITE, WELD & CO.

BANKERS TRUST COMPANY, New York City

FARMERS' LOAN & TRUST COMPANY New York City

CENTRAL TRUST COMPANY OF ILLINOIS, Chicago

UNION TRUST COMPANY, Pittsburgh

CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK, Chicago

MERCANTILE TRUST COMPANY, St. Louis

MARINE NATIONAL BANK, Buffalo

FIRST & OLD DETROIT NATIONAL BANK, Detroit

2. *Canada's Third Domestic War Loan. March, 1917. $150,000,000 5% 20 Year Bonds at 96.*

WAR LOAN

DOMINION OF CANADA

Issue of $150,000,000 5 Per Cent. Bonds Maturing 1st March, 1937

PAYABLE AT PAR AT
OTTAWA, HALIFAX, ST. JOHN, CHARLOTTETOWN, MONTREAL, TORONTO, WINNIPEG, REGINA, CALGARY, VICTORIA, AND AT THE AGENCY OF THE BANK OF MONTREAL, NEW YORK CITY.

INTEREST PAYABLE HALF-YEARLY, 1st MARCH, 1st SEPTEMBER.
PRINCIPAL AND INTEREST PAYABLE IN GOLD.

ISSUE PRICE 96

A FULL HALF-YEAR'S INTEREST WILL BE PAID ON 1st SEPTEMBER, 1917.
THE PROCEEDS OF THE LOAN WILL BE USED FOR WAR PURPOSES ONLY.

The Minister of Finance offers herewith, on behalf of the Government, the above-named Bonds for subscription at 96, payable as follows:—

10 per cent. on application;
30 per cent. on 16th April, 1917;
30 per cent. on 15th May, 1917;
26 per cent. on 15th June, 1917.

The total allotment of bonds of this issue will be limited to one hundred and fifty million dollars, exclusive of the amount (if any) paid for by the surrender of bonds as the equivalent of cash under the terms of the War Loan prospectus of 22nd November, 1915.

The instalments may be paid in full on the 16th day of April, 1917, or on any instalment due date thereafter, under discount at the rate of four per cent. per annum. All payments are to be made to a chartered bank for the credit of the Minister of Finance. Failure to pay any instalment when due will render previous payments liable to forfeiture and the allotment to cancellation.

Subscriptions, accompanied by a deposit of ten per cent. of the amount subscribed, must be forwarded through the medium of a chartered bank. Any branch in Canada of any chartered bank will receive subscriptions and issue provisional receipts.

This loan is authorized under Act of the Parliament of Canada, and both principal and interest will be a charge upon the Consolidated Revenue Fund.

Forms of application may be obtained from any branch in Canada of any chartered bank and at the office of any Assistant Receiver General in Canada.

Subscriptions must be for even hundreds of dollars.

In case of partial allotments the surplus deposit will be applied towards payment of the amount due on the April instalment.

Scrip certificates, non-negotiable or payable to bearer in accordance with the choice of the applicant for registered or bearer bonds, will be issued after allotment, in exchange for the provisional receipts.

When the scrip certificates have been paid in full and payment endorsed thereon by the bank receiving the money, they may be exchanged for bonds, when prepared, with coupons attached, payable to bearer or registered as to principal, or for fully registered bonds, when prepared, without coupons, in accordance with the application.

Delivery of scrip certificates and of bonds will be made through the chartered banks.

The issue will be exempt from taxes—including any income tax—imposed in pursuance of legislation enacted by the Parliament of Canada.

The bonds with coupons will be issued in denominations of $100, $500, $1,000. Fully registered bonds without coupons will be issued in denominations of $1,000, $5,000 or any authorized multiple of $5,000.

The bonds will be paid at maturity at par at the office of the Minister of Finance and Receiver General at Ottawa, or at the office of the Assistant Receiver General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary, or Victoria, or at the Agency of the Bank of Montreal, New York City.

The interest on the fully registered bonds will be paid by cheque, which will be remitted by post. Interest on bonds with coupons will be paid on surrender of coupons. Both cheques and coupons, at the option of the holder, will be payable free of exchange at any branch in Canada of any chartered bank, or at the Agency of the Bank of Montreal, New York City.

Subject to the payment of twenty-five cents for each new bond issued, holders of fully registered bonds without coupons will have the right to convert into bonds of the denomination of $1,000 with coupons, and holders of bonds with coupons will have the right to convert into fully registered bonds of authorized denominations without coupons at any time on application to the Minister of Finance.

The books of the loan will be kept at the Department of Finance, Ottawa.

Application will be made in due course for the listing of the issue on the Montreal and Toronto Stock Exchanges.

Recognized bond and stock brokers having offices and carrying on business in Canada will be allowed a commission of three-eighths of one per cent. on allotments made in respect of applications bearing their stamp; provided, however, that no commission will be allowed in respect of the amount of any allotment paid for by the surrender of bonds issued under the War Loan prospectus of 22nd November, 1915, or in respect of the amount of any allotment paid for by surrender of five per cent. debenture stock maturing 1st October, 1919. No commission will be allowed in respect of applications on forms which have not been printed by the King's Printer.

Subscription Lists will close on or before the 23rd March, 1917.

Department of Finance, Ottawa, March 12th, 191-

3. ***French Government Loan in United States of $100,000,000 5½% 2 Year Secured Convertible Gold Notes at 99 and interest. March, 1917.***

$100,000,000

Government of the French Republic

TWO-YEAR 5½% SECURED LOAN CONVERTIBLE GOLD NOTES

Dated April 1, 1917 — Interest payable April 1 and October 1 — Due April 1, 1919

Principal and interest payable at the office of J. P. Morgan & Co.

Coupon Notes in denominations of $1,000, $5,000 and $10,000.

Convertible at par, upon notice, at the option of the holder, at any time before maturity, into Twenty-Year 5½% Bonds of the Government of the French Republic, payable April 1, 1937, and not subject to prior redemption.

Principal and interest of the notes, and of the bonds into which they may be converted, are to be payable without deduction for French taxes, present or future, in New York City in United States Gold Coin. Principal and interest of the notes are also to be payable, at the option of the holder, in Paris in francs at the fixed exchange rate of Fcs. 5.75 to the dollar, without deduction for French taxes.

In connection with the provision for optional collection in francs, it may be noted that this feature amounts to a call on French Exchange for two years at a rate of Fcs. 5.75; this being about ten per cent. below mint parity, Fcs 5.18½, at or near which figure Exchange ruled prior to the disorganization of foreign markets brought about by the War. Such additional profit from the exchange feature as may accrue to the holders of these Notes will involve no increased interest cost to the promissor, but will be consequent upon such improvement in trade and Exchange conditions as may occur during the coming two years.

The Notes are to be secured by pledge with Central Trust Company of New York, of securities approved by J. P. Morgan & Co., valued in the aggregate at not less than $120,000,000, of which approximately $20,000,000 in value is to consist of securities of American corporations and municipalities (including securities of the Canadian Pacific Railway Company), and the remainder is to consist of obligations (either direct or through guaranty) of the following Governments: Argentine, Uruguay, Brazil (Funding Loan), Switzerland, Holland, Spain, Egypt, Province of Quebec, Denmark, Norway and Sweden (including certain bonds of Mortgage Banks in the last three countries, operated under Government supervision, and quoted customarily on a parity with the obligations of their respective Governments); also bonds of the State of Berne, Switzerland, bonds of the City of Stockholm, Sweden, and bonds and shares of Spanish railway companies and of the Suez Canal Company.

Provision is to be made in the pledge agreement for the maintenance of the 20% margin; for temporary lodgment of cash pending the arrival and deposit of all the collateral; for the holding by depositaries in France of such coupons from the pledged securities as mature prior to April 1, 1919; for the sale of collateral and purchase of notes with the proceeds; for proportionate withdrawals of collateral as notes are converted; and for substitutions of collateral approved by J. P. Morgan & Co., the amount of American collateral, however, not to be reduced through any such substitution.

This offering is made subject to the approval by our counsel of the necessary formalities.

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AT 99 AND INTEREST, YIELDING SLIGHTLY OVER 6%.

Subscription books will be open at the office of J. P. Morgan & Co., at 10 o'clock A.M., Thursday, March 22, 1917, and will be closed at 10 o'clock A.M., Wednesday, March 28, 1917, or earlier in their discretion.

The right is reserved to reject any and all applications, and also, in any event, to award a smaller amount than applied for.

Amounts due on allotments will be payable at the office of J. P. Morgan & Co., in New York funds, to their order, and the date of payment will be given in the notices of allotment.

Temporary certificates will be delivered pending the engraving of the definitive notes.

Application will be made to list the above notes on the New York Stock Exchange.

J. P. MORGAN & CO.

FIRST NATIONAL BANK, New York City — KIDDER, PEABODY & CO. — WM. A. READ & CO. — KISSEL, KINNICUTT & CO.

HARRIS, FORBES & CO. — J. & W. SELIGMAN & CO. — W. P. BONBRIGHT & CO., INC. — SPENCER TRASK & CO.

BROWN BROTHERS & CO.

NATIONAL CITY COMPANY, New York City — LEE, HIGGINSON & CO. — LAZARD FRERES — WHITE, WELD & CO.

CHASE NATIONAL BANK, New York City — NATIONAL BANK OF COMMERCE, New York City

GUARANTY TRUST COMPANY OF NEW YORK

BANKERS TRUST COMPANY, New York City — CENTRAL TRUST COMPANY OF NEW YORK

FARMERS LOAN & TRUST COMPANY, New York City

UNION TRUST COMPANY, New York City — EQUITABLE TRUST CO., New York City

COMMERCIAL TRUST COMPANY, Philadelphia

UNION TRUST COMPANY, Pittsburg — MELLON NATIONAL BANK, Pittsburg

FIRST NATIONAL BANK, Cleveland

FIRST & OLD DETROIT NATIONAL BANK, Detroit — MARINE NATIONAL BANK, Buffalo

CENTRAL TRUST COMPANY OF ILLINOIS, Chicago

CONTINENTAL AND COMMERCIAL TRUST & SAVINGS BANK, Chicago

FIRST NATIONAL BANK, St. Paul — MERCANTILE TRUST COMPANY, St. Louis

Dated March 19, 1917.

4. ***First Liberty Loan of the United States $2,000,000,000 15-30 Year 3½% Gold Bonds at par. May, 1917.***

LIBERTY LOAN

1917.
Department Circular No. 78.

TREASURY DEPARTMENT,
Office of the Secretary,
Loans and Currency. Washington, May 14, 1917.

The Secretary of the Treasury invites subscriptions at par and accrued interest from the people of the United States of America for $2,000,000,000 of the 15-30 Year 3½ Per Cent. Gold Bonds of an issue authorized by Act of Congress approved April 24, 1917.

DESCRIPTION OF BONDS.

Bearer bonds, with interest coupons attached, will be issued in denominations of $50, $100, $500 and $1,000. Bonds registered as to principal and interest will be issued in denominations of $100, $500, $1,000, $5,000, $10,000, $50,000 and $100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, upon payment, if the Secretary of the Treasury shall require, of a charge not exceeding $1 for each new bond issued upon such exchange. Transfers of registered bonds and exchanges of registered and coupon bonds and of bonds of different denominations will not be made until October 1, 1917, or such later date as may be designated by the Secretary of the Treasury.

The bonds will be dated June 15, 1917, and will bear interest at the rate of 3½ per centum per annum from that date, payable semi-annually on December 15 and June 15. The bonds will mature June 15, 1947, but the issue may be redeemed on or after June 15, 1932, in whole or in part, at par and accrued interest, on three months' published notice, on any interest day; in case of partial redemption the bonds to be redeemed to be determined by lot by such method as may be prescribed by the Secretary of the Treasury. The principal and interest of the bonds will be payable in United States gold coin of the present standard of value, and the bonds will be exempt, both as to principal and interest from all taxation, except estate or inheritance taxes, imposed by authority of the United States or its possessions, or by any State or local taxing authorities. The bonds will not bear the circulation privilege, but will be receivable as security for deposits of public money.

If any subsequent series of bonds (not including Treasury certificates of indebtedness and other short-term obligations) shall be issued by the United States at a higher rate of interest than three and one-half per centum per annum before the termination of the war between the United States of America and the Imperial German Government (the date of such termination to be fixed by a proclamation of the President of the United States), the holders of any of the bonds of the present issue shall have the privilege of converting the same, within such period and upon such further terms and conditions covering matters of detail as the Secretary of the Treasury may prescribe, into an equal par amount of bonds bearing such higher rate of interest and substantially identical with the bonds of such new series, except that the bonds issued upon such conversion are to be identical with the bonds of the present series as to maturity of principal and interest and terms of redemption.

APPLICATIONS.

The agencies designated by the Secretary of the Treasury to receive applications for the bonds now offered are the Treasury Department in Washington, D.C., and the Federal Reserve Banks in Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta (with branch at New Orleans), Chicago, St. Louis, Minneapolis, Kansas City, Dallas and San Francisco. Said banks have been designated, also, as fiscal agents of the United States, to collate applications and to give notices of the allotments which the Secretary of the Treasury will eventually make to subscribers and to issue interim certificates for payments made on allotted subscriptions.

Large numbers of National banks, State banks and trust companies, private bankers, express companies, newspapers, department stores, and other private corporations, firms and organizations, have patriotically offered to receive and transmit applications for the Liberty Loan without expense to the United States or to the applicants. The Secretary of the Treasury, appreciating the value of these offers, will have application blanks widely distributed throughout the country to these private institutions and also to the post offices and sub-treasuries. Individual subscribers may use these conveniences or may send their applications directly to the Treasury Department at Washington and to the Federal Reserve Banks. As the law prohibits the allowance or payment of commissions on subscriptions all those through whom applications are made render service as a patriotic duty without compensation.

All applications must be in the form prescribed by the Secretary of the Treasury and be accompanied by a payment of 2 per centum of the amount of bonds applied for. Applications must be for $50 or any multiple thereof, but any application for one $50 or $100 bond until further notice may be allotted at once and payment in full accepted against delivery of an interim certificate. Applications must reach the Treasury Department or a Federal Reserve Bank not later than noon, June 15, 1917, the right being reserved by the Secretary of the Treasury to close the subscription on any earlier date.

ALLOTMENTS.

Allotments will be made as soon after June 15 as possible. The Secretary of the Treasury reserves the right to reject any subscriptions, or to make allotment of part of the amount subscribed for, and to allot in full upon applications for smaller amounts of bonds even though it may be necessary to reduce allotments on applications for larger amounts, should any such action be deemed by him to be in the public interest; and his decision in these respects will be final. In any case of the rejection of an application, the accompanying payment of 2 per centum of the amount applied for will be returned. In case of partial allotment the 2 per centum payment will be retained and any excess applied upon the next installment. Upon allotment of bonds by the Secretary of the Treasury, the subscriber will receive notice thereof signed by or on behalf of the Federal Reserve Bank of his district. Unless and until payment in full has been made, further payments must be made when and as below provided under penalty of forfeiture of any and all installments previously paid and of all right or interest in the bonds allotted.

PAYMENTS.

The dates for payments in installments are as follows:
Two per centum on application;
Eighteen per centum on June 28, 1917;
Twenty per centum on July 30, 1917;
Thirty per centum on August 15, 1917;
Thirty per centum on August 30, 1917.

It is strongly recommended that subscribers avail themselves of the assistance of their own banks and trust companies. In cases where they do not do so, subscribers should make payment, either in cash to the Treasury Department in Washington or one of the Federal Reserve Banks, or by bank draft, check, post-office money order, or express company money order, made payable to the order of the Treasurer of the United States if the application is filed with the Treasury Department in Washington (thus: "Treasurer of the United States, Liberty Loan Account"), or, if the application is filed elsewhere, made payable to the order of the Federal Reserve Bank of the district in which the application is filed (thus: "Federal Reserve Bank of ....., Liberty Loan Account"). All checks must be certified. United States certificates of indebtedness issued under the Act of April 24, 1917, will be received at par and accrued interest to date of settlement in making payment in full or in installments.

Interim certificates for installment payments due on or after June 28 will be issued by or on behalf of the Federal Reserve Banks as fiscal agents of the United States, and delivered as far as practicable in accordance with written instructions given by subscribers. Upon payment of the installment due June 28, the notice of allotment must be surrendered, and upon payment of each subsequent installment the interim certificate must be presented to the Federal Reserve Bank which issued the certificate for notation thereon of the fact of such payment, or for exchange for a new certificate. After full payment such certificates must be surrendered in exchange for the bonds when prepared.

Payments of installments must be made upon the dates above stated until full payment has been made. Payment in full may be made on and after allotment and before August 30, 1917, if two weeks' prior notice in writing of the intention to make such payment, stating the date upon which such payment will be made, shall have been filed with the Federal Reserve Bank of the district in which the subscriber will make payment; but such notice shall not be required in case of any allotment of not exceeding $10,000 bonds or when payment is to be made in Treasury certificates of indebtedness.

As the bonds will carry six months' interest payable December 15, 1917, interest accruing on the bonds allotted, from June 15, 1917, to the date of full and final payment, must be added to the last payment, credit being given for interest at the like rate upon the several installment payments as follows: as to 2 per centum of the amount of bonds allotted upon application, from June 15, 1917, and, as to subsequent installments duly paid, from the respective dates upon which payment thereof is required to be made as above provided. Tables showing the amount of accrued interest payable on August 30 in case payment is made in installments, and the amount of accrued interest payable upon various dates in case payment is made in full prior to August 30 as herein permitted, will be prepared and furnished through the Treasury Department in Washington and the Federal Reserve Banks.

Within the United States and its territories and insular possessions, bonds when prepared will be delivered so far as practicable in accordance with the written instructions of the holders of the interim certificates upon surrender to the Treasury Department in Washington, or the Federal Reserve Bank which issued the certificate, of interim certificates full paid or accompanied by payment of the final installment. The expense of delivery will be borne by the United States. Delivery of definitive bonds to holders of full paid interim certificates will commence as soon as practicable after June 28.

Further details may be announced by the Secretary of the Treasury from time to time, information as to which, as well as forms for applications, may be obtained from the Treasury Department and any Sub-Treasury or Federal Reserve Bank.

W. G. McADOO, Secretary of the Treasury.

Subscriptions for these bonds are being received at any of the Federal Reserve Banks, the banking institutions and all the investment banking firms in the United States.

5. ***Canadian Government Loan in the United States of $100,000,000 2 Year 5% Gold Notes at 98 and interest. July 30, 1917.***

$100,000,000

Government of the Dominion of Canada

TWO-YEAR 5% GOLD NOTES

Dated August 1, 1917 — Due August 1, 1919

Interest payable February 1 and August 1.

Both principal and interest payable in United States gold coin in New York City, at the Agency of the Bank of Montreal.

Coupon notes in denomination of $1,000.

The obligations represented by the above notes and all payments in discharge thereof are to be exempt from all present and future taxes imposed by the Government of the Dominion of Canada, including any Canadian income tax.

This offering is made subject to the completion o necessary formalities and to the approval of counsel.

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AT 98 AND INTEREST YIELDING ABOUT 6.07%.

SUBSCRIPTION BOOKS WILL BE OPENED AT THE OFFICE OF J. P. MORGAN & CO., AT 10 O'CLOCK A.M., MONDAY, JULY 30, 1917, AND WILL BE CLOSED AT 10 O'CLOCK A.M., THURSDAY, AUGUST 2, 1917, OR EARLIER, IN THE DISCRETION OF THE UNDERSIGNED.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS AND ALSO, IN ANY CASE, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR.

AMOUNTS DUE ON ALLOTMENTS WILL BE PAYABLE AT THE OFFICE OF J. P. MORGAN & CO., IN NEW YORK FUNDS, TO THEIR ORDER, AND THE DATE OF PAYMENT WILL BE GIVEN IN THE NOTICES OF ALLOTMENT.

Temporary certificates will be delivered pending the engraving of the definitive notes.

J. P. MORGAN & CO.

BROWN BROTHERS & CO. — **HARRIS FORBES & CO.**

BANK OF MONTREAL

FIRST NATIONAL BANK New York City — **NATIONAL CITY COMPANY** New York City

GUARANTY TRUST COMPANY OF N.Y. — **BANKERS TRUST COMPANY** New York City

WM. A. READ & CO.

July 30, 1917

6. ***National War Bonds of the United Kingdom 5% 5, 7 and 10 Years, at 100, Repayable at 102, 103 and 105, and 4% 10 Year Bonds at 100, Redeemable at Par. Oct. 1, 1917***

Issue of NATIONAL WAR BONDS

£5 Per Cent. BONDS. Repayable 1st October, 1922, at 102 Per Cent.;
£5 Per Cent. BONDS. Repayable 1st October, 1924, at 103 Per Cent.;
£5 Per Cent. BONDS. Repayable 1st October, 1927, at 105 Per Cent.;

AND

£4 Per Cent. BONDS. Repayable 1st October, 1927, at 100 Per Cent.;
("Income Tax Compounded.")

Interest payable half-yearly on the 1st APRIL and 1st OCTOBER. First Dividend payable 1st APRIL, 1918.

PRICE OF ISSUE £100 PER CENT.
PAYABLE ON APPLICATION.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised by the Lords Commissioners of His Majesty's Treasury to receive on the 2nd October, 1917, and thereafter until further notice, applications for the above Bonds. Applications may be lodged at any Office of the Banks hereafter mentioned.

The Principal and Interest of the Bonds are chargeable on the Consolidated Fund of the United Kingdom.

Bonds of this issue, and the interest payable from time to time in respect thereof, will be exempt from all British taxation, present or future, if it is shown in the manner directed by the Treasury that they are in the beneficial ownership of a person who is neither domiciled nor ordinarily resident in the United Kingdom of Great Britain and Ireland.

Further, the interest payable from time to time in respect of £5 per cent. Bonds of this issue will be exempt from British Income Tax, present or future, if it is shown in the manner directed by the Treasury that the Bonds are in the beneficial ownership of a person who is not ordinarily resident in the United Kingdom of Great Britain and Ireland, without regard to the question of domicile. Where such a Bond is in the beneficial ownership of a person entitled to exemption under these provisions the relative Coupons will be paid without deduction for Income Tax or other taxes, if accompanied by a declaration of ownership in such form as may be required by the Treasury.

Interest on the £4 per cent. Bonds will be exempt from liability to assessment to British Income Tax other than Super-Tax. For the purposes of Super-Tax and in computing total income for the purposes of Exemption, Abatement, reduced rate of Income Tax on earned or unearned income, etc., the income derived from such interest will be treated as if the amount received represented the net income after deduction of Income Tax at the full normal rate. There will, however, be no title to repayment of Income Tax in respect of such untaxed interest.

Bonds of this issue will be accepted at their nominal value, with due allowance for any unpaid interest thereon, by the Commissioners of Inland Revenue in satisfaction of amounts due on account of Death Duties, Excess-Profits Duty or Munitions Exchequer Payments; provided, in the case of Death Duties, that such Bonds have formed part of the Estate of the deceased continuously up to the date of death from the date of the original subscription or for a period of not less than six months immediately preceding the date of death, and, in the case of Excess Profits Duty or Munitions Exchequer Payments, that they have been held continuously by the firm, company or other person, liable for such Duty or Payment, since the date of the original subscription or for a period of not less than six months before such Duty or Payment becomes due and payable.

Holders of £5 per cent. Bonds of this issue may convert their holdings within 14 days after any half-yearly interest date (viz., 1st April and 1st October), and as on such interest date, into £5 per Cent. War Loan, 1929-1947, at the rate of £100 £5 per cent. War Loan, 1929-1947, for each £95 nominal value (excluding any redemption premium) of £5 per Cent. National War Bonds surrendered; and holders of £4 per Cent. Bonds of this issue may convert their holdings at the same times, and in like manner, into £4 per Cent. War Loan, 1929-1942 ("Income Tax Compounded") at the rate of £100 £4 per Cent. War Loan, 1929-1942, for each £100 nominal value of £4 per Cent. National War Bonds surrendered.

The first dividend on a holding of £5 per Cent. War Loan, 1929-1947, or of £4 per Cent. War Loan, 1929-1942, issued in lieu of National War Bonds converted, will represent interest from the date of conversion to the next succeeding interest date of the Loan into which the Bonds have been converted.

In the event of future issues (other than issues made abroad or issues of Exchequer Bonds, Treasury Bills, or similar short-dated Securities) being made by His Majesty's Government, for the purpose of carrying on the War, Bonds of this issue will be accepted at par as the equivalent of cash for the purpose of subscriptions to such issues, and an allowance will be made for any interest accrued on Bonds so accepted.

The Bonds will be issued in denominations of £50, £100, £200, £500, £1,000 and £5,000, and the interest thereon will be payable half-yearly by Coupon, the first Coupon on each Bond representing interest from the date on which application is lodged and payment made for the Bond at any office of one of the Banks hereafter mentioned.

Bonds of this issue may be registered free of cost in the Books of the Bank of England, or of the Bank of Ireland, as

1. "Transferable in the Bank Transfer Books," or
2. "Transferable by Deed."

Allotments may be obtained in Registered Form or in Bonds to Bearer at the option of the applicant.

Holdings of Registered Bonds, which will be transferable in any sums which are multiples of a penny, may be re-converted at any time, in whole or in part (in multiples of £50), into Bonds to bearer with Coupons attached.

Dividends on Registered £5 per Cent. Bonds of this issue will be paid without deduction of Income Tax, but the income derived from such dividends will be assessable to Income Tax in the hands of the recipients at the rates of tax appropriate to their respective incomes. Dividend Warrants will be transmitted by post.

Applications for Bonds, which must in every case be accompanied by payment of the full amount payable in respect of the Bonds Applied for, may be lodged at any office of the following Banks at any time at which such offices are open for business, viz.: (Then follow the names of 69 Banks), or they may be forwarded by post to the Bank of England Loans Office, 5 and 6, Lombard Street, E.C. 3.

CONVERSION OF

£4 10s per Cent. War Loan, 1925-1945.
£5 per Cent. Exchequer Bonds, 1919.
£5 per Cent. Exchequer Bonds, 1920.
£5 per Cent. Exchequer Bonds, 1921.
£6 per Cent. Exchequer Bonds, 1920.

Holders of the above issues, in pursuance of the options granted in the several Prospectuses relating thereto, may convert their holdings, in whole or in part, into the following Bonds of the present issue, at any time during the continuance of the issue of such Bonds, viz.:—

£5 per Cent. National War Bonds, repayable 1st October, 1924;
£5 per Cent. National War Bonds, repayable 1st October, 1927; or
£4 per Cent. National War Bonds, repayable 1st October, 1927 ("Income Tax compounded.")

Holders who convert will receive an allotment at the rate of £100 National War Bonds for each £100 £4 10s per Cent. War Loan or Exchequer Bonds converted.

National War Bonds issued in exchange for converted holdings will carry interest from the dates on which the relative requests for conversion have been lodged with the Bank of England. A separate dividend will be paid for interest, if any, accrued to date of conversion on a converted holding. Where a request for conversion of a holding in any issue, whether "registered" or "to bearer," is lodged after the balance of such issue has been struck for the preparation of a dividend and before the date on which the said dividend is due, such conversion will be effected as on the latter date.

N.B.—Applications for the conversion of Stock inscribed or Bonds registered in the Books of the Bank of Ireland, should be forwarded to the Bank of Ireland, Dublin.

Stock registered in the Books of the General Post Office, and Bonds issued by the General Post Office, will not be convertible at the Bank of England. They will be convertible at the Post Office under the arrangements set forth in the separate Prospectus issued by H.M. Postmaster-General.

A commission of one-eighth per cent. will be allowed to Bankers, Stockbrokers and Financial Houses on allotments made in respect of cash applications for this issue bearing their Stamp, but no commission will be allowed in respect of applications for conversion.

Applications must be made upon the printed forms which may be obtained, together with copies of this Prospectus, at the Bank of England; at the Bank of Ireland; of Messrs. Mullens, Marshall & Co., 13, George Street, Mansion House, E.C. 4; and at any Bank, Money Order Office or Stock Exchange in the United Kingdom.

BANK OF ENGLAND, LONDON,
1st October, 1917.

7. ***Second Liberty Loan of the United States $3,000,000,000 10-25 Year 4% Convertible Gold Bonds. October 1, 1917***

$3,000,000,000

UNITED STATES OF AMERICA

10-25 YEAR 4% CONVERTIBLE GOLD BONDS

SECOND LIBERTY LOAN

Bearing interest from November 15, 1917 **Due November 15, 1942**

Redeemable at the option of the United States, at par and accrued interest, on and after November 15, 1927

Interest payable May 15 and November 15

Authorized by an act of Congress approved September 24, 1917. Offered for subscription in Department Circular No. 90, dated October 1, 1917, to be found on the following pages, to which reference is made for full information concerning the bonds and this offering, and from which the statements on this page are summarized.

DENOMINATIONS: Coupon and registered bonds, $50, $100, $500, $1,000, $5,000, $10,000; and registered bonds of $50,000 and $100,000.

EXEMPT as to principal and interest from all taxation by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (*a*) estate or inheritance taxes, and (*b*) United States graduated additional income taxes (commonly known as surtaxes) and excess-profits and war-profits taxes. The interest on an amount of bonds and certificates authorized by said act, the principal of which does not exceed in the aggregate $5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (*b*) above.

CONVERTIBLE upon the terms and conditions stated in said circular into higher rate bonds if and when higher rate bonds are next issued during the war.

APPLICATIONS must reach the Treasury Department, Washington, D.C., a Federal Reserve Bank or branch thereof, or some incorporated bank or trust company within the United States (not including outlying territories and possessions) on or before the close of business October 27, 1917, the right being reserved by the Secretary of the Treasury to close the subscriptions at any earlier date.

TERMS OF PAYMENT:

2 per cent. with application.
18 per cent. on November 15, 1917.
40 per cent. on December 15, 1917.
40 per cent. on January 15, 1918 (with accrued interest on both deferred installments).

Payment in full of any subscription for an amount of bonds not in excess of $1,000, at face value without interest, may be made with the application, if the subscriber prefers, in which case prompt delivery of a bond or bonds dated and bearing interest from November 15, 1917, will be made. Except in such cases payment for the amount allotted can only be completed on November 15, or, with accrued interest, on December 15 or January 15, previous installments having been duly paid.

ALLOTMENT: Subscriptions for $3,000,000,000 of these bonds are invited, the right being reserved to allot additional bonds up to one-half the amount of any over-subscription. Every subscriber for an amount of bonds not in excess of $1,000 will receive the full amount of bonds subscribed for. Other applications are received subject to allotment.

DELIVERY: Bonds as described in the circular will be delivered promptly upon completion of payments

PRICE, 100% AND ACCRUED INTEREST

TREASURY DEPARTMENT, *Washington, October, 1, 1917.*

8. *Canada's Victory Loan of $150,000,000 5½% Gold Bonds at par. November, 1917*

The MINISTER OF FINANCE offers for Public Subscription

Canada's Victory Loan

issue of

$150,000,000 5½% Gold Bonds

Bearing interest from December 1st, 1917, and offered in three maturities, the choice of which is optional with the subscriber, as follows:

5 year Bonds due December 1st, 1922
10 year Bonds due December 1st, 1927
20 year Bonds due December 1st, 1937

This Loan is authorized under Act of the Parliament of Canada, and both principal and interest are a charge upon the Consolidated Revenue Fund.

The amount of this issue is $150,000,000, exclusive of the amount (if any) paid by the surrender of bonds of previous issues. The Minister of Finance, however, reserves the right to allot the whole or any part of the amount subscribed in excess of $150,000,000.

The Proceeds of this Loan will be used for War purposes only, and will be spent wholly in Canada.

Principal and Interest payable in Gold
Denominations: $50, $100, $500 and $1,000

Subscriptions must be in sums of $50 or multiples thereof.

Principal payable without charge at the Office of the Minister of Finance and Receiver General at Ottawa, or at the Office of the Assistant Receiver General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary and Victoria.

Interest payable, without charge, half-yearly, June 1st and December 1st, at any branch in Canada of any Chartered Bank.

Bearer or Registered Bonds

Bonds may be registered as to principal or as to principal and interest.

Scrip certificates, non-negotiable, or payable to bearer, in accordance with the choice of the applicant for registered or bearer bonds, will be issued after allotment in exchange for provisional receipts. When these scrip certificates have been paid in full, and payment endorsed thereon by the bank receiving the money, they may be exchanged for bonds, when prepared, with coupons attached, payable to bearer, or registered as to principal, or for fully registered bonds when prepared, without coupons, in accordance with the application.

Delivery of interim certificates and of definitive bonds will be made through the Chartered Banks.

Bearer bonds with coupons will be issued in denominations of $50., $100., $500., and $1,000. and may be registered as to principal only. Fully registered bonds, the interest on which is paid direct to the owner by Government cheque, will be issued in denominations of $1,000., $5,000. or any authorized multiple of $5,000.

Subject to the payment of 25 cents for each new bond issued, holders of fully registered bonds without coupons, will have the right to convert into bonds of the denomination of $1,000 with coupons, and holders of bonds with coupons will have the right to convert into fully registered bonds of authorized denominations without coupons, at any time, on application to the Minister of Finance.

Surrender of Bonds

Holders of Dominion of Canada Debenture Stock, due October 1st, 1919, and bonds of the three preceding Dominion of Canada War Loan Issues, have the privilege of surrendering their bonds in part payment for subscriptions to bonds of this issue, under the following conditions:—

Debenture Stock, due October 1st, 1919, at Par and Accrued Interest.
War Loan Bonds, due December 1st, 1925, at 97½ and Accrued Interest.
(The above will be accepted in part payment for bonds of any of the three maturities of this Issue)

War Loan Bonds, due October 1st, 1931, at 97½ and Accrued Interest.
War Loan Bonds, due March 1st, 1937, at 96 and Accrued Interest.
(These will be accepted in part payment for bonds of the 1937 maturity ONLY of this Issue.)

Bonds of the various maturities of this issue will, in the event of future issues of like maturity, or longer, made by the Government, other than issues made abroad, be accepted at par and accrued interest, as the equivalent of cash for the purpose of subscription to such issues.

Issue Price Par

Free from taxes—including any income tax—imposed in pursuance of legislation enacted by the Parliament of Canada.

Payment to be made as follows:

10% on December 1st, 1917	20% on March 1st, 1918
10% on January 2nd, 1918	20% on April 1st, 1918
20% on February 1st, 1918	20% on May 1st, 1918

A full half year's interest will be paid on 1st June, 1918.

The Bonds therefore give a net interest yield to the investor of about:

5.61% on the 20 year Bonds
5.68% on the 10 year Bonds
5.81% on the 5 year Bonds

All payments are to be made to a Chartered Bank for the credit of the Minister of Finance. Failure to pay any instalment when due will render previous payments liable to forfeiture, and the allotment to cancellation. Subscriptions accompanied by a deposit of 10% of the amount subscribed, must be forwarded through the medium of a Chartered Bank. Any branch in Canada of any Chartered Bank will forward subscriptions and issue provisional receipts.

In case of partial allotments the surplus deposit will be applied toward payment of the amount due on the January instalment.

Subscriptions may be paid in full on January 2nd, 1918, or on any instalment due date thereafter under discount at the rate of 5½% per annum. Under this provision payments of the balance of subscriptions may be made as follows:

If paid on January 2nd, 1918, at the rate of 89.10795 per $100.
If paid on February 1st, 1918, at the rate of 79.46959 per $100.
If paid on March 1st, 1918, at the rate of 59.72274 per $100.
If paid on April 1st, 1918, at the rate of 39.90959 per $100.

Forms of application may be obtained from any branch in Canada of any Chartered Bank, or from any Victory Loan Committee, or member thereof.
The books of the Loan will be kept at the Department of Finance, Ottawa.
Applications will be made in due course for the listing of this issue on the Montreal and Toronto Stock Exchanges.

Department of Finance,
Ottawa, November 12th, 1917.

Subscription Lists will close on or before December 1st, 1917.

64

Business Profits and Income Taxes in Operation

Taxation of Incomes Over $1,500 Begins Next Month—Details and Explanations of the Measures

LAST year witnessed the establishment of income tax legislation in Canada. It is not proposed to substitute the income tax for the Business Profits War Tax Act, but to use both measures at present. Up to the end of 1918, the situation remains as it is for the reason that, although the Business Profits War Tax Act expired at the end of 1917, the tax on last year's profits will be paid this year. If the war should continue beyond this year, it will be the duty of parliament, said the minister of finance, to re-enact the measure. If the war should end before 1919, the country would hardly desire to carry forward such a heavy impost during the days of reconstruction. During the current year, companies will pay whichever is the heavier tax of the two, the income tax or the business profits tax.

The following statement in regard to the amendment to the business profits war tax act was issued by the department of finance, Ottawa, on May 16th, 1917: "In the discussion of the budget amendment to the business profits war tax act, by which a greater percentage of excess profits is taken by the government to assist in meeting its war expenses, it was made clear by the minister of finance that the liability to taxation under the business profits war tax act ceases at the end of the present year, and that the proposed increased taxation applies only to the last annual accounting period of three accounting periods to which the act of last year applies.

"To be precise, the increased taxation will affect only annual accounting periods which end after December 31st last. That is to say, for example, if a company's accounting period ends on May 31st of this year the company will pay the increased tax in respect of its fiscal year beginning June 1st, 1916, and ending May 31st, 1917, and it will not be liable upon its profits earned after May 31st, 1917. The new taxes therefore cannot apply to new companies about to establish themselves in Canada."

PROVISIONS OF INCOME TAX

Definition of Income—How the Tax Works

The income tax law provides that there shall be assessed, levied and paid upon the income during the preceding year of every person residing or ordinarily a resident in Canada or carrying on any business in Canada, the following taxes:—

(a) 4 per cent. upon all incomes exceeding $1,500 in the case of unmarried persons and widows or widowers without dependent children, and exceeding $3,000 in the case of all other persons; and

(b) 2 per cent. upon the amount by which the income exceeds $6,000 and does not exceed $10,000; and

(c) 5 per cent. upon the amount by which the income exceeds $10,000 and does not exceed $20,000; and

(d) 8 per cent. of the amount by which the income exceeds $20,000 and does not exceed $30,000; and

(e) 10 per cent. of the amount by which the income exceeds $30,000 and does not exeeed $50,000; and

(f) 15 per cent. of the amount by which the income exceeds $50,000 and does not exceed $100,000; and

(g) 25 per cent. of the amount by which the income exceeds $100,000.

Corporations and Joint Stock Companies.

(2) Corporations and joint-stock companies, no matter how created or organized, shall pay the normal tax upon income exceeding $3,000, but shall not be liable to pay the supertax; and the minister may permit any corporation subject to the normal tax, the fiscal year of which is not the calendar year, to make a return and to have the tax payable by it computed upon the basis of its income for the 12 months ending with its last fiscal year preceding the date of assessment.

(3) Any persons carrying on business in partnership shall be liable for the income tax only in their individual capacity.

(4) A person who, after the first day of August, 1917, has reduced his income by the transfer or assignment of any real or personal, movable or immovable property, to such person's wife, or husband, as the case may be, or to any member of the family of such person, shall, nevertheless, be liable to be taxed as if such transfer or assignment had not been made, unless the minister is satisfied that such transfer or assignment was not made for the purpose of evading the taxes imposed under this act or any part thereof.

(5) Taxpayers shall be entitled to the following deductions from the amounts that would otherwise be payable by them for income tax:

(a) from the income tax accruing for the year 1917 the amounts paid by any taxpayer for taxes accruing during the year 1917 under the provisions of part 1 of the special war revenue act, 1915, and from the income tax payable for any year thereafter the amounts paid by the taxpayer for taxes accruing during such year under the said part 1 of the said act; and

(b) from the income tax accruing for the year 1917 the amounts paid by any taxpayer under the business profits war tax act, 1916, and any amendments thereto for any accounting period ending in the year 1917. In the case of a partnership each partner shall be entitled to deduct such portion of the tax paid by the partnership under the business profits war tax act, 1916, as may correspond to his interest in the income of the partnership.

Regulations Under Act.

In the act, and in any regulations made under the same, unless the context otherwise requires:—

(a) "board" means a board of referees appointed under section 12;

(b) "minister" means the minister of finance;

(c) "normal tax" means the tax authorized by paragraph (a) of section 4 of this act;

(d) "person" means any individual or person and any syndicate, trust, association or other body and any body corporate, and the heirs, executors, administrators, curators and assigns or other legal representatives of such person, according to the law of that part of Canada to which the context extends;

(e) "supertax" means the taxes authorized by paragraphs (b) to (g), both inclusive, of section 4 of this act;

(f) "taxpayer" means any person paying, liable to pay, or believed by the minister to be liable to pay, any tax imposed by this act;

(g) "year" means the calendar year.

Definition of Income.

Income, according to this act, means the annual profit or gain or gratuity, whether ascertained and capable of computation as being wages, salary, or other fixed amount, or unascertained as being fees or emoluments, or as being profits from a trade or commercial or financial or other business or calling, directly or indirectly received by a person from any office or employment, or from any profession or calling, or

from any trade, manufacture or business, as the case may be; and shall include the interest, dividends or profits directly or indirectly received from money at interest upon any security or without security, or from stocks, or from any other investment, and, whether such gains or profits are divided or distributed or not, and also the annual profit or gain from any other source; with the following exemptions and deductions:

(a) the value of property acquired by gift, bequest, devise or descent;

(b) the proceeds of life insurance policies paid upon the death of the person insured, or payments made or credited to the insured on life insurance endowment or annuity contracts upon the maturity of the term mentioned in the contract or upon the surrender of the contract;

(c) such reasonable allowance as may be allowed by the minister for depreciation, or for any expenditure of a capital nature for renewals, or for the development of a business, and the minister, when determining the income derived from mining and from oil and gas wells, shall make an allowance for the exhaustion of the mines and wells;

(d) the amount of income the tax upon which has been paid or withheld for payment at the source of the income under the provisions of this act;

(e) amounts paid by the taxpayer during the year to the Patriotic and Canadian Red Cross funds, and other patriotic and war funds approved by the minister;

(f) for the purposes of the normal tax the income embraced in a personal return shall be credited with the amount received as dividends upon the stock or from the net earnings of any company or other person which is taxable upon its income under this act.

Outside of Canada.

(2) Where an incorporated company conducts its business, whether under agreement or otherwise, in such manner as either directly or indirectly to benefit its shareholders or any of them, or any persons directly or indirectly interested in such company, by selling its product or the goods and commodities in which it deals at less than the fair price which might be obtained therefor, the minister may, for the purposes of this act, determine the amount which shall be deemed to be the income of such company for the year, and in determining such amount the minister shall have regard to the fair price which, but for any agreement, arrangement or understanding, might be or could have been obtained for such product, goods and commodities.

(3) In the case of the income of persons residing or having their head office or principal place of business outside of Canada but carrying on business in Canada, either directly or through or in the name of any other person, the income shall be the net profit or gain arising from the business of such person in Canada.

(4) For the purpose of the supertax only, the income of a taxpayer shall include the share to which he would be entitled of the undivided or undistributed gains and profits made by any syndicate, trust, association, corporation or other body, or any partnership, if such gains and profits were divided or distributed, unless the minister is of opinion that the accumulation of such undivided and undistributed gains and profits is not made for the purpose of evading the tax, and is not in excess of what is reasonably required for the purposes of the business.

The following table shows how the tax, which will become operative next month, will affect incomes:—

Income of	(Unmarried men and widowers without dependent children) Exempt $1,500.	All other persons Exempt $3,000.
$ 4,000	$ 100	$ 40
5,000	140	80
7,000	240	180
10,000	420	360
12,000	600	540
15,000	870	810
20,000	1,320	1,260
30,000	2,520	2,460
50,000	5,320	5,260
75,000	10,020	10,010
100,000	14,820	14,760
150,000	29,320	29,260
200,000	43,820	43,760

The Canadian Senate on September 4th passed amendments, on second reading, to the Income Tax Act, 1917, approved by the House of Commons on August 17th. The section defining the income that is subject to taxation was amended so that taxable income is declared to be the "annual net profit" instead of the "annual profit" as in the original bill.

Other amendments were made to the same clause to make it clear that while bequests and proceeds of life insurance policies were not to be regarded as income, the earnings of the bequests and the policies were income and subject to taxation.

Another amendment declared that in computing income the person taxed shall not be allowed to deduct the amount of personal or living expenses.

FALSE STATEMENTS WILL BE COSTLY

Regulations Under Income Tax Law—List of Exemptions

Under the income tax measure any person making a false statement in any return required by the minister of finance shall be liable on conviction to a fine not exceeding $10,000 or six months' imprisonment, or both. For each default in complying with provisions of the act governing returns the person shall be liable to a penalty of $100 a day during the period of default.

Boards of referees, consisting of not more than three members, are to be appointed by the Governor-General-in-Council and shall act as courts of revision and hear appeals. The board will have power to confirm or amend an assessment. If an appeal is unsuccessful, the board may direct that the appellant shall pay the costs or part of the costs, but, if the appeal is successful, it may recommend that all or part of the costs be paid by the Crown. The exchequer court fees will apply in connection with the administration of the act. If a taxpayer is dissatisfied with the decision of a board of referees, he may within twenty days appeal to the finance minister. Such appeals will come under the exclusive jurisdiction of the exchequer court.

Employers to Make Returns.

The bill provides that "Every person liable to taxation under this act, shall, on or before February 28th in each year, without any notice or demand, deliver to the minister a return, in such a form as the minister may prescribe, of his total income during the last preceding calendar year. In such return the taxpayer shall state an address in Canada to which all notices and other documents to be mailed or served under this act may be mailed or sent."

The bill also provides that all employers shall make a return of all persons in their employ, liable to taxation under the act and all corporations, associations and syndicates shall make a return of all dividends or bonuses paid to shareholders or members and these returns must be forwarded to the minister of finance on or before February 28th in each year.

Returns in the case of corporations, associations or other bodies shall be made and signed by the president, secretary or chief agent having a personal knowledge of the business.

The act makes it compulsory on the part of employers to deduct from salaries of employees subject to the income tax, the amount of the tax and to forward it to the finance department.

Incomes Which are Exempt.

The following incomes are exempt from the operation of the tax: The income of the Governor-General and of consuls and consuls-general who are citizens of the countries they represent and not engaged in any other business or profession; the income of any company, commission or association of which not less than ninety per cent. of the stock is owned by a province or municipality; the income of any religious, charitable, agricultural and educational institution, boards of trade, chambers of commerce, labor organizations and benevolent and fraternal societies; the incomes of mutual corporations, not having a capital represented by shares and no part of the income of which inures to the profit of any member thereof and of life insurance companies, except such amount as is credited to the shareholders' account; the incomes of clubs, societies and associations organized and operated solely for social welfare, civic improvement, pleasure, recreation or other non-profitable purposes, no part of the income of which inures to the profit of any stockholder or

member; the incomes of such insurance, mortgage and loan associations operated entirely for the benefit of farmers as are approved by the minister; the incomes derived from any bonds or other securities of the Dominion of Canada, issued exempt from any income tax; the military and naval pay of persons who have been on active service overseas during the present war in any of the naval or military forces of His Majesty or any of His Majesty's allies.

Deductions From Tax.

From incomes the following will be deducted for the purpose of the tax: The value of property acquired by gift, bequest, device or descent; proceeds of life insurance policies paid upon the death of the person insured; such reasonable allowance as may be allowed by the minister when determining the income derived from mining and from oil and gas wells as shall make an allowance for the exhaustion of the mines or wells; the amount subscribed and paid by a taxpayer during the year to the Patriotic and Canadian Red Cross funds and other patriotic and war funds approved by the minister; for the purposes of the normal tax the income embraced in a personal return shall be credited with the amount received as dividends upon the stock or the net earnings of any company or other person which is taxable upon its income under the bill.

BUSINESS PROFITS TAX

Its Operation Will Cease This Year, Unless New Legislation is Passed

The business profits war tax act which came into force in 1916 will operate until 1918. Under its provisions, incorporated companies were taxed 25 per cent. on net profits exceeding 7 per cent. upon capital employed (throughout the accounting period) of $50,000, or over. The profits of a business owned other than by an incorporated company, were taxed 25 per cent. on net profits exceeding 10 per cent.

The taxation applies also to businesses with capital less than $50,000 and making munitions to the extent of 20 per cent. of their output.

The amendment to the act, introduced by Sir Thomas White in the House at Ottawa in April, changed the fixed tax to a progressive one. A company's profits up to 7 per cent. are exempt. On profits from 8 per cent. to 15 per cent. inclusive, 7 per cent. is exempt, the balance being taxed 25 per cent. On profits exceeding 15 per cent. to 20 per cent. inclusive, 7 per cent. is exempt, 8 per cent. will be taxed 25 per cent. and the balance (not exceeding 5 per cent.) will be taxed 50 per cent. On profits exceeding 20 per cent., 7 per cent. is exempt, 8 per cent. will be taxed 25 per cent., 5 per cent. will be taxed 50 per cent., and the remainder will be taxed 75 per cent. How this progressive tax works on the profits of a company with capital of $100,000, for example, is shown in the accompanying table. The table also shows how the new income tax works.

Capital employed includes (a) amount of capital stock of a company paid up in cash (or a fair valuation of such stock if issued against any other consideration than cash); (b) actual unimpaired reserves, or accumulated profits. An incorporated company's capital (plus unimpaired reserve, rest or previously accumulated profits if used as capital) existing at the beginning of the accounting period is the basis for the allowance of the 7 per cent. exemption.

Accounting Periods.

The amended act provides that the increases in the tax "shall be levied against and paid by the person owning such business for each and every accounting period ending after December 31st, 1916." The tax, therefore, will cover most of the year 1916 for a large number of companies, but those whose fiscal years conform to the calendar year, will not pay the additional taxation during the latter part of 1916. The tax apparently is computed for the full year for each company from the beginning of the accounting period. Where the company's year ends January 31st, 1917, the tax commences from February 1st, 1916.

In the original act, the tax was retroactive and to be levied for three years upon the next profits shown to any accounting period (fiscal year) after December 31st, 1914. Dividends re-

HOW THE BUSINESS PROFITS WAR TAX AND THE INCOME TAX OPERATE ON PROFITS OF A COMPANY WITH CAPITAL OF $100,000

	A Joint Stock Company or Corporation, with Capital of $100,000, earning		Is Free of Taxation up to 7% under Business Profits Tax.		Is Free of Taxation up to $3,000 under Income Tax.		Under the Business Profits Tax, Company pays on the Balance of its Profits.						Under Income Tax Company pays on Balance of its Profits 4% of		Thus, of Profits of		The Company retains of its Profits under Business Profits Tax		And under Income Tax		Government gets under Business Profits Tax		Government gets under Income Tax	
							25% of		50% of		75% of													
	%		$		$		$	or	$	or	$	or	$	or	$	or	$		$		$		$		$	
1	10		7,000		3,000		3,000		.....	.....	.....	.....	.....	.....	7,000	280	10,000		9,250		9,720		750		280	
2	15		7,000		3,000		8,000	750	.....	.....	.....	.....	.....	.....	12,000	480	15,000		13,000		14,520		2,000		480	
3	20		7,000		3,000		8,000	2,000	5,000	2,500	.....	.....	.....	.....	17,000	680	20,000		15,500		19,320		4,500		680	
4	25		7,000		3,000		8,000	2,000	5,000	2,500	5,000	3,750	.....	.....	22,000	880	25,000		16,750		21,120		8,250		880	
5	30		7,000		3,000		8,000	2,000	5,000	2,500	10,000	7,500	.....	.....	27,000	1,080	30,000		18,000		28,920		12,000		1,080	
6	50		7,000		3,000		8,000	2,000	5,000	2,500	30,000	22,500	.....	.....	47,000	1,880	50,000		23,000		48,120		27,000		1,880	
7	100		7,000		3,000		8,000	2,000	5,000	2,500	80,000	60,000	.....	.....	97,000	3,880	100,000		35,500		96,120		64,500		3,880	
8	200		7,000		3,000		8,000	2,000	5,000	2,500	180,000	135,000	.....	.....	197,000	7,880	200,000		60,500		192,120		139,500		7,880	

ceived from the stock of any incorporated company taxed under the act, were not included in the profits taxed. Reasonable deductions from gross profits for depreciation, renewals, etc., were allowed.

The periods during which the tax was payable under the old act were as follow:—Any company, firm or individual which was liable on July 1st, 1916, to a tax on two or more accounting periods covering two years, the tax covering the first twelve months could be paid on November 1st, 1916, the tax covering the second twelve months on November 1st, 1917; and the third and last year's tax on November 1st, 1918. Interest at 7 per cent. is chargeable on taxes in arrears.

Under both the original and the amended act companies with a lesser capital than $50,000, 20 per cent. or more of whose business is, or has been in manufacturing or dealing in munitions or war supplies, are subject to the tax.

The amended act applies to all incorporated companies or private firms to which the original act applied.

Provisions of Original Act.

The main provisions of the original act may be briefly summarized as follows:—In determining the profits of mining companies an allowance will be made by the finance minister for exhaustion of the mines.

A company cannot evade the tax by selling its goods or products to its shareholders or others at less than a fair price, and the finance minister has full power to demand additional information (on oath if necessary) and to re-value the assets in any statement submitted to him.

The minister of finance requires, in duplicate, a return on or before July 1st each year, and neglect to make such return renders the delinquent liable to a penalty of $200 for each day of default. The penalty for false statement in any return is $10,000, or six months imprisonment, or both.

On or before September 1st each year, the finance minister forwards notice of assessment of taxable profits to each company, firm and individual, and the tax is payable on or before November 1st following.

Deductions from gross profits for remuneration of directors, managers, etc., were not, without consent of the minister of finance, to exceed the sums deducted for those purposes in the accounting period ended before January 1st, 1915, and no deductions of any nature will be permitted which improperly reduce the taxable profits of the business. The spirit of this provision still applies.

Appeals against the minister's assessment of taxes may be made in form prescribed by the act, to a board of referees appointed by the finance minister, within twenty days after date of mailing of notice of assessment, and if the taxpayer is dissatisfied with the decision of the board, he may within twenty days after mailing of the decision give the finance minister written notice, in form prescribed by the act, of his intention to appeal the decision. The matter will then be referred to the Exchequer Court of Canada, whose decision is final.

The accompanying table shows what a corporation, with $100,000 capital, will pay under the business profits tax and under the income tax.

CANADIAN RAILROAD MATURITIES THIS YEAR

The following table shows the dates upon which Canadian railway notes fall due this year:—

January 10th.—Canadian Northern secured notes, 6 per cent.	$ 1,250,000
January 10th.—Grand Trunk 3-year secured notes, 5½ per cent.	5,000,000
July 10th.—Canadian Northern secured notes, 6 per cent.	3,000,000
July 10th.—Canadian Northern 1-year notes, 6 per cent.	2,700,000
August 1st.—Grand Trunk 2-year notes, 5 per cent.	2,000,000
August 12th.—Canadian Northern second sterling notes, 5 per cent.	9,733,333
September 1st.—Canadian Northern common notes, 6 per cent.	10,000,000
September 1st.—Canadian Northern 1-year terminal notes, 6 per cent.	1,750,000
October 1st.—Grand Trunk 5-year notes, 5 per cent.	10,000,000
Total	$45,433,333

MUNICIPAL FINANCE IN SASKATCHEWAN

Rural Telephone Companies' Borrowings Last Year Were Substantial

By S. P. GROSCH.

Reports from rural municipalities throughout Saskatchewan indicated that even during October and November large amounts of taxes had been received, notwithstanding the fact that such taxes are not subject to penalties till the end of the year. According to the 1916 annual financial statements of these rural municipalities, there was an average cash balance of approximately $7,500. The indications for the present year are for an equally good, if not better, showing. Lands which had been sold for taxes two years ago under the provisions of the arrears of taxes act, have nearly all been redeemed. The excellent financial condition of the rural municipalities and rural districts generally, may be taken as a reason for the increased borrowings for the construction of rural telephone lines, which borrowings are shown in a comparative statement of the amounts authorized by the Saskatchewan local government board during the first 11 months of the years 1914, 1915, 1916 and 1917. The period of 11 months is adopted as figures for the month of December, 1917, were not available at the time of writing:—

	1914, first 11 m'ths.	1915, first 11 m'ths	1916, first 11 m'ths.	1917, first 11 m'ths.
Cities	$4,299,467	$ 739,012	$ 150,376	$ 87,082
Towns	600,483	307,772	102,500	87,061
Villages	116,300	94,850	63,150	83,200
Rural municipalities	154,500	62,000	11,000	63,000
Schools	1,051,100	613,675	520,560	527,445
Rural telephone companies	949,100	1,133,450	1,902,125	3,190,725
Totals	$7,170,950	$2,950,759	$2,749,711	$4,038,513

Rural Municipal Borrowings.

If authorizations to rural telephone companies are deducted (as they are not municipals), the comparison is as follows:—

First 11 months.	Amount.
1914	$6,221,850.00
1915	1,817,309.00
1916	847,586.00
1917	847,787.82

An examination of this statement will show that while during 1914, urban municipalities borrowed much more heavily than did the rural municipalities; during 1917, the comparative borrowings were reversed. The increased borrowings of rural municipalities is due in part to their undertakings in respect to the erection and equipment of union hospitals. Continued expenditure for this purpose may be expected.

The officials of urban municipalities are realizing that the speculative value in lands has disappeared and the assessment on lands within the areas of such municipal centres has been lowered accordingly. An examination of the above statement will also show that thrift and economy are being practised and that new expenditures are being incurred only where absolutely necessary.

Rural Telephone Bonds.

Owing to the high cost and scarcity of materials and labor, and the fact that long distance telephone lines will not be materially extended during the coming season, there will be a large decrease in borrowings by rural telephone companies during 1918, the probability being that such construction as may take place will be largely through extensions of present systems and new lines from centres which at present have long distance service.

Remarkable as was the success of the Victory Loan campaign with respect to the amount of money raised, its educational features have not been sufficiently recognized. All classes of people are now bondholders. This being the case, every precaution should be taken to protect the small investor against undue losses in case he should be compelled to sell his Victory bonds, otherwise the benefits of the campaign in this respect may be nullified.

The local government board has been encouraging municipalities to place their debentures locally, and the features

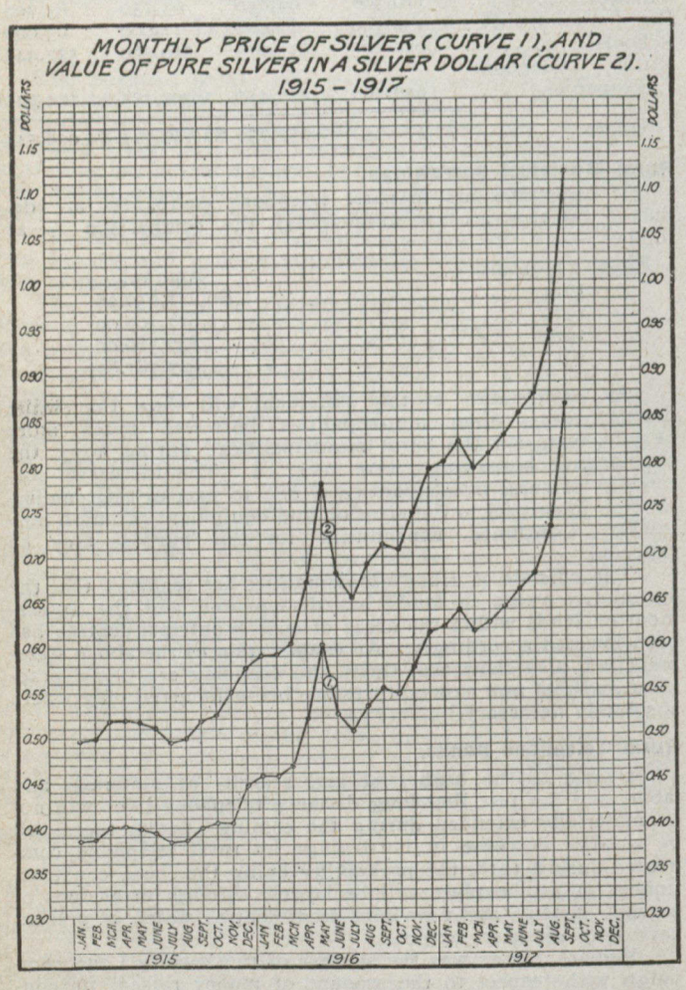
of the Victory Loan campaign above referred to, should assist in further extending this policy, particularly at a time when general financing must be done to a large extent internally. Every assistance in the issuing of debentures in such form and denominations as to make them attractive to local purchasers has been rendered by the board, with the result that in many instances much better prices have been secured than would have been obtained if the debentures had been placed upon the present unreceptive market.

SILVER AT DOLLAR AN OUNCE

Last Year's Rapid Rise in Price Benefited Canada—How Prices Varied During Past Years

The increase in the price of silver last year was a matter of keen interest to Canada, which is the world's third largest producer of that metal. Last year the Dominion produced approximately 30,000,000 ounces of silver, an output which at the high prices was a considerable source of wealth.

The advances last fall carried the price of silver to the highest level in more than two decades, the official quotation for commercial silver in New York on September 21st being $1.08 an ounce and in London 55d. Sales for delivery at Vancouver were reported at $1.02 when the official New York price was 95⅝ cents. On September 28th, the Mining Corporation of Canada sold 200,000 ounces of silver on a basis to net the company in Toronto $1.16 7/16. The official price for bar silver on the same day in New York was $1.08½,

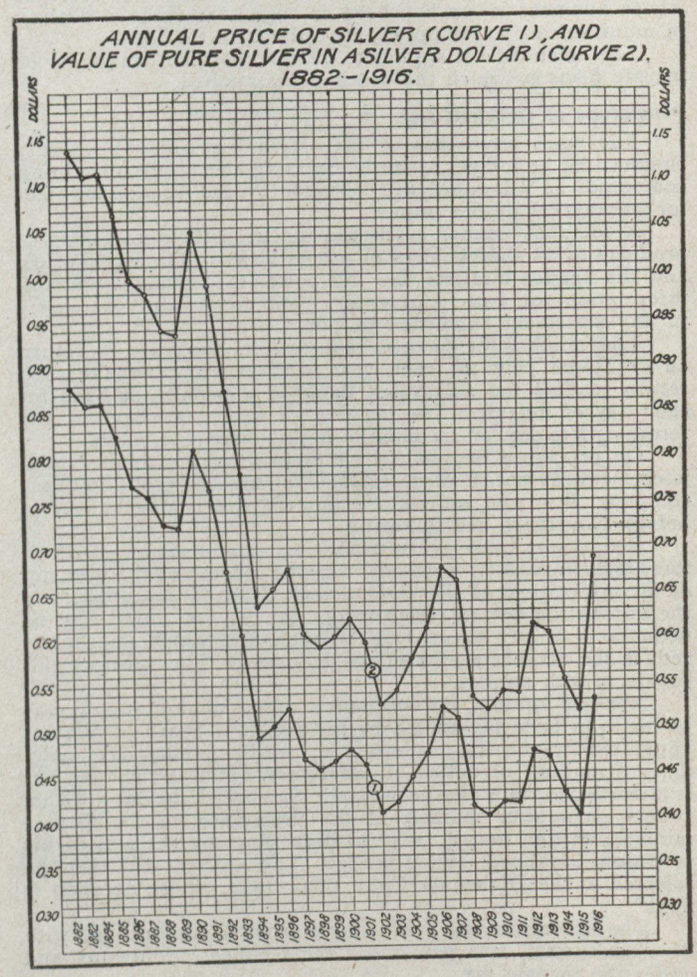


an advance of .08 cents during the week, of 17⅞ cents since September 1st, and of 33⅛ cents since January 1st, 1917. Silver was then nearly 60 per cent. higher than it was a year previously. On the same date, the London price stood at the highest since March, 1878. The upward movement persisted steadily since the middle of January, 1917. The following table compares last year's highest quotations at New York and London with levels ruling during the war period:—

	New York.	London.
September 1st, 1915	46⅜c.	23 3-16d.
September 1st, 1916	67¼c.	32d.
January 1st, 1917	75⅜c.	36½d.
December 21, 1917	86⅝c.	43⅜d.

History of Silver.

For centuries silver and gold had equal purchasing power. In Arabia at one time, silver was assigned a greater value than gold. This has not been the case in any of the European countries. From 1257 to 1664 the value of gold coins in England was regulated by proclamation. From 1664 to 1717 its value was not fixed and subject to constant fluctuations. At



the beginning of the eighteenth century English merchants started to pay a small premium (between two and three per cent.) on gold, giving it preference, owing to the large amount of spurious silver coins which commenced to appear in the market. For a long period previous to 1797 the Bank of England found it cheaper to purchase gold in the open market at a fixed ratio to discharge its obligations. While in practically all European countries this ratio varied between 9 and 15 to 1, Japan, around the end of the eighteenth century, still maintained a ratio of 5 to 1, quickly correcting it when European financiers commenced to exchange European silver for Japanese gold. The first act restricting the free use of silver as legal tender was passed in England under Lord Liverpool in 1816. Germany continued to favor silver, and English financiers were not slow in discovering a profit in shipping silver to Germany and bringing back its gold. Whether it was the profit in the business, or whether British foresight played a part in it, suffice it to say that Great Britain's gold supply increased as Germany's silver supply became larger. When after the war of 1870 Germany tried to unload some of its silver in the London market, the price per ounce dropped from $1.20 to 80 cents. The discovery of silver mines in Mexico brought the price of silver down to 45 cents per ounce, the lowest on record. In recent years its value has been around 60 cents per ounce, but what has always happened when war has broken out is taking place during the present European conflict, a part of the population

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London Office - 46 Threadneedle Street, E.C.

of the belligerent and other countries is hoarding gold and silver coins. In India the disappearance of silver coins has been especially noticeable. France and England have been

Ratio of silver to gold and value of the pure silver in a silver dollar at various prices of silver.

Price of silver per fine ounce.	Ratio of silver to gold.	Value of pure silver in a silver dollar.	Price of silver per fine ounce.	Ratio of silver to gold.	Value of pure silver in a silver dollar.	Price of silver per fine ounce.	Ratio of silver to gold.	Value of pure silver in a silver dollar.
$0.50	41.34	$0.387	$0.77	26.85	$0.596	$1.04	19.88	$0.804
.51	40.53	.394	78	26.51	.603	1.05	19.69	.812
.52	39.75	.402	79	26.17	.611	1.06	19.50	.820
.53	39.00	.410	80	25.84	.619	1.07	19.32	.828
.54	38.28	.418	81	25.52	.626	1.08	19.14	.835
.55	37.58	.425	82	25.21	.634	1.09	18.96	.843
.56	36.91	.433	83	24.91	.642	1.10	18.79	.851
.57	36.27	.441	84	24.61	.650	1.11	18.62	.865
.58	35.64	.449	85	24.32	.657	1.12	18.46	.866
.59	35.04	.456	86	24.04	.665	1.13	18.29	.874
.60	34.45	.464	87	23.76	.673	1.14	18.13	.882
.61	33.89	.472	88	23.49	.681	1.15	17.97	.889
.62	33.34	.480	89	23.23	.688	1.16	17.82	.897
.63	32.81	.487	.90	22.97	.696	1.17	17.67	.905
.64	32.30	.495	.91	22.72	.704	1.18	17.52	.913
.65	31.80	.503	.92	22.47	.712	1.19	17.37	.920
.66	31.32	.510	.93	22.23	.719	1.20	17.23	.928
.67	30.86	.518	.94	21.99	.727	1.21	17.08	.936
.68	30.40	.526	.95	21.76	.735	1.22	16.94	.944
.69	29.96	.534	.96	21.53	.742	1.23	16.80	.951
.70	29.53	.541	.97	21.31	.750	1.24	16.67	.959
.71	29.12	.549	.98	21.09	.758	1.25	16.54	.967
.72	28.71	.557	.99	20.88	.766	1.26	16.41	.975
.73	28.32	.565	1.00	20.67	.773	1.27	16.28	.982
.74	27.93	.572	1.01	20.47	.781	1.28	16.15	.990
.75	27.56	.580	1.02	20.27	.789	1.29	16.02	.998
.76	27.20	.588	1.03	20.07	.797	1.2929	15.988	100

[1] Parity at United States coinage ratio.

importing large quantities to replace the disappearing coins, and also to coin additional quantities needed in payment of the armies in the field.

Silver Market Last Year.

The following table shows the high and low prices of silver at New York and London last year:—

	London.		New York.	
	High.	Low.	High.	Low.
Jan. 6	36½	36½	75⅜	75⅜
Jan. 13	36⅜	36	75¼	74⅜
Jan. 20	37	36	76⅛	74⅜
Jan. 27	37 7-16	37 3-16	77	76½
Feb. 3	37⅜	37¼	76⅞	76⅝
Feb. 10	37⅝	37⅜	77⅜	76⅞
Feb. 17	38 7-16	38⅛	79	78⅜
Feb. 24	38⅛	37⅝	78⅜	77⅜
Mar. 3	37½	37⅛	77⅛	76¼
Mar. 10	37 5-16	37⅛	76⅝	75⅜
Mar. 17	36⅞	35⅞	75	73
Mar. 24	36 3-16	35¾	72⅞	71⅞
Mar. 31	36½	35 11-16	73⅜	71¾
Apr. 7	36 13-16	36⅝	74⅛	73⅝
Apr. 14	36⅝	36 9-16	73¾	73⅝
Apr. 21	37 3-16	36 9-16	74⅞	73⅝
Apr. 28	37⅝	37	74⅛	72⅞
May 5	38⅛	37¾	75⅛	74⅜
May 12	38	37⅞	74⅞	74⅝
May 19	38	37⅞	74⅞	74⅝
May 26	38	37⅞	74⅞	74⅝
June 2	38⅛	37⅞	75⅛	74⅝
June 9	38 7-16	38⅛	75¾	75⅛
June 16	39 1-16	38¾	77	76⅜
June 23	**39⅞**	**39½**	**78½**	**77⅞**
June 30	39⅞	39½	78½	77⅞
July 7	39⅞	39½	78½	77⅞
July 14	41	39 15-16	80⅞	78¾
July 21	41¼	39 13-16	81¼	78½
July 28	39⅞	39⅝	78⅝	78½
Aug. 4	40⅝	39⅝	80¾	78⅛
Aug. 11	42 1-16	41½	82⅞	80¾
Aug. 18	44	42 1-16	86¾	82⅞
Aug. 25	44⅞	44½	88½	87¼
Sept. 1	46	45	90¾	88¾
Sept. 8	48½	46	96⅝	90¾
Sept. 15	51	49	100½	96⅝
Sept. 22	55	51	108½	100½
Sept. 29	55	49½	108½	97⅝
Oct. 6	49	46¼	96⅝	91⅛
Oct. 13	46	45⅜	90⅝	88⅞
Oct. 27	42¼	41⅞	83½	82½
Nov. 3	46	42¼	90⅝	83¼
Nov. 10	44⅞	43¾	88⅜	86⅛
Nov. 16	43¾	43½	86⅛	85¼
Nov. 23	43⅜	42 15-16	85½	84⅝
Nov. 30	42¾	42 5-16	84¼	84¼
Dec. 7	**43**	**42¾**	**85⅞**	**84¼**
Dec. 14	43⅛	42⅞	86⅛	85⅝
Dec. 21	43⅜	43	86⅝	85⅞

The following table gives the high and low quotations of silver, expressed in pence, at London, being the silver market of the world, covering a period of years, and showing that the last year's prices were the highest since 1891:—

	High.	Low.
1917	48½	36
1916	37⅜	26 11-16
1915	27¼	22½
1914	27¾	22⅞
1913	29⅜	26 1-16
1912	29 11-16	25⅛
1911	26⅜	23 11-16
1910	26¼	23 3-16
1909	24⅞	23 9-16
1908	27	22
1907	32 7-16	24 9-16
1906	33⅛	29
1905	30 3-16	25 7-16
1904	28 9-16	24 7-16
1903	28½	24 11-16
1902	26 3-16	21 15-16
1901	29 9-16	24 15-16
1900	30 3-16	27
1895	31⅜	27⅛
1894	31¾	27¼
1893	38¾	30½
1892	43¾	37⅞
1891	48¾	43½
1890	54⅝	43⅝
1889	44⅜	41⅞
1888	44⅝	41⅝
1887	47⅞	43¾
1886	47	42
1885	50	46⅞
1884	51⅜	49½
1883	51	50
1882	52½	50
1881	52⅞	50⅞
1880	52⅞	51⅝
1879	53¾	48⅞
1878	55¼	49½

Nearly Gold's Worth.

To make the metal in an American silver dollar intrinsically worth as much as the gold in the gold dollar, silver would have to sell on the market at $1.29¼ per ounce. It has not sold as high as that since the middle of 1873; before that, it had long sold at or above the coinage parity. In 1890, when Congress passed the Silver Purchase Bill, the price, which had averaged 93½ cents the year before, rose to $1.21. But it got no higher; it was down to 98 cents in another month or two. In December, 1902, when the London price reached 21 3-16 pence per ounce—the lowest ever recorded, before or since—the New York price was down to nearly 50 cents.

Here is an explanation of the method of arriving at the intrinsic value of the dollar: "A standard silver dollar contains 371¼ grains pure silver and 41¼ copper alloy, making up the total weight of 412½ grains. A Troy ounce contains 480 grains. By multiplying the price of silver on any day by 371¼ and dividing by 480 the result would be the bullion value of a silver dollar."

Of the 12,000,000 dwellings in the United States, 96 per cent. are protected, at least to some extent, by fire insurance. But of the 100,000,000 inhabitants only 18 per cent. have taken out life insurance policies.

Revised figures showing the results of railway operations in 1916, published by the United States Interstate Commerce Commission in its annual report to Congress, place the average rate of return on the investment in railway property in the most prosperous year in their history at only 5.8 per cent.

The recent order-in-council, making is necessary to obtain a certificate prior to the issue of securities or stock, applies to all treasury stock, not yet issued. With regard to mining companies, the policy of the government will probably be to authorize the issue of stock and other securities as the importance of the mining industry is fully recognized. It is likely that the regulations may be made whereby certain classes of companies will be exempt from the necessity of obtaining the certificate called for by the order-in-council. The object of the measure is to regulate important issues of securities which might seriously affect the market and market rates and to prevent the absorption of capital into new industries of a non-essential character.

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BRITISH COLUMBIA'S MUNICIPAL FINANCE

Further Reduction in Assessed Values of Properties—Improvement in Collection of Taxes

By R. BAIRD.

The past year has shown a continued application on the part of the municipalities of this province to the task of placing municipal finance on a sound basis. A continuance of the policy of close economy, a further reduction in the assessed values of property, and an improvement in the collection of taxes, notwithstanding that no effort is made to collect taxes on soldiers' property, are the features of the year's financial administration.

The assessed value of land in 1914 stood at $517,678,756.54. In 1917 the assessed value was $397,538,547.10. It was found in 1914 that the period then closing of activity in real estate had resulted in a serious inflation of assessed values and in the following year a very serious attempt was made by the legislature to devise the fairest means of bringing them back to a reasonable basis, and at the same time to give the municipalities a reasonable time to adjust themselves to the new conditions. It was recognized that the previous basis of actual value was temporarily, at least, impracticable for the reason that selling values had, for the time, disappeared, and values based on revenues were precarious.

Assessments Readjusted.

By an amendment to the municipal act, it was provided that there should be no appeal from the decision of the court of revision, in any case where the aggregate assessment of lands in a municipality was less by 10 per cent. than the assessment of the year next preceding and where the assessment of the land in question was also 10 per cent. less than its assessment in the year previous, provided that the assessed value of the land in question was fair in comparison with lands of the same class in the municipality, the basis of comparison to be the assessment roll of 1914. The object aimed at has been substantially gained. Assessments have been readjusted without embarrassment to the municipalities.

Such borrowings as have been made during the current year have been almost wholly for current purposes and to take care of liabilities incurred in previous years. New undertakings in 1917 involved borrowing in so far as reports are complete only to the amount $133,000, the expenditures being, for water and electric light $103,000, for sewers $14,000, for schools $10,000 and for parks $6,000.

To Protect Soldiers' Property.

The financial problem arising out of a large percentage of land owned in this province by soldiers and soldiers' families is still an unsettled one. The statutes now provide for the levy of the usual taxes on such property, but the enforcement of the collection is deferred. It is quite evident that such a provision furnishes no means of final settlement, but it is hoped that in the near future a solution will be found which will protect the soldiers' property and at the same time prevent embarrassment of the municipalities. The question is a serious one and still requires a great deal of careful consideration. Municipal councils cannot afford to ignore the fact that sooner or later they must assume a large burden still resting upon the men on military service, and the sooner preparations are made to take care of the burden, the lighter it will be.

Improvement of Conditions.

While conditions have materially improved during the past two years it would be misleading to say that a complete solution of all the financial problems arising out of the situation created in 1914 is at hand. Increased industrial activity and the passing of land into firmer hands have had a good effect and have relieved municipal burdens, but it appears evident that easy times will come again only after a continued period of the closest attention to economy in administration.

It was stated at Ottawa last week that the railways of Canada will not be taken over by the government as has been done in the United States.

AUTOMOBILES IN CANADA

There is One Auto for Every Forty of Population—Nearly Seventy-six Thousand New Cars in 1917

By PERCY G. CHERRY.

One automobile for every forty individuals in the country is Canada's record. This might be said to represent one car for every eight families in the Dominion, and probably involves a capital expenditure of $200,000,000, or a per capita investment of $25. It may mean that during the year just ended the people of Canada have spent no less than between $30,000,000 and $40,000,000 on the automobile alone.

Accepting the following figures as the most authentic available, the increase of the cars operating in Canada during 1917 over those registered in 1916 shows that, in spite of war conditions and the doctrine of thrift preached far and wide, the automobile is constantly growing in popularity. The comparison of the two years is as follows:—

	1916.	1917.
Alberta	8,094	21,061
British Columbia	7,243	10,600
Manitoba	11,727	18,500
New Brunswick	2,866	5,160
Nova Scotia	4,510	5,054
Ontario	52,359	78,193
Prince Edward Island	....	291
Quebec	15,047	21,295
Saskatchewan	13,751	31,364
	115,597	191,518

New Cars, 76,000.

Without making any allowance for cars scrapped and replaced by new cars, there were nearly 76,000 new cars registered in Canada during 1917, more cars than were operating in the Dominion in 1914. The number of cars in the provinces of Alberta and Saskatchewan have more than doubled in one year. With the increase in Manitoba, it shows that the farmer is keeping well abreast of the times, and with his greater prosperity is demonstrating that he feels he can at least put a good deal of his money in circulation for luxuries and modern conveniences.

Ontario continues to keep well in the lead with more than the total of any other three provinces combined. Of the cities, Toronto maintains its lead of many thousands. A comparison of the numbers of cars in the larger cities is as follows:—

Calgary	2,663	Regina	1,411
Edmonton	1,048	Saskatoon	1,225
Hamilton	3,542	Toronto	18,342
London	1,858	Vancouver	4,639
Montreal	8,407	Victoria	2,007
Ottawa	1,864	Winnipeg	6,222

Commercial Cars.

No consideration has been given in the above figures to the commercial cars. These are included along with the pleasure cars and constitute the smaller portion of the cars registered in most provinces. In British Columbia there are 2,650 commercial cars and in Ontario 5,000. Close figures are not available for the other provinces.

There are many ways of profitably analysing the distribution of cars—by makes, by territory, by values. As no one has hitherto attempted to show the distribution in the rural communities and in the smaller places, so far as the writer is aware, the percentage proportion of cars in places, in each province, with a population of 5,000 and under, is as follows:—

Alberta	74%	Ontario	50%
British Columbia	34%	Prince Edward Island	53%
Manitoba	59%	Quebec	42%
New Brunswick	72%	Saskatchewan	86%
Nova Scotia	53%		

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DOMINION GOVERNMENT LOANS LAST YEAR

Three Were Made Involving Total of $650,000,000—Anglo-Canadian Financing

Last year the Dominion government made three loans as follow:—

Sold in—	Month.	Amount.	Rate per cent.	Term, years.	Issue price.
Canada	March	$150,000,000	5	20	96
New York	August	100,000,000	5	2	98
Canada	November	400,000,000	5½	5, 10, 20	Par

The final loan of the Dominion government during the past year was the $150,000,000 Victory war loan made in Canada in November. This was subscribed to the extent of $418,000,000, of which about $400,000,000 was allotted. Full details of the Dominion government loans last year appear in the bond sales tables on another page.

Last year's figures compare with two Dominion government loans in 1916 as follow:—

Sold in—	1916.	Amount.	Rate per cent.	Term, years.	Issue price.
New York	March	$ 25,000,000	5	5	99.56
New York	March	25,000,000	5	10	97.13
New York	March	25,000,000	5	15	94.94
Canada	September	100,000,000	5	15	97.50
Total		$175,000,000			

Dominion loans since 1912 to date have been as follow:—

1912	$ 25,000,000
1913	34,066,666
1914	48,666,666
*1915	170,000,000
*1916	175,000,000
*1917	650,000,000

*Including domestic war loans.

For the period September, 1914, to March 31st, 1915, Canada arranged with the Imperial government for war loans of £12,000,000, the understanding being that Canadian war loans would be issued in Great Britain to repay borrowings from the British authorities, at times to be agreed upon by the British chancellor and the Canadian finance minister. This arrangement was duly extended, but since the summer of 1915 Canada has been able to finance its war expenditures in this country without the aid of further war loans from the United Kingdom. Great Britain is making us advances in regard to our expenditures overseas. We are establishing credits here for Great Britain. Up to September last, Canada advanced in cash and securities $100,000,000 more to Great Britain than Great Britain had advanced to Canada since the outbreak of war.

Only one public loan has been floated in London by the Dominion since the war. This was in March, 1915, for £5,000,000 4½ per cent. bonds, redeemable in 5 or 10 years, and issued at 99½. It was oversubscribed. The loan was for public works.

Benefit of Loans in United States.

Canadian government loans in the United States since the war are tabulated in an article headed, "Dominion Loan in United States Last Year." Among the reasons favoring Canadian government loans in New York are the following: (1) Relief to the amount of the loan will be given to the London market, which is the source of the imperial borrowings from which the war expenditure of the Empire is financed. (2) By borrowing in New York rather than in London the exchange situation now so greatly against the latter will be benefited. (3) A loan of a large amount effected in New York should tend to improve exchange conditions between Canada and the United States, exchange at present being strongly in favor of the latter.

Victory Loan Returns.

Of the approximate total of $400,000,000 allotted of Canada's Victory Loan, all was sold in Canada with the exception of about $10,000,000. The total subscriptions received were divided as follows, according to official returns (subject to further revision), to December 21st, 1917:—

	Population.	No. of subscribers.	Per capita.	Amount subscribed.	Subscription per capita.
Alberta	496,000	55,408	1 in 8.9	$ 16,515,150	$33.29
British Columbia	394,000	45,834	1 in 8.5	17,820,500	45.23
Manitoba	555,000	78,856	1 in 7.0	32,326,600	58.25
New Brunswick	350,000	20,000	1 in 17.5	10,250,000	29.29
Nova Scotia	508,000	39,521	1 in 12.8	18,588,150	36.59
Ontario	2,582,000	362,900	1 in 7.11	203,823,500	78.94
Quebec	2,263,000	125,867	1 in 17.97	93,798,100	41.45
Prince Edward Island	93,000	5,300	1 in 17.54	2,331,350	25.07
Saskatchewan	650,000	73,675	1 in 8.82	21,777,050	33.50
	7,891,000	807,361	1 in 9.77	$417,230,400	$52.87

RECORD OF CANADA'S FOUR WAR LOANS TO DATE

	First War Loan November, 1915	Second War Loan September, 1916	Third War Loan March, 1917	Fourth War Loan November, 1917
Amount of Loan	a) $50,000,000	$100,000,000	$150,000,000	(d) $150,000,000
Public subscriptions	$78,729,500	(b) $151,444,800	(c) $200,768,000	(e) $418,000,000
Banks' subscriptions	$25,000,000	$ 50,000,000	$ 60,000,000	.....
Total over-subscription	$53,729,500	$101,444,800	$110,000,000	$268,000,000
Total over-subscription by public	$28,729,500	$ 51,444,800	$ 50,000,000	$268,000,000
Number of subscribers	24,862	34,526	40,800	802,000

(a) Ultimately increased to $100,000,000. and $5,983,000 debenture stock converted. was allotted.
(b) Includes $6,073,800 of the first loan converted.
(c) Includes $18,131,000 of the first loan
(d) Ultimately increased to approximately $400,000,000.
(e) Approximately $400,000,000

For the first time the savings deposits in the banks of the Dominion passed $1,000,000,000 in November, 1917. The bank statement for that month, issued last week, shows the total savings deposits at $1,008,657,874. The deposits payable on demand also made a new high record, at $538,869,362. The prosperity and growth of the Dominion since the war is reflected in the increasing deposits since 1913, as shown by the following figures, giving the November savings deposits for each year since 1913: 1913, $625,803,150; 1914, $665,994,852; 1915, $714,219,286; 1916, $836,593,269; 1917, $1,008,657,874.

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How Our Four War Loans Compare

(Compiled for *The Monetary Times*)

	Loan of November, 1915.	Loan of September, 1916.	Loan of March, 1917.	Loan of November, 1917.
Amount of loan offered	$50,000,000 (later increased to $100,000,000)	$100,000,000	$150,000,000	$150,000,000. (Minister of Finance reserved right to allot any portion of amount subscribed in excess of $150,000,000)
Bonds maturing in	10 years	15 years	20 years	5, 10 and 20 years
Rate of interest	5%	5%	5%	5½%
Issue price	97½	97½	96	Par
Yield to investor	5.42%	5.30%	5.40%	5.81, 5.68 and 5.61%
Cost of $1,000 bond to investor, if paid for by instalments	$975	$975	$960	$1,000
Cost of $1,000 bond to investor who discounts instalments and makes all outstanding payments on given date	$962.70	$970.40	$957.35	$986.80
Discount-of-instalment privilege given	42 days from date of issue	34 days from date of issue	35 days from date of issue	51 days from date of issue
Instalments discounted at	4%	4%	4%	5½%
Instalments payable between	November 22nd, 1915, and May 1st, 1916	September 12th and December 15th, 1916	March 12th and June 15th	December 1st, 1917, and May 1st, 1918
Instalment payments spread over	159 days	94 days	96 days	152 days
First payment for bonds made	Upon application	Upon application	Upon application	18 days after lists opened
Interest payable, half-yearly, on	June 1st and December 1st	April 1st and October 1st	March 1st and Sept. 1st, 1917	June 1st and December 1st
Proceeds of loan to be used only for	War purposes	War purposes	War purposes	War purposes
Denominations of coupon bonds	$100, $500, $1,000	$100, $500, $1,000	$100, $500, $1,000	*$50, $100, $500, $1,000
Denominations of fully registered bonds	$1,000, $5,000, or authorized multiple of $5,000	$1,000, $5,000, or authorized multiple of $5,000	$1,000, $5,000, or authorized multiple of $5,000	*$1,000, $5,000, or authorized multiple of $5,000
Privilege of converting war bonds into bonds of future war issues	Privilege allowed. (Bonds of this issue accepted at 97½ plus accrued interest as equivalent of cash for purpose of subscription to new war loan issues)	Privilege not allowed at time of issue, but was granted by order-in-council, May, 1917, so far as concerned future loans with a maturity of 20 years or more	Privilege not allowed at time of issue, but was granted by order-in-council, May, 1917, so far as concerned future loans with a maturity of 20 years or more	Privilege allowed on future issues of like maturities or longer
Final allotment of bonds	$100,000,000	$100,000,000 (exclusive of amount paid for by surrender of first war loan bonds)	$150,000,000 (exclusive of amount paid for by surrender of first war loan bonds and debenture stock)	†Approximately $400,000,000 of the $418,000,000 subscribed.
Fee for conversion of fully registered bonds without coupons to bonds with coupons and vice versa		25 cents	25 cents	25 cents

**All* bonds could be registered as to principal or as to principal and interest on this occasion.

†Final allotment figures were not available when this table was compiled.

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BILLION DOLLARS OF BULLION

Canada Has Handled It Since Beginning of the War—Record of Shipments

Canada has handled $1,000,000,000 in bullion for the Imperial government and the Bank of England since the war broke out. The amount of gold in coin and bars handled by the Canadian finance department since August, 1914, is twice the total amount of gold that there was in England when the war commenced. This supply came to Canada from Great Britain, Japan, Russia, South Africa and other countries, via Halifax and Vancouver. The Ottawa Mint some time ago was enlarged to refine gold capacity of any gold refinery in the world, capable of treating 250,000 ounces, or $5,000,000 a week under the chlorine process. Much of the gold was treated at Ottawa and reshipped to New York. The largest gold refinery in the world is the one at Ottawa.

Establishment of Depository.

The gold depository at Ottawa of the Bank of England was not quite as busy last year as in 1916, owing to the entrance of the United States into the war. The establishment was fully occupied, however, This depository, it will be recalled, was established so that bankers on this side of the Atlantic could pay gold due to London through Ottawa and vice versa, thus avoiding the risk of gold shipments across the ocean in time of war. The authorities at Ottawa will not issue any figures regarding this arrangement without the consent of the Bank of England, but it is generally understood that the total deposited at Ottawa was originally $110,000,000. A number of transactions, of which no details have been given, have since occurred. The supply is being constantly replenished by arrivals from the South African mines and by shipments from London, via Halifax.

On August 12th, 1915, the first shipment of gold, since the beginning of the war, direct from Great Britain, was received, via Canada, in New York Further shipments were made from Great Britain, but on account of war precautions no publicity has been given to them in Canada.

About October, 1914, United States bankers supplemented the Ottawa arrangement by the formation of a $100,000,000 gold pool in New York. This gold pool was terminated in March, 1915.

The minister of finance tells *The Monetary Times* that the arrangement under which he is authorized to receive gold in trust for the Bank of England is as follows:—

The minimum of the transaction was established at $20,000; shipments to be made in kegs or boxes and a statement that the amount was to be held in trust for the Bank of England to accompany the shipment, which was to be addressed to the minister of finance and receiver-general of Canada, Ottawa; the minister to be advised also as to whom the proceeds were to be paid in London.

On the gold being received and checked, the Bank of England was advised by cable of the amount and to whom the proceeds were payable in London. The rate established by that institution for gold was 77/6d. per ounce for standard fine bars and 76/1½d. per ounce for eagles. If sovereigns were accompanied by a guarantee from the person shipping same that they were of correct standard weight, namely, 122.5 grains for sovereigns and 61.125 for half-sovereigns, the bank would pay out a like amount in pounds in London, less three pence per ounce to cover freight and insurance.

The following table, compiled by *The Monetary Times*, shows the imports to and exports by Canada of coin and bullion month by month since the beginning of 1914 to 1916:—

Imports.

	1914.	1915.	1916.
January	$ 429,627	$ 638,174	$11,716,848
February	406,726	288,916	2,109,968
March	1,409,125	446,795	531,383
April	333,674	572,116	464,789
May	537,594	656,136	632,369
June	206,634	459,537	388,438
July	233,899	744,119	404,102
August	11,452,719	812,891	17,721,634
September	15,885,221	597,378	578,686
October	52,578,669	1,924,605	781,115
November	48,328,727	4,705,933	1,411,478
December	1,061,970	9,429,288	611,512

Exports.

	1914.	1915.	1916.
January	$ 3,974,764	$ 863,007	$ 112,736
February	859,887	2,530,088	116,288
March	10,604,330	21,793,481	192,274
April	1,242,606	4,980,701	71,619
May	433,294	1,455,457	156,783
June	671,215	44,259,738	27,182,099
July	286,646	13,127,009	14,232,189
August	471,208	4,754,398	32,344,620
September	354,451	144,282	151,604
October	308,328	24,462,311	5,037,078
November	332,121	9,865,896	161,707
December	79,923	101,342	147,143

The following table, compiled by the chief trade statistician, Ottawa, for *The Monetary Times Annual*, gives details of imports and exports of coin and bullion last year up to August:—

Imports into Canada.

Imports (month) 1917.	Coins, British and Canadian, and foreign gold coin.	Gold bullion, in bars, blocks, ingots, drops, sheets or plates, unmanufactured.	Silver bullion, in bars, blocks, ingots, drops, sheets or plates, unmanufactured.	Total coin and bullion.
January	$2,488,668	$243,162	$196,448	$2,928,278
February	350,694	114,256	60,519	525,469
March	1,433,336	117,371	82,243	1,632,950
April	334,037	95,389	72,936	502,362
May	876,751	122,927	123,811	1,123,489
June	657,281	82,394	36,879	776,554
July	1,933,275	102,402	49,049	2,084,726
August	1,091,470	361,370	36,414	1,489,254
September	2,087,874	47,983	46,651	2,182,508
October	(Details not available)			489,370

Exports from Canada.

Exports (months) 1917.	Gold coin		Copper coin		Silver coin		Total coin and bullion.
	Canadian.	Foreign.	Canadian.	Foreign.	Canadian.	Foreign.	
	$	$	$	$	$	$	$
Jan.	...	16,120	....	741	9,560	117,068	143,489
Feb.	...	10,030	10	1,141	18	116,315	127,514
Mar.	...	99,430	7	465	100	128,925	228,927
Apr.	...	8,550	...	337	....	59,714	68,601
May	275	298,984	2,000	999	75,050	102,169	479,477
June	...	40,886	....	878	50,150	115,360	207,274
July	...	49,025	....	353	100,000	69,006	218,384
Aug.	290	793,713	....	355	....	179,442	973,800
Sept.	100	93,027	....	891	....	156,510	250,598
Oct.	(Details not available)						283,978

Last year, the import movement did not make a monthly record of anything like the total for August, 1916, for example, when $17,721,634 of coin and bullion was imported. The exports were also considerably smaller last year than in 1916.

DOMINION GOVERNMENT LOANS ISSUED SINCE WAR COMMENCED.

Date	Market	Amount	Rate %	Term (years)	Issued at
1915, March	Great Britain..	£5,000,000...	4½...	5 and 10...	99½
1915, July ...	United States..	$45,000,000..	5 ...	1 ..... Par 2 ..... 99½	
1915, Nov....	Canada	$100,000,000	5 ...	10.....	97½
1916, March	United States..	$75,000,000..	5 ...	5..... 99.56 10..... 97.13 15 ..... 94.94	
1916, Sept....	Canada	$100,000,000	5 ...	15.....	97½
1917, March	Canada	$150,000,000	5 ...	20.....	96
1917, Aug....	United States..	$100,000,000	5 ...	2.....	98
1917, Nov....	Canada .....*	$150,000,000	5½...	5.... 10 .. 20....	Par

*Approximately $418,000,000 was subscribed and $400,000,000 allotted.

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CANADA'S BOND SALES LAST YEAR

They Exceeded $726,000,000, of Which 75 Per Cent. Were Sold at Home

With its Victory Loan allotted to the extent of about $400,000,000, Canada last year sold more bonds than in any other one year of its history. The total sales in 1917 were $726,039,079, compared with $314,882,542 in 1916. How these bonds were marketed is shown in the following table:—

Sold in	Amount. 1916.	Amount. 1917.	% of total. 1916.	% of total. 1917.
Canada	$102,938,778	$546,330,714	32.80	75.26
United States	206,943,764	174,708,365	65.90	24.06
United Kingdom	5,000,000	5,000,000	1.30	0.68
	$314,882,542	$726,039,079		

Government Issues Large.

In 1916, the United States bought nearly 66 per cent. of our bond issues, Canadian investors taking practically all the remainder. This year, Canada purchased more than 75 per cent. of its bond issues, only 24 per cent. going to the United States. This is the highest percentage share of our bonds taken in any one year by our own people.

Including the war loans, the total bond sales last year were divided into the following classes:—

Bonds.	Amount. 1916.	Amount. 1917.	% of total. 1916.	% of total. 1917.
Government	$208,173,000	$665,300,000	66.50	91.6
Municipal	51,977,542	24,189,079	16.40	3.4
Railroad	22,240,000	17,700,000	7.00	2.4
Corporation	32,492,000	18,850,000	10.10	2.6
	$314,882,542	$726,039,079		

Mostly in Canada.

Because of war loans, the government issues last year accounted for over 91 per cent. of the bonds sold, as compared with 66 per cent. in the previous year. Last year, the Dominion government issues totalled $650,000,000 including the Victory Loan. Of that sum, $550,000,000 was taken in Canada, the remaining $100,000,000 being sold in the United States in July. That was the only foreign government loan which the United States government allowed to be issued there since the entry of the United States into the war. The remaining government issues of $15,300,000 were those of our provincial governments, Ontario accounting for $9,000,000 of the total. This substantial sum included an issue of $8,000,000 on behalf of the provincial Hydro-Electric Commission in regard to the acquisition by the commission of the Ontario Power Company. Of our total government bond sales last year, $138,000,000 went to the United States and $527,300,000, or over 79 per cent., were sold in Canada.

Municipal, railroad and corporation bond issues were considerably smaller than in 1916. Last year they accounted for approximately $60,000,000, or a little more than 8 per cent. of the total. In 1916 they accounted for $106,000,000, or 33 per cent. of the total.

The outlook for the coming year is for a continued monopoly of the money markets by war loans. This will be accentuated by the new regulations of December, 1917, by which all new issues will be subject to the approval of the finance minister.

CANADA'S MUNICIPAL BOND SALES

Total in 1917 Was Smallest in Recent Years, Being Less Than One-half That of 1916

Canada's municipal bond sales, according to the records of *The Monetary Times*, totalled in 1917 $24,189,079, as compared with $51,977,542 in 1916, $67,393,000 in 1915 and $79,133,994 in 1914. The sales during the past three years were divided as follows:—

In	1915.	1916.	1917.
Canada	$31,910,214	$19,640,778	$17,955,714
Great Britain	.....	.....	.....
United States	35,483,114	32,336,764	6,233,365
	$67,393,000	$51,977,542	$24,189,079

In 1916, the municipal bonds sold were more than double those marketed last year. In 1915, the sales were almost three times as great as those of last year. The total of $24,189,079 for 1917 is the smallest for many years past. In previous years, Great Britain and the United States have usually taken more than half of our municipal bonds. In 1916, the United States took over 62 per cent., Canadian investors purchasing the balance. Last year Canadian investors took 70 per cent. of the issues, making a new high record, the United States purchasing the balance.

The Monetary Times' monthly record of sales of municipal bonds in the United States market during 1913 shows the total was $20,168,053 and for the past four years as follow:—

	1914.	1915.	1916.	1917.
January	.....	$ 340,000	$ 3,183,215	$2,454,000
February	$ 50,000	6,471,000	899,500	485,725
March	18,000	6,543,947	595,000	120,440
April	25,000	7,100,825	2,158,306	1,563,200
May	1,750,000	600,000	7,219,000	.....
June	2,100,000	.....	3,393,243	80,000
July	1,130,000	890,000	3,631,200	1,530,000
August	35,000	750,000	97,300	.....
September	90,000	6,748,342	200,000	.....
October	.....	1,589,000	.....	.....
November	170,200	4,000,000	7,894,000	.....
December	6,935,000	450,000	3,065,000	.....
	$12,303,200	$35,483,114	$32,335,764	$6,233,365

There were few sales of Canadian municipal bonds in any market during November and December last, owing to the Victory Loan campaign. The only exceptions were a substantial block of Quebec province municipals and a few Saskatchewan school district bonds. The Victory and Liberty Loans campaigns in Canada and the United States, the Dominion election last month, and the Christmas holidays, constituted a combination which practically removed the market for municipal bonds. The Quebec province municipals sold in November and December totalled $1,508,000, and, with a small block of school district bonds, made the only issues for those two months.

There are necessary expenditures awaiting a better money market. Such issues will probably receive the sanction of the finance minister under the order-in-council passed in December, 1917, making his consent necessary to all new stock and bond issues. *The Monetary Times'* bond record shows the sales in the Dominion during the twelve months of 1917, compared with the seven previous years. This is printed below:—

Canadian Municipal Bond Sales in Canada Only, by Months, 1910-1917.

	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.
January	$ 881,838	$ 420,337	$ 2,133,531	$ 1,337,500	$ 1,953,137	$ 1,784,947	$ 1,909,441	$ 1,969,256
February	1,272,977	1,037,287	2,596,378	1,038,806	5,995,336	3,047,011	1,419,909	458,874
March	1,169,730	6,271,925	1,926,716	335,492	5,123,176	2,572,357	2,027,741	229,013
April	6,805,078	3,910,288	927,169	3,693,857	2,847,953	8,603,094	1,979,852	1,182,974
May	5,964,896	3,946,047	1,928,748	880,630	6,400,755	3,464,281	2,649,000	1,375,039
June	2,187,588	3,983,670	1,690,344	2,435,726	4,617,857	2,395,744	3,043,283	1,642,003
July	1,536,424	1,594,566	1,967,476	1,591,924	2,180,758	1,618,422	1,521,525	3,814,489
August	1,312,953	1,493,507	1,649,547	526,300	395,395	1,087,415	852,447	4,637,836
September	2,841,486	1,748,778	1,998,605	1,663,260	535,050	2,768,484	960,435	440,268
October	2,211,461	1,730,075	1,660,507	3,452,282	2,874,872	1,245,874	1,361,665	398,771
November	2,292,781	2,915,765	1,396,664	2,481,062	622,049	1,645,892	1,246,480	917,191
December	566,113	1,243,593	491,590	1,113,400	937,022	1,676,693	669,000	890,000
Totals	$29,043,325	$30,295,838	$19,767,365	$20,550,239	$34,483,360	$31,910,214	$19,640,778	$17,955,714

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CANADA'S SPECIAL WAR MEASURES

Summary of Important Dominion Legislation Since War Commenced

When war broke out forty-two months ago, no time was lost by the Dominion government and the bankers of Canada in handling the financial situation. Undoubtedly, financial and business disaster in the Dominion was prevented by the rapid framing of special financial measures to cope with the crisis. Generally speaking, the emergency legislation has operated very smoothly, and in some cases no necessity has arisen for making use of the new laws. Here is a brief summary of our national war measures since the outbreak of war to date:—

1914.

(1) The Dominion government stood ready to issue Dominion notes to such an amount as was necessary against securities deposited by the banks and approved by the minister of finance.

(2) The government authorized the chartered banks of Canada to issue excess circulation to an amount not exceeding 15 per cent. of their combined unimpaired paid-up capital and rest or reserve fund from August until further official announcement.

No Gold Payments.

(3) The government authorized the chartered banks of Canada to make payments in bank notes instead of in gold or Dominion notes until further official announcement in that behalf.

(4) The redemption in gold of Dominion notes was suspended.

(5) Legislation was obtained to declare a moratorium if necessary. It has not been found necessary to declare a moratorium.

(6) The power of issue of Dominion notes was increased by providing that the finance minister should hold gold to the amount of 25 per cent. of the Dominion notes issued up to a total issue of $50,000,000, and in regard to Dominion notes issued in excess of that amount, gold to be held equal to such excess.

Heavy War Appropriations.

(7) A war appropriation of $50,000,000 was voted in August, 1914, for the fiscal year which ended on March 31st, 1915.

(8) Tariff legislation was passed on August 20th, 1914, involving new taxation to increase revenue, and affecting chiefly sugar, coffee, liquors and tobacco.

1915.

(9) Further taxation measures were announced on February 11th, 1915. These were special taxes on financial institutions, telegraph messages, passenger fares, and stamp taxes. Slight changes were made in the tariff.

(10) A further war appropriation of $100,000,000 was made.

(11) An amendment to the bank act was made in March permitting the banks temporarily to lend money for the purchase of seed grain upon the security of the grain purchase, the crop to be grown therefrom and the grain thrashed from the crop.

(12) Arrangement made in the fall for loan of £30,000,000 from British government for war purposes, to be drawn upon as necessary.

(13) First war loan, for $50,000,000, issued in November; $100,000,000 subscribed and allotted.

1916.

(14) A further war appropriation of $250,000,000 was authorized in February, 1916.

(15) Tariff on apples, oils and petroleum increased February, 1916.

(16) War tax on business profits instituted for a period of three years, to end December, 1917, taxes for which year will be paid during 1918.

(17) Measure for compulsory investment in Dominion securities by life insurance companies enacted. This expired December 31st, 1917.

(18) Sale of Dominion 5 per cent. 3-year debenture stock authorized, February, 1916; first sales, October, 1916.

(19) Second war loan, for $100,000,000, issued in September.

1917.

(20) War savings certificates of $25, $50 and $100 were first offered in January. Certificates of $10 denomination were issued in August. The prices of the four denominations were $8.60, $21.50, $43 and $86, repayable at face value in three years.

(21) A further appropriation of $500,000,000 was authorized in February for fiscal year ending March 31st, 1918.

Profits Tax Extended.

(22) Business profits war tax act, 1916, extended to take increased share of profits, viz., 50 per cent. of all profits in excess of 15 per cent., but not exceeding 20 per cent. per annum, and 75 per cent. of all profits in excess of 20 per cent. per annum upon capital. This new legislation applies to the last accounting period of the three years' term provided for by the original act.

(23) Third war loan, for $150,000,000, issued in March.

(24) Federal income tax measure became law, providing for a tax of 4 per cent. on incomes of married persons in excess of $3,000, and on incomes of unmarried persons in excess of $1,500, with provision for super-taxes in case of incomes exceeding $6,000. Residents of Canada and corporations operating in the Dominion are required to submit to the Dominion officials on or before February 28th, 1918, their declarations of 1917 income. The tax is payable on June 1st, 1918.

(25) Fourth war loan, for $150,000,000, issued in November.

CANADA'S VICTORY LOAN; LATEST FIGURES

The following returns to date in regard to Canada's Victory Loan have been furnished to *The Monetary Times* by Mr. W. S. Hodgens, chairman of the Dominion Business Committee of the Victory Loan campaign:—

	Population.	No. of subscribers.	Per capita.	Amount subscribed.	Subscription per capita.
Alberta	496,000	55,408	1 in 8.9	$ 16,515,150	$33.29
British Columbia	394,000	45,834	1 in 8.5	17,820,500	45.23
Manitoba	555,000	78,856	1 in 7.0	32,326,600	58.25
New Brunswick	350,000	20,000	1 in 17.5	10,250,000	29.29
Nova Scotia	508,000	39,521	1 in 12.8	18,588,150	36.59
Ontario	2,582,000	362,900	1 in 7.11	203,823,500	78.94
Quebec	2,263,000	125,867	1 in 17.97	93,798,100	41.45
Prince Edward Island	93,000	5,300	1 in 17.54	2,331,350	25.07
Saskatchewan	650,000	73,675	1 in 8.82	21,777,050	33.50
	7,891,000	807,361	1 in 9.77	$417,230,400	$52.87

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UNITED STATES' BAN ON GOLD EXPORTS

Its Effect on Exchange—Arrangements Were Made for $25,000,000

The export from the United States of coin, bullion and currency was forbidden by President Wilson in September, except with the consent of the Federal Reserve Board, subject to the approval of the United States treasury secretary. The executive order was dated September 1st, 1917, and contained these clauses:—

"1. Any individual, firm or corporation desiring to export from the United States or any of its territorial possessions to any foreign country named in the proclamation dated September 7th, 1917, any coin, bullion or currency shall first file an application in triplicate with the Federal Reserve Bank of the district in which such individual, firm or corporation is located, such application to state **under oath** and in detail the nature of the transaction, the amount involved, the parties directly and indirectly interested, and such other information as may be of assistance to the proper authorities in determining whether the exportation for which a license is desired will be compatible with the public interest.

Copy of Each Application.

"2. Each Federal Reserve Bank shall keep a record copy of each application filed with it under the provisions of this regulation, and shall forward the original application and a duplicate to the Federal Reserve Board at Washington, together with such information or suggestions as it may believe proper in the circumstances, and shall, in addition, make a formal recommendation as to whether or not in its opinion the exportation should be permitted.

"3. The Federal Reserve Board, subject to the approval of the secretary of the treasury, is hereby authorized and empowered upon receipt of such application and the recommendation of the Federal Reserve Bank to make such ruling as it may deem proper in the circumstances, and if, in its opinion, the exportation in question be compatible with the public interest, to permit said exportation to be made; otherwise to refuse it."

Wide Fluctuations in Exchange.

The wide fluctuations of the exchange market last year occasioned much inconvenience to merchants and manufacturers in both Canada and the United States. The business of importers and exporters naturally would be facilitated if as a result of mutual concessions the two governments permitted a moderate movement of gold either way when conditions warranted. Then it would be possible to make finer prices, as the necessity for allowing for possible heavy losses in exchange would not be present.

It was pointed out by experts that the United States, and New York particularly would derive substantial advantages from a policy of liberality in Washington in the matter of loans and gold shipments to the Dominion. Take the Canadian bank reserves in New York, for example. Ten years ago the aggregate of call loans and net bank balances carried in New York and London by the Dominion's chartered banks was $67,000,000; whereas the bank statement just published for September 30th, 1917, shows a total of $234,000,000, most of the amount being employed in New York.

As our banking system developed the external reserve was steadily built up in the belief that the balances were practically equivalent to gold. So a mild or liberal administration by Washington of its gold policy in regard to Canada, now that the metal is specially needed in the Dominion, would have a tendency to maintain the high character of our external reserves in the eyes of Canadian bankers; and with the further rapid development of our country's financial power it is quite probable that our balances and loans in New York will reach much larger figures in a few years

Canadian Bankers in Washington.

A party of prominent Canadian bankers visited Washington on October 30th, where they conferred with treasury department officials and members of the Federal Reserve Board relative to arranging for the raising of the embargo placed on gold shipments from the United States to Canada. Canadian funds had been accumulating in New York, largely as a result of the sale of Canadian grain bills at that centre. Ordinarily, the movement would be satisfied by gold exports from the United States, but the embargo put a stop to this. Following the conference in Washington there was a material recovery in the Canadian exchange situation, but even then New York funds were quoted in the neighborhood of $3 discount.

Exportation of $25,000,000.

The United States Federal Reserve Board finally agreed to sanction the exportation of $25,000,000 in gold to Canada on condition that it be returned when the exchange situation is re-established on favorable terms to Canada. This will probably occur early this year. At the beginning of 1917, New York funds in Montreal were selling at fully as high a premium quotation as the discount at the end of the year.

Gold in United States.

The net increase in the stock of gold in the United States through recorded net imports since August 1st, 1914, is seen in the following table:—

[000's omitted.]

	Imports.	Exports.	Excess of imports over exports.
Aug. 1st to Dec. 31st, 1914	$ 23,253	$104,972	*$ 81,719
Jan. 1st to Dec. 31st, 1915	451,955	31,426	420,529
Jan. 1st to Dec. 31st, 1916	685,745	155,793	529,952
Jan. 1st to Oct. 12th, 1917	545,080	353,646	191,434
Total	$1,706,033	$645,837	$1,060,196

*Excess of exports over imports.

WHEN OUR BANKS COMMENCED BUSINESS

No	Bank	Charter Obtained	Commenced Business	Banks Absorbed—Remarks
	British N. America	1840	1836	Bank of St. Stephen, 1910
10	Commerce	1866	1867	Gore Bank, May, 1870 Bank of B.C., Jan., 1901 Halifax Bk. Co., June, '03 Merch'ts of P.E.I., June, '06 Eastern Townships
12	Dominion	1870	1871	
13	Hamilton	1872	1872	
15	Hochelaga	1873	1874	
18	Home	1903	1906	Internationale, 1912
17	Imperial	1873	1875	Niagara District Bank, July 2nd, 1875
7	Merchants	1861	1864	Commercial Bk., Mar., '68
5	The Molsons	1855	1855	
1	Montreal	1817	1817	Ex. Bk. of Yarm'th, Aug., '03 Peoples Bk. of Hlfx, July, '05 Peoples Bk. of N.B., Apr., '07
6	Nationale	1859	1860	
19	Northern Crown	1903	1905	Northern Bk. amalgamated with Crown Bk., July 2, '08
2	Nova Scotia	1832	1832	Union of P.E.I., Oct. 1, 1883 Picton Bank, 1886 Bk. of New Brunswick, 1912 Metropolitan Bank, 1914
16	Ottawa	1874	1874	
8	Provinciale	1900	1900	La Banque Jacques Cartier, July, 1900
11	Royal	1869	1869	Union of Halifax, 1910 Traders Bank, 1912 Quebec Bank, 1916
14	Standard	1873	1873	St. Lawrence Bank, 1875 Western, 1909
20	Sterling	1905	1906	
4	Toronto	1855	1856	
9	Union of Canada	1865	1865	United Empire, 1911
21	Weyburn Security	1910	1911	

*Number of bank in Government monthly bank statement.

PROSPEROUS MANITOBA

invites Settlers, Investors, Manufacturers and Miners

MANITOBA is the first and oldest of the provinces of the Great Canadian West, and yet the illimitable natural resources of the province are only beginning to be dimly realized. Even the horizon of her agricultural possibilities is widening as more intensive mixed farming and stock raising are bringing fresh proof that she is blessed with a combination of fertile soil, climate and other natural advantages such as no other of the provinces of Confederation can boast.

Manitoba still has millions of acres of unoccupied land, and, on the basis of production, it is the cheapest land on the North American Continent to-day.

AGRICULTURE

Field crops of Manitoba in 1917 brought Manitoba farmers over $181,000,000.

Live stock on Manitoba farms in 1917 was worth over $126,000,000.

Mixed farming is increasing by leaps and bounds and is bringing certain and sure returns ***every year.*** Dairy products alone amounted to over $5,000,000 this year, and Manitoba, which a few years ago was importing butter in large quantities, shipped out over ninety carloads of creamery butter alone. No finer butter is made in Canada.

MANUFACTURING

Manufactures in the City of Winnipeg alone in the year 1916 amounted to $52,000,000, and yet Manitoba is importing tens of millions of dollars' worth of manufactures that might be produced at big profits here. Materials are available, power is plentiful and cheap, sites are plentiful and low-priced. There are many openings which invite the careful investigation of the manufacturer and investor.

MINING

Manitoba has not in the past figured as a mining province, but to-day Manitoba bids fair to become the greatest mining province of Canada. The discoveries of copper and gold in northern Manitoba, close to the line of the new Hudson Bay Railway, are not simply promising; they are proved. The biggest mining interests in the United States are there already and are investing millions, with sure and certain returns in sight. As yet only the edge of the great mineral belt has been prospected. Keep your eye on northern Manitoba. It is just opening up. It is rich not only in minerals, but in timber, fish and furs, and it has unlimited waterpower.

MANITOBA CHAMPIONSHIPS

For the first time in a great many years Manitoba farmers entered into competition with the other provinces and the states at the annual International Dry-Farm Products Exposition, held this year at Peoria, Illinois, in September. Competition was open to the world. Manitoba won more championships and other prizes than any single province or state in the history of the competition. Look at this partial list:

First, second and third prize for hard red spring wheat — **Sweepstakes for hard spring wheat**
First prize for white oats — **First for dry farm barley** — **First and third and sweepstakes for rye**
First and second for flax — **First for table beets** — **Second for potatoes (all America competed)**
First for mangels — **First for cauliflower** — **First for sugar beets** — **First for garlic**

The above winnings, in competition with the provinces and states, furnish incontrovertible evidence of the premier advantages of Manitoba in agricultural production.

Further information, pamphlets, booklets, maps, etc., will be supplied on application to

SUPT. IMMIGRATION AND COLONIZATION
Province of Manitoba
439 Main Street, Winnipeg

J. A. MACDONALD
Publicity Commissioner
Parliament Buildings, Winnipeg

REGINA

Saskatchewan's

Capital

Regina is the Capital and Commercial Centre of Saskatchewan, the Grain Growing Province of the Dominion.

REGINA is growing solidly and steadily. Note these figures:

Surplus of Assets over Liabilities, Six and a Half Millions.

Total Assessment, 1906	$ 7,047,267
" " 1917	58,576,220
Taxable Assessment, 1906	5,889,734
" " 1917	43,693,550

POST OFFICE BUSINESS RETURNS

1914	$ 2,746,154
1915	3,064,312
1916	6,377,986
1917 (eleven months)	8,887,562

BANK CLEARINGS

1910	$ 50,739,159
1915	87,122,611
1916	124,349,589
1917 (eleven months)	152,236,099

CUSTOMS RECEIPTS

1915	$ 653,915
1916	1,505,019
1917 (eleven months)	1,799,519

Earnings, City Owned Utilities, 1911 ..... $249,000
Earnings, City Owned Utilities, 1917 (with rates materially reduced), 696,000

Manufacturers and Wholesalers

REGINA is noted as an industrial and distributing centre, has a model industrial section, so planned and laid out as to incorporate all possible advantages for your business.

This district is served by spur tracks from the three trans-continental railways; has pavements, sewers, water, electric light and power, street railway services, etc. Sites in this district can be purchased at low prices by *bona fide* firms. The city owns in this district warehouse property valued at two million dollars. The Municipal Power Plant supplies power for manufacturing at exceptionally low rates. Over two score of new business enterprises have been established in this district since the war started, among which are three of the largest concerns in Canada, who have invested here several millions. Applications invited and detailed information furnished promptly.

CITY COMMISSIONER, Regina, Saskatchewan.

Annual Stock Exchange Record of The Monetary Times

High and Low Prices and Sales of Securities on the Canadian Exchanges during 1917, with Comparisons

STOCK EXCHANGE NEW LISTINGS

Large Volume of Securities Listed on Canadian Exchanges in 1917

The following securities were listed on the Canadian stock exchanges last year:—

Montreal Stock Exchange.

Company.	Stock.	Listed on.	Amount.
Cons. Mining & Smelting	Ordinary	Jan. 23	$2,107,250
Royal Bank		Jan. 22	911,700
Standard Bank		Jan. 23	500,000
Ottawa Car	Ordinary	Feb. 20	1,177,900
Ottawa Traction	Ordinary	Feb. 20	5,630,700
Detroit United	Ordinary	Feb. 21	2,500,000
Brompton Pulp & Paper	Common	Mar. 13	7,000,000
Howard Smith Paper	Common	May 14	1,062,500
Howard Smith Paper	Preferred	May 14	475,000
Provincial Paper	Common	June 26	2,481,300
Provincial Paper	Preferred	June 26	1,700,000
Canadian Car & Foundry	Common	July 18	750,000
Abitibi Power & Paper	Common	July 24	5,000,000
Abitibi Power & Paper	Preferred	July 24	1,000,000
Dominion War Loan, 1937	Bonds	July 24	150,000,000
Nova Scotia Steel	Common	Oct. 9	7,500,000

Toronto Stock Exchange.

Company.	Stock.	Listed on.	Amount.
Royal Bank		Jan. 26	$ 911,700
Standard Bank		Mar. 16	500,000
Standard Chemical	Common	Mar. 23	1,250,000
Standard Chemical	Preferred	Mar. 23	3,602,700
Dominion War Loan, 1937	Bonds	April 4	150,000,000
Quebec Railway	Ordinary	June 5	699,000
Quebec Railway	Bonds	June 5	1,353,400
Detroit United	Ordinary	June 25	2,500,000
Howard Smith Paper	Common	July 11	1,062,500
Howard Smith Paper	Preferred	July 11	475,000
Provincial Paper	Common	July 26	2,481,000
Provincial Paper	Preferred	July 26	1,700,000
Nova Scotia Steel	Ordinary	Aug. 28	7,500,000
Consumers' Gas	Ordinary	Dec. 7	478,700

CANADA'S YEARLY FIRE WASTE

According to the record of *The Monetary Times* the fire losses in Canada during 1917 amounted to $20,086,085, as compared with $20,487,509 in 1916.

The following are comparisons of other features of the fire waste:—

	1914.	1915.	1916.	1917.
Average monthly loss	$2,026,751	$1,139,210	$1,707,292	$1,673,840
Loss per capita	$3.15	$1.78	$2.56	$2.60
Fires with damage of $10,000 or over	302	237	216	238

Here are the $10,000 and over fires, month by month, compared with the five previous years:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
January	51	22	41	35	28	28
February	19	26	45	25	30	31
March	30	19	28	24	30	26
April	20	23	31	22	13	13
May	34	35	29	23	23	11
June	27	39	23	18	9	17
July	23	40	29	11	13	16
August	19	45	16	10	14	14
September	16	33	13	20	12	10
October	24	27	18	17	14	15
November	18	28	11	13	14	26
December	37	21	18	19	18	31
Totals	318	358	302	237	218	238

The following table compiled by *The Monetary Times* shows the number of deaths caused by fire during the last eight years:—

	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.
January	27	27	27	14	26	3	10	21
February	15	12	11	21	18	11	23	19
March	20	18	24	22	27	23	23	20
April	37	20	15	11	22	14	6	15
May	15	28	18	33	8	5	14	12
June	52	13	6	18	12	2	6	9
July	15	110	9	9	8	13	268	19
August	11	22	16	29	3	14	30	12
September	10	13	6	27	9	27	6	21
October	16	17	21	15	9	7	39	23
November	19	20	22	24	14	12	12	21
December	19	17	28	13	19	11	94	15
Totals	256	317	203	236	175	141	532	207

The December total fire loss in 1917 was the heaviest on record in recent years. The high total was due chiefly to the Halifax disaster, and to an exceptionally large number of fires with losses considerably exceeding $10,000.

A committee of 3 adjusters was appointed to apportion the Halifax losses. These adjusters were appointed by various companies interested, and there is no obligation on any company to employ them. Every company may appoint its own adjuster.

The fire loss figures of the Commission of Conservation are a little higher than those of *The Monetary Times*. According to the Commission's records, fire losses in Canada during 1917 totalled $23,251,604, and the number of fires reported totalled 14,092. Over $15,500,000 of damage resulted from 76 fires.

MANITOBA'S DAIRY PRODUCTS

The dairy products of Manitoba were valued at $5,900,000 in 1917.

The following record of *The Monetary Times* shows Canada's fire losses month by month for the last eight years:—

	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.
January	$ 1,275,246	$ 2,250,550	$ 3,002,650	$ 3,913,385	$ 2,796,312	$ 1,249,886	$ 1,649,217	$ 1,918,660
February	750,625	941,045	1,640,153	2,037,386	2,920,749	1,019,556	3,275,600	2,009,953
March	1,076,253	852,380	2,261,414	1,710,756	2,660,666	1,631,696	1,406,501	2,050,650
April	1,717,237	1,317,900	1,355,055	1,470,622	1,916,235	1,463,747	1,460,437	1,317,714
May	2,735,536	2,564,500	2,251,815	2,123,868	1,935,516	881,855	1,850,205	1,163,110
June	1,500,000	1,151,150	4,229,412	3,069,446	1,267,416	1,157,156	494,557	1,184,627
July	6,386,674	5,384,300	1,741,371	2,579,698	2,033,139	773,269	3,039,634	1,101,734
August	1,667,270	920,000	1,164,760	3,034,775	2,921,379	403,693	1,057,109	1,230,183
September	894,125	1,123,550	883,949	1,468,324	1,356,281	1,116,109	981,703	1,301,700
October	2,195,781	780,750	1,416,218	1,383,572	1,326,565	1,290,325	1,077,815	704,605
November	1,943,708	1,506,500	1,184,010	2,200,486	1,524,932	1,087,980	923,235	959,049
December	1,444,860	2,866,950	1,769,905	1,354,300	1,661,822	1,595,255	3,271,496	5,144,100
Totals	$23,593,315	$21,459,575	$22,900,712	$26,346,618	$24,321,012	$13,670,527	$20,487,509	$20,086,085

MONTREAL STOCK EXCHANGE

	STOCKS	1916 JANUARY High	Low	Sales	1917 High	Low	Sales	1916 FEBRUARY High	Low	Sales	1917 High	Low	Sales	1916 MARCH High	Low	Sales	1917 High	Low	Sales	
1	Ames-Holden-McCready	Com.	24	20	10,472	23¾	20	518	23	20	1,844	19	16	760	28¼	20	12,194	20	17	380	1
2	" " "	Pref.	77	70	2,139	61	56	120	73	71	734	52½	48	380	74½	70	1,706	60	48	230	2
3	Asbestos Corporation	Com.				21	20	100½				20	20	50				14	14	25	3
4	" "	Pref.				53	52	190				50	50	80				49	48	27	4
5	Bell Telephone		149½	143	636	146	144	256	148	144	512	150	144	284	148	145	198	148	146¾	199	5
6	Brazilian T. L. & P. Co.		54	54	420	47⅞	43½	4,145	54	54	68	44½	43	2,486	54	54	22	44	42	3,740	6
7	British Columbia Fishing & Packing Co.		60	60	5				60	60	25	56	45	95	62½	60½	285				7
8	Canada Cement	Com.	51⅝	37¾	41,9 31⅛	69	63	5,830½	48½	43½	5,207	62½	57	3,075	55½	45	13,984	65	59½	4,854	8
9	" "	Pref	93	90⅜	1,284	95¾	92¾	703	91⅜	90⅜	590	93	91½	563	92½	90⅜	1,499	94	92	587	9
10	Canada Foundries & Forgings	Com.	217	189½	558	205	190	945	170	170	21	181	170	830	192	180	65	150	150	51	10
11	" "	Pref.																			11
12	Canada Steamship Lines, Ltd.	Com.	19	16	1,647	38	31	2,228	19½	15	2 280⅝	35	29¾	2,380	19¾	15	2,697⅛	40¼	34	4,025	12
13	" "	Pref.	73½	70	1,727	93½	91	1,980	76	72	3,346⅛	93¾	84	2,776	78⅜	72	4,442⅛	85¼	83½	2,082	13
14	" " "	Voting Trust	17	14	1,864	35	35	25	17¼	16½	880				17¼	15	321	33	33	1	14
15	Canadian Fairbanks-Morse	Pref.																			15
16	Canadian Pacific Railway		182¼	166⅜	1,189	164½	158	70	176	167½	1,000	158½	152½	71	168½	165	263	153¾	152½	19	16
17	Canadian Car and Foundry	Com.	85	61¾	9,645	46½	25⅝	9,622	75	64	3,255	30	25½	1,608	71	63	938	31¾	27	4,146	17
18	" "	Pref	101	98	1,660	89	59	16,842				76	66	3,478				75⅝	69	2,878	18
19	Can. Consolidated Rubber Co.	Com.				97½	97⅛	100							91	91	28	90	90	1	19
20	" "	Pref.				96	96	37							97	97	7	95	95	2	20
21	Canadian Converters		34	34	25	40	40	100				40	39	100				41½	40¼	210	21
22	Canadian Cottons, Limited	Com.				56	55	30	41	36	1,068	53	51	275	44	39½	948	55	52	290	22
23	" "	Pref.	77	75	276	82	78	250	77	75½	251	79	78	97	78	75	242	80	78	116	23
24	Canadian General Electric		115	108	1,288	114¾	111	526	117	108	2,634	111	106	480	115	108¾	1,442	112	108	833	24
25	Canadian Locomotive	Com.	63	57	2,700	58	57	620	60	58	405	57	52½	710	61¾	53	1,636	57½	54½	1,535	25
26	" "	Pref.				88	88	5				88¾	84	15				89½	88	51	26
27	Carriage Factories	Com.	48	40	2,840	25	25	125	40	29	1,313	15	12	210	39	30½	1,351				27
28	" "	Pref.																			28
29	Cedar Rapids		78	73¼	869				73½	71	688				78	70	5,133½				29
30	Civic Investment Co.					83	81	12 197				82½	78	13,463				82	81	2,963	30
31	Consolidated Min'g & Smelt. Co. $.25 par					35¼	32	3,010	163	146	2,740	32½	26	7.477	151	146	1,060	33¾	31	2,841	31
32	Crown Reserve		.53	.40	9,525	.44	.37	15,910	.45	.42	4,710	.36½	.33	10,300	.45	.45	500	.34	.32	2,278	32
33	Detroit United		80	69	4,438	128	120	2,206	89¼	75	18,132	122	113½	6.802	89	85½	4,283	118¼	113½	8,303	33
34	Dominion Bridge		231½	219½	2,365	170	146½	4,399	224	199	5,663	142¼	130	1,860	218½	204	3,782	140	134	1,026	34
35	Dominion Canners	Com.				20	19½	85				21½	19¾	170				26	20	140	35
36	" "	Pref.										65	65	100							36
37	Dominion Coal	Pref.	99	98	34	96½	93½	43							98	98	15	94	93½	10	37
38	Dominion Steel Corporation	Com.	49	44½	12,611	71⅛	60¾	50,348	46	40	8.336	62½	52¾	38,566	47	40½	17,785	69	61¼	23,676	38
39	" "	Pref.																			39
40	Dominion Iron and Steel Co.	Pref.	98	96	104	95	92	374	98	96	241	93½	91	228	98	95	168	95	91	128	40
41	Dominion Textile	Com.	80	74	1,290	82	80	483	80	76	426	80¾	76½	487	80	76	819	85	80½	458	41
42	" "	Pref.	101	101	76	103	102¼	21	102	101	40	104	100	112	102¼	101	28	103	103	7	42
43	Duluth Superior Traction																				43
44	Goodwins Limited	Com.																			44
45	" "	Pref.																45	45	10	45
46	Gould Manufacturing Co.	Com.																			46
47	" "	Pref.																			47
48	Hillcrest Collieries	Com.																			48
49	" "	Pref.																			49
50	Illinois Traction	Com.																			50
51	" "	Pref.	91	91	93	88⅜	88	101	91	91	16	89	87½	25	91	91	188	88	87	103	51
52	Lake of the Woods Milling Co.	Com.	135	133	297	130	129¼	45	133½	130	240	126	125	52	133	130	109	126	125¾	82	52
53	" "	Pref.				116	116	2													53
54	Laurentide Co.		194½	185½	1,297	195	181	916	186	176½	1,290	186	176	1,888	184	176	1,976	191	180	881	54
55	" "	New																			55
56	Lyall Construction Co.	Com.	34½	25	909¼	69	64	180	39¼	31	3.605	65	65	1	88¼	36	13,038¾	80	63	1,629	56
57	Macdonald Co., A., Ltd.	Com.	10⅝	10	325	13½	11	321	12	9½	1,231	15	8	1,781	19¼	10⅝	4,484	15½	13½	1,449	57
58	Mackay Companies	Com.	80	65¾	85	87⅜	83¾	20	89	80	390	90	87½	125				89¼	88	130	58
59	" "	Pref.	67½	66	120	67⅞	66	72	68	66¾	49	67¼	67½	11	68	66½	37	66½	66¼	1	59
60	Maple Leaf Milling Co.	Com.				103	96	271				98	93	45				115	97½	2,749	60
61	Mexican Light and Power	Com.																			61
62	" "	Pref.																			62
63	Minn., St. Paul & Sault Ste. Marie	Com.																			63
64	" "	Pref.																			64
65	Montreal Cottons, Limited	Com.	52½	51½	85	59	58	61				54	50	104	51	51	140	55	51	160	65
66	" "	Pref.	100	99	53	103	102	146	100	99	65	103	102	21	100	99	17	103	103	35	66
67	Montreal Loan and Mortgage					165	165	1				165	165	50				165	165	40	67
68	Montreal Telegraph		136	136	15	138	138	2	136	136	30							135	135	4	68
69	Montreal Tramways					181	180	50				175	175	13							69
70	National Breweries	Com.																			70
71	" "	Pref.																			71
72	Nipissing	$5 per share																			72
73	Nova Scotia Steel and Coal Co.	Com.	102	94¾	4.165	126	107	8,265	99	92½	8,547	111	91	7,768	110½	93	34,804	106	97¼	5,390	73
74	" "	Pref.	110	110	15	112	112	25	112½	110	329	112	112	5	115	112	110	110	110	14	74
75	Ogilvie Flour Mills Co.	Com.	134	132½	223	143	141	265	135	132	132	141½	137	481	133	131	63	141	137½	315	75
76	" "	Pref.	116	116	25	115	113	75	115⅝	115	30	111	110	167	115¾	115	69	112½	112	77	76
77	Ontario Steel Products Ltd.	Com.	21	19	100	34	32	32	25	19	505	25	25	110	34	20	3,230	20	18	445	77
78	" "	Pref.													74	73	160				78
79	Ottawa L. H. & P.					95	90	84							120	120	1	90	83½	100	79
80	Paton Manufacturing																				80
81	Penman's Limited	Com.	60	59	422	71	70	222	63	59	1,639	70	69½	110	63	60	1,066	73½	69	711	81
82	" "	Pref	82	82	93	85	81½	30	82	82	39¾	85	85	22	85	85	60	85	82	28	82
83	Porto Rico	Com.				40	35	127													83
84	Price Bros.	Com.				120	120	57	60	60	25							120	115	195	84
85	" "	Pref.																			85
86	Quebec Railway, Light, Heat & Power Co.		15¾	14	925	35	21	15,675	19	13½	2,985	27	22	9,355	19¼	16	3,105	28½	24¼	2,588	86
87	Richelieu and Ontario								90	90	3										87
88	Riordon Pulp & Paper Co	Com.				127	115	1,721				120	106	1,381				123	116	1,608	88
89	" "	Pref.				93	90	226				92	90	105				95	92½	107	89
90	Russell Motor Car	Com.																			90
91	" "	Pref.																			91
92	Sawyer-Massey	Com.													31	25	347				92
93	" "	Pref.													74¼	69½	125				93
94	Shawinigan Water and Power Co.		136	130	2,255	131	127	970	134	130	2,195	128	123	1,983	135	130	1,850	127½	124	741	94
95	" "	New																			95
96	Sherwin-Williams	Com.	57	56	35	59	58½	353	60	55	87	59	56	26	55	55	165	59¾	59	94	96
97	" "	Pref.	100	99¾	43	100	98	51	99½	99	14	100	99½	35	99¾	99	55	99	99	15	97
98	Smart Woods Co.	Com.				55	50	160	35	33	52	50	50	10				50	50	50	98
99	" "	Pref.																			99
00	Spanish River Paper & Pulp Co.	Com.	4	3½	345	19	14	779	5½	4	170	17	13	1,820	11¼	5½	3,929½	18	16	1,356	100
01	" "	Pref.				59½	52	280				57	51	606	35	35	15	55	51½	715	101
102	Steel Company of Canada	Com.	40	35	11,975	71⅜	61½	31,130	42¼	34½	26,467	62¾	52	26,754	47⅞	39	49,196	69	59¼	38,381	102
103	" " "	Pref.	95⅜	87	728	100	95½	327	89	86	897	95	93¼	164	93½	88⅜	1,132	96½	94	449	103
104	Tooke Bros.	Com.													20	16	124				104
105	" "	Pref.				79	79	15													105
106	Toronto Railway		111	111	122	83½	76	1406	111	111	15	87	76¾	2,238	111	111	67	91	85½	1,387	106
107	Tri-City	Pref.																			107
108	Tuckett Tobacco Co.	Com.				22½	21½	110				22	20	125				19½	19⅜	50	108
109	" "	Pref.	90	90	5	83½	83½	50				81⅛	81¼	10				80	80	3	109
110	Twin City		96½	96	26	95	94⅝	109	96¾	95	65	93¾	93¼	50	96	95½	15				110
111	W. Kootenay P. & L.	Com.																			111
112	Winnipeg Electric					81	79	77				80	80	50				75	69	30	112
113	Wayagamack					97	90	1,405				85	81	510				83½	80	1,300	113

PRICES AND SALES—1917 (WITH COMPARISONS)

	1916 APRIL			1917 APRIL			1916 MAY			1917 MAY			1916 JUNE			1917 JUNE			1916 JULY			1917 JULY			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	30⅜	27	6,685	16	16	135	34½	26	8,670	.....			35	27¾	2,493	17	17	15	29	19½	1,676	.....			1
2	75⅝	72	1,285	59	55	50	80	72	2,469	50	50	10	79¾	73½	1,468	50	48	175	72½	52	7,007	49	49	139	2
3	.....			16	12	51	.....			.....			.....			.....			.....			45	44¾	20	3
4	.....			.....			.....			45	45	5½	.....			45	42	59½	.....			.....			4
5	146	143	393	145	144	195	147¾	145	493	141	140	101	152	147	1,408	142	140	309	152	148	271	139	136	131	5
6	56	54	11,835	47½	37⅝	8,886	62½	54	25,473	41	38½	4,852	62	57	6,006	39¾	38	1,855	61	57½	5,161	40½	38¾	2,508	6
7	67	61	1,705	45	45	140	61½	60	285	45	39	230	60	60	5	43	43	15	58	55	35	44	44	10	7
8	65	54	22,895	64⅜	60	1,966	70	61½	22,249	64½	57½	4,364	72⅜	65⅜	15,580	64	60	3,427	70	60	12,204	62	60¼	1,414	8
9	95	92	794	95¼	92½	395	99	93⅜	1.177	93	91⅜	569	97½	95	691	93¼	91½	701	95	91	854	92⅛	91	334	9
10	.....			.....			195	175	573	.....			208	195	912	.....			200	197	100	142	139½	15	10
11	.....			82	82	30	88	85	85	84	84	20	.....			85	85	25	.....			.....			11
12	28½	19⅜	16,022	40½	37	2,805	28	24⅜	5,237½	40	37	1,760	30	27	8,355⅞	45	36	21,292	28½	24¼	968	44	41	2,645	12
13	82½	76	6,373	87⅝	84	3,325	85½	80¾	7,598⅜	88	85¼	2,945	87½	84	6,283½	81¼	78½	1,655	84¼	81	1,583	81	78½	1,119	13
14	26	17½	3,728	39	36	200	26	24⅜	1,130	39	37½	550	27	24½	268	40	38⅜	235	.....			41	38½	355	14
15	.....			.....			.....			.....			.....			.....			.....			.....			15
16	169⅜	165	174	165	159¼	70	182⅜	167	1,009	161¼	156	37	178⅜	175½	206	159¾	159	70	182¼	177	625	.....			16
17	73	66	3,775	31½	28	1,022	75½	65	6,312	29	28	1,401	71	66	1,025	32½	28	2,403	68	45	3,448	32½	31½	610	17
18	.....			74	70	1,055	91¼	85	1,320	71	66	1.434	87	84½	195	75	68	411	85⅜	76	1,010	71½	69	649	18
19	99	99	25	.....			100	100	26	.....			.....			.....			.....			.....			19
20	.....			.....			.....			.....			.....			.....			.....			97	96¼	43	20
21	34	34	102	41	41	25	.....			41	40	150	34	34	30	41	40	75	.....			43	41¾	338	21
22	.....			51	51	85	52	46⅜	4,383	52¼	51½	230	51⅜	48½	622	54	51	60	50	48	269	52	52	5	22
23	79	76½	318	79	76⅜	72	80⅜	78	636	80	78	376	81½	79⅜	586	80	79	82	80	79	338	79⅛	78	376	23
24	112	109	1,080	112	107½	366	115	109	1,700	108⅞	106⅜	516	120½	113⅜	2,973	108½	103½	155	118	114½	628	103	101	370	24
25	61¼	58	1,935	63½	57	2,767	67½	57	6,256	60	57	350	65	57¾	901	59½	57	85	59½	59	50	64	57	1,597	25
26	81	81	2	90	90	5	85	82	102	89	89	10	86	84¼	4	.....			.....			88½	87	137	26
27	37½	34	491	12	10	35	42	35	745	12	9	70	40	38	250	10	9½	45	44	38	3,445	11	9½	55	27
28	.....			.....			.....			.....			.....			.....			.....	75	70	115	.....			28
29	78	71⅜	2,754¼	.....			83¼	75	7,416	79	79	⅜	82	77	2,657¾	.....			80	76½	517	.....			29
30	.....			81½	79	5,474	.....			79¼	77	6,177	.....			78	75¼	5,086	.....			76¼	75	2,402	30
31	157	146	1,468	31½	27	2,455	.....			29	26	5,526	.....			28	25	5,454	.....			27¼	24	2,553	31
32	.57	.46	4,960	.34	.32	300	.55	.48	2,515	.32	.32	1,600	.58	.59	8,585	.....			.48	.48	600	.....			32
33	100½	88⅜	15,315	120	113	6,010	117¾	99½	25,875	114	110	3,391	117¾	113	10,150	110	107¾	2,903	119¼	115	6,399	110⅛	107½	3,591	33
34	230	207	10,170	135	128	1,192	228	210	7,061	130	137	405	227	214	2,382	130	125	19	222	210	1,220	130	125	558	34
35	.....			23	23	170	.....			.....			.....			23½	23¼	40	.....			22½	22½	10	35
36	.....			.....			.....			.....			.....			.....			.....			.....			36
37	98	98	25	95	94	24	98	98	32	92	88	8	96	95	70	.....			96	93	95	94½	85	27	37
38	52⅜	46	37,231	66	59¾	10,786	59⅞	48¾	82,281	67½	58⅝	25,610	58⅜	52½	26,529	67	60¼	19,205	56½	52	14,779	61	59	5,463	38
39	.....			.....			.....			.....			.....			.....			.....			.....			39
40	100	96	219	91½	90	217	101⅜	96½	125	92	89	365	105	96	282	90½	90	465	98	92	437	92	91	174	40
41	85	78	4,065	84½	82	430	85	82	4,008	89	83	3,054	85¼	79	2,456	88	83½	145	81	79½	487	84	83	236	41
42	101	101	37	105	102	25	101½	101	178	103	102	60	103	100½	149	102½	102½	7	103	102½	95	101	99½	25	42
43	.....			.....			.....			.....			.....			.....			.....			.....			43
44	.....			.....			26	26	100	.....			.....			.....			.....			.....			44
45	.....			.....			75	75	100	43	43	14	.....			.....			40	40	236	.....			45
46	.....			100	100	102	.....			.....			.....			100	100	5	.....			.....			46
47	.....			100	100	85	.....			.....			.....			.....			.....			.....			47
48	.....			.....			.....			14¾	14¾	200	.....			15	15	100	.....			.....			48
49	.....			.....			.....			.....			.....			.....			.....			.....			49
50	.....			.....			.....			.....			.....			.....			.....			.....			50
51	91	91	42	88	85	51	91	91	311	87	83	114	91	91	246	86	83½	110	90¾	90½	290	87⅞	84	318	51
52	130½	129	80	126	124	108	129	129	255	.....			129	129	5	130	125	78	129	127	187	126	125	35	52
53	.....			.....			120	120	12	.....			120	120	14	.....			.....			.....			53
54	191	180½	1,370	183	183	17	189	183	1,085	180	177	290	188	179	563	177	170	216	189½	180	1,755	172	170	975	54
55	.....			.....			.....			.....			.....			.....			.....			.....			55
56	71	65	552	80	79	210	76⅛	66	3,775½	73	65	567	93	74	5,979½	74	70	250	86½	74	365	.....			56
57	19¾	13½	2,284	13½	12	395	15	12	575	12	11	120	12¼	11	411	16	11	420	14	11	2.3	15	13½	295	57
58	79¾	79¾	50	85⅜	85½	31	85¾	82¼	107	85¾	85¾	10	83	82	6	83½	83½	10	83½	82⅜	185	82½	82¼	100	58
59	68½	68	27	65¾	65	27	67¼	67⅜	135	.....			68¼	68¼	1	.....			68⅜	68⅜	20	.....			59
60	.....			113	110	180	.....			107	101	270	.....			106	102	110	.....			104¾	104¾	10	60
61	.....			.....			.....			.....			.....			.....			.....			.....			61
62	.....			.....			.....			.....			.....			.....			.....			.....			62
63	.....			.....			.....			.....			.....			.....			.....			.....			63
64	.....			.....			.....			.....			.....			.....			.....			.....			64
65	54	51	130	52	51	42	54½	53	98	53	50	106	56	53	120	49	49	8	52	50	160	53	51	55	65
66	100	99	125	102	101½	144	101	100	150	102	101½	47	103	101	72	101	100	4	102¾	101¼	72	100	99	15	66
67	.....			165	165	80	160	160	10	165	165	1	.....			162½	162⅜	50	175	175	26	.....			67
68	136	136	35	136	136	15	136	136	75	.....			136	136	76	136	136	3	136	136	64	135	135	4	68
69	.....			.....			.....			.....			.....			.....			.....	200	185	9	.....			69
70	.....			.....			.....			.....			.....			.....			.....	.....			.....			70
71	.....			.....			.....			.....			.....			.....			.....	.....			.....			71
72	.....			.....			.....			.....			.....			.....			.....	.....			.....			72
73	110	104½	8,122	100	88	4,787	135	107	35,223	95⅝	89	3,404	132	120	14,789	108	93½	9,395	132	123	5,676	100	94	4,066	73
74	114	112	88	107	107	5	115	112	120	.....			.....			107	105	35	113	112	30	105	105	5	74
75	133⅛	131	43	144¾	140	139	131	128½	169	145	144	502	136	129	545	144	140	191	135	130	267	150	140	558	75
76	115	113	20	112	112	71	113	113	111	112½	110¼	125	115	113	109	112¼	110¼	20	115	114½	59	112⅛	112½	10	76
77	41⅜	30	5,203	23	20	495	42½	36	1,916	22½	20	95	41½	38	1,515	24	22	135	40½	36	375	24	24	190	77
78	75½	73⅜	202	74	74	25	77	75	128	.....			76½	76	150	.....			76	76	15	.....			78
79	.....			90	83½	32	.....			80	80	131	95	95	40	.....			95	95	8	.....			79
80	.....			130	130	103	.....			130	130	25	.....			130	130	8	102½	102½	25	.....			80
81	62½	61	846	73½	70	162	62⅜	61	1,260	72	68	312	62⅜	61	431	72	71	303	62	60½	106	72	70	151	81
82	85	85	100	86	80	28	85	83	8⅜	83	82	6	87	84	11⅜	83	83	5	.....			.....			82
83	.....			.....			60	60	5	.....			.....			.....			.....			.....			83
84	64	60	665	117	115	105	60⅜	60	30	.....			66	64	60	115	115	264	76	71	288	134	125	140	84
85	.....			.....			.....			.....			.....			.....			.....			.....			85
86	26¼	19	25,839	28¼	26	1,551	31⅜	25	29,359	29⅜	20¼	5,612	30	28	4,659	20½	18½	1,668	34½	29¾	10,530	22½	17	2,740	86
87	90	90	1	.....			97	97	1	.....			.....			.....			.....			.....			87
88	.....			127	108	2,060	.....			125	112	2,370	.....			125	121	920	.....			124	119	416	88
89	.....			94	92½	157	.....			93	92	109	.....			.....			.....			93	90	48	89
90	.....			.....			.....			.....			.....			.....			.....			.....			90
91	.....			.....			.....			.....			.....			.....			.....			.....			91
92	32	27	380	.....			.....			.....			.....			.....			.....			.....			92
93	76½	74⅜	360	.....			.....			.....			75	74¼	45	.....			.....			.....			93
94	134½	130	3,227	124	121	1,379	135	130½	4,388	122¼	121	1,128	133⅜	130	2,573	122¾	119¼	711	132⅜	129¾	1,740	121	119	426	94
95	.....			.....			.....			.....			.....			.....			.....			.....			95
96	55	55	50	59	59	23	55	55	20	58½	58½	1	55	55	3	.....			.....			58	56	116	96
97	99½	99	65	99	98	47	99½	97½	85	99	98	111	99	99	7	.....			99	97½	38	99	99	10	97
98	34	33	81	50	50	10	41	35	290	50	43	48	41⅜	40	251	.....			41	38	87	45	45	50	98
99	.....			80	80	10	.....			80	80	15	90	90	12	80	80	20	.....			.....			99
100	8⅜	7	1,167	17⅜	15½	811	10½	6	3,446½	17	13½	276	9¼	8	270	15½	14	545	11	8	2,051	14	13	325	100
101	35	35	250	54½	50	75	35	31	317	50½	49½	212	32	31	60	.....			33½	29	135	.....			101
102	63	46¼	122,610	68	59	10,944	64⅞	57½	52,154	64⅜	56⅜	11,182	64⅜	54¾	26,937	63⅞	57¾	7,965	59¼	52⅞	16,365	59	53¾	4,888	102
103	93½	88	919	94½	91½	165	90¼	88	915	93	91	121	91½	90	678	92	90	488	90⅝	87½	195	92	90	530	103
104	25	24	150	.....			.....			.....			24	24	5	.....			21	21	25	.....			104
105	80	75	10	.....			.....			75	75	19	80	78½	50	74	72	80	80	80	20	.....			105
106	111	111	109	88	83	511	111	100	2,938	82	76	754	103	100	2,339	80	75	525	101	89	4,000	75	73	444	106
107	.....			.....			.....			.....			.....			.....			.....			.....			107
108	.....			19	19	50	.....			19	18½	55	.....			19	19	25	23	22	127	.....			108
109	.....			.....			.....			.....			.....			.....			.....			80	80	40	109
110	96¼	96¼	25	.....			98¼	95¾	119	89¾	87¼	50	98⅜	98	36	.....			98¼	96½	45	.....			110
111	.....			.....			.....			.....			.....			.....			.....			.....			111
112	.....			.....			110	110	10	50	48	35	.....			.....			100	95	100	.....			112
113	.....			81¾	73	1,980	.....			74	67	1,730	55	50	4,421	68	67	72	66	53	3,496	67	60½	205	113

MONTREAL STOCK EXCHANGE

	STOCKS	AUGUST 1916 High	AUGUST 1916 Low	AUGUST 1916 Sales	AUGUST 1917 High	AUGUST 1917 Low	AUGUST 1917 Sales	SEPTEMBER 1916 High	SEPTEMBER 1916 Low	SEPTEMBER 1916 Sales	SEPTEMBER 1917 High	SEPTEMBER 1917 Low	SEPTEMBER 1917 Sa	OCTOBER 1916 High	OCTOBER 1916 Low	OCTOBER 1916 Sales	
1	Ames-Holden-McCready Com.	24⅜	21	1,968	15⅞	14	477	25	21⅛	1,985	15⅜	15	330	26	23½	1,905	1
2	" " " Pref.	60	57½	397	51	48½	466	68	58	185	50	49	155	65⅜	59	753	2
3	Asbestos Corporation Com.																3
4	" " Pref.																4
5	Bell Telephone	150	148	180	137⅞	137	238	151	146	486	137	135	86	149	147⅜	368	5
6	Brazilian T. L. & P. Co	61⅜	57	6,542	41¼	38⅛	2,368	60⅛	57	9,951	40⅜	38⅜	3,019	57⅜	52½	12,905	6
7	British Columbia Fishing & Packing Co	60	56	275	44	43⅜	35	60	58	375				63	58	720	7
8	Canada Cement Com.	69	55	26,383⅜	63⅛	61	2,116	66⅜	60	12,222	62⅛	58½	1,055	70¼	64	15,728	8
9	" " Pref.	92⅜	90½	550	92	90	234	95	92	587	92⅛	90	248	95	93¼	870	9
10	Canada Foundries & Forgings Com.	190	183	66	178	150	825	200	195	1,473	167	155	280	196	190	70	10
11	" " Pref.																11
12	Canada Steamship Lines, Ltd Com.	31¼	25	5,014	45⅝	42	8,838	38	30	12,212	44	40⅝	2,464	36	32	1,981	12
13	" " " Pref.	86⅜	84	1,986	79⅜	78¾	712	91⅜	86	6,076	79	77	932	90¼	89	3,149	13
14	" " " Voting Trust	30	26	1,800	41	39	236	35¾	30	1,009	40	40	25				14
15	Canadian Fairbanks-Morse Pref.																15
16	Canadian Pacific Railway	178⅛	174⅛	223	162⅛	160½	175	180⅜	175¼	222	156⅜	148	199	181	174⅞	432	16
17	Canadian Car and Foundry Com.	53	42	3,806	32	29⅝	2,300	48⅛	36	4,365	30⅛	25	545	45	36⅛	1,380	17
18	" " " Pref.	76	72	1,487	70	66	430	78	63	2,717	66	55	1,270	77	67	950	18
19	Canadian Consolidated Rubber Co Com.										99¾	95	7				19
20	" " " Pref.																20
21	Canadian Converters							30	30	130				40	34	285	21
22	Canadian Cottons, Limited Com.	49⅛	45	283	51	50	146	53½	48⅛	4,003	51	46⅞	260	70	53	6,030	22
23	" " " Pref.	80	78⅛	270	78	75½	61	82	79⅜	480	76	75	58	82	80	749	23
24	Canadian General Electric	118	115⅜	323	103¼	102	296	121	116⅝	1,516	105¼	102	334	122	117	1,541	24
25	Canadian Locomotive Com.	62⅜	55	1,022	62	61	271	59	55¾	252				57	51	578	25
26	" " " Pref.	88	87¾	20	88½	88½	25				85	83½	21				26
27	Carriage Factories Com.	42⅜	40½	230	22	12	1,645	37	37	5	22	20	340	38	37	185	27
28	" " " Pref.																28
29	Cedar Rapids	80	76⅞	15¼				79	79	¾				80	80	¼	29
30	Civic Investment Co	80¾	79	4,576	76	73½	2,716	82¼	79	19,399	74⅜	71	3,137	83	80½	19,274	30
31	Consolidated Mining & Smelting Co $25 par				30¼	26⅝	4,484				27¾	26	1,738				31
32	Crown Reserve	.43	.39	8,950				.60	.43	22,228	.29	.26	150	.51⅛	.48	9,475	32
33	Detroit United	120	115¾	4,311	111	106	3,137	117	115	5,436	112⅞	106	5,886	120	116	6,094	33
34	Dominion Bridge	225	208	5,419	152½	128⅞	3,611	231⅜	205	10,973	154	137	4,329	218½	212	2,531	34
35	Dominion Canners Com.	11	11	15										20	18	300	35
36	" " Pref.																36
37	Dominion Coal Pref.	94⅜	91	10				95	94	30	96	90	7	95	95	5	37
38	Dominion Steel Corporation Com.	56¾	53	12,564	68½	59⅜	27,555	67⅛	55	83,298	63¾	59	10,682	72⅜	61¼	78,006	38
39	" " Pref.																39
40	Dominion Iron and Steel Co Pref.	98	94	345	92	90	93	99½	92	532	92	89	158	95	93	605	40
41	Dominion Textile Com.	83½	79	785	84	83	477	84	81	1,210	84	80¼	475	90½	84	5,403	41
42	" " Pref.	104	102½	50	101	99¾	10	105	103	14	101⅛	101⅛	20	104⅛	104	31	42
43	Duluth Superior Traction													44	43¾	40	43
44	Goodwins Limited Com.																44
45	" " Pref.	40	40	10							45	45	5	47½	47½	50	45
46	Gould Manufacturing Co Com.																46
47	" " Pref.																47
48	Hillcrest Collieries Com.																48
49	" " Pref.																49
50	Illinois Traction Com.	44⅛	44⅛	12							35	35	85				50
51	" " Pref.	90	89	191	84	84	35	90	87½	337	83⅛	80	30	89	87¾	120	51
52	Lake of the Woods Milling Co Com.	130	128	219	125	124	33	136½	128	1,357	125	125	10	133½	132	365	52
53	" " Pref.	120	120	8				120	116	15				116	116	21	53
54	Laurentide Co	190	184	3,041	175½	170	1,215	196	186	5,358	171	165	397	216	190	12,928	54
55	" " New																55
56	Lyall Construction Co Com.	73⅜	68	210	70	67	85	83	69	2,121	70	53	837	86	76	3,065	56
57	Macdonald Co., A., Ltd Com.	13¾	10⅜	440	15¼	14	1,430	14¼	12	316	15⅜	13⅜	1,090	18	14	2,058	57
58	Mackay Companies Com.	85	81¾	170	81¾	81¾	50	86⅜	85⅝	40	81¾	79⅛	21	86	85⅛	16	58
59	" " Pref.	68⅛	68¼	30	65	63⅝	16	67	67	35	64	64	15	67⅛	66¼	163	59
60	Maple Leaf Milling Co Com.				100	100	5				109	100	866				60
61	Mexican Light and Power Com.																61
62	" " Pref.																62
63	Minn., St. Paul & Sault Ste. Marie Com.													129½	129½	26	63
64	" " " Pref.																64
65	Montreal Cottons, Limited Com.	50½	50	11	54	52	210	50	50	55	51	51	5	62¾	52	2,494	65
66	" " Pref.	103	100	56	100	100	20	101½	101	98	100	99½	7	103	101⅛	92	66
67	Montreal Loan and Mortgage	165	165	100				165	165	162				164	164	6	67
68	Montreal Telegraph	136	136	20				136	136	9	135	115	48				68
69	Montreal Tramways							175	175	1							69
70	National Breweries Com.																70
71	" " Pref.							75	75	50							71
72	Nipissing $5 per share							8.75	8.00	700	9.40	9.40	10				72
73	Nova Scotia Steel and Coal Co Com.	130	123	6,404	108½	97	3,621	140	126	16,868	97	90	1,756	144	133⅜	12,148	73
74	" " " Pref.				110	110	30	112	110	39	105	105	5	113	113	15	74
75	Ogilvie Flour Mills Co Com.	138½	133	826	148	144	617	152	140	3,929	158	140	451	146	142	495	75
76	" " " Pref.	115	114	74	112¼	110	76	114	113⅜	39	112¼	111½	11	114	112½	137	76
77	Ontario Steel Products Ltd. Com.	39	36	50	30	25	95	37	37	16	33	20	1,045	42½	38½	2,365	77
78	" " " Pref.	73	73	3										91½	77	208	78
79	Ottawa L. H. & P.	95	95	10	78	77	30	95	95	53	70	70	35	95	95	95	79
80	Paton Manufacturing				130	130	5				124	124	15				80
81	Penman's Limited Com.	62½	60	228	71¼	70	290	75	63	2,834	70	69	76	78	70	1,212	81
82	" " Pref.	90	85	30	82½	82½	5	86	86	60	84	82	26	86	85	31	82
83	Porto Rico Com.							30	30	448							83
84	Price Bros. Com.	85	78	113	131	131	10	92	83½	439	120	120	50	110	105	48	84
85	" " Pref.																85
86	Quebec Railway, Light, Heat & Power Co	34⅝	32½	3,785	22½	19	2,001	37¼	33¼	11,848	19	16	1,082	36½	34½	5,116	86
87	Richelieu and Ontario							124	124	1							87
88	Riordon Pulp & Paper Co Com.	67	59	4,514	122	118	675	90	63	11,860	118	116	325	128½	88½	19,862	88
89	" " Pref.	94	94	15	93½	93½	5	93	93	15				96	95	122	89
90	Russell Motor Car Com.																90
91	" " Pref.													95	95	15	91
92	Sawyer-Massey Com.							27	23	50							92
93	" " Pref.																93
94	Shawinigan Water and Power Co	132	130	904	120½	119	495	136	130½	4,669	119½	117½	372	137	133	1,608	94
95	" " " New	129	127	43				130	128⅜	9							95
96	Sherwin-Williams Co Com.	45	45	15	58	56	80	55	54½	263	59	59	45	59	56	186	96
97	" " Pref.	99	99	53	99	98	22	97½	97⅜	65	98	98	10	98	97½	54	97
98	Smart Woods Co Com.				55	54	300	41	40	60	49	49	10	42	40⅜	218	98
99	" " Pref.													85	85	30	99
100	Spanish River Paper & Pulp Co. Com.	15	10	6,101	19	12½	2,137	13	11	3,740	16⅛	14	628	21¼	12⅝	30,090	100
101	" " Pref.	44	33	298	53½	47	473	39¾	35⅛	288	50	48⅛	55	61	38⅛	9,824	101
102	Steel Company of Canada Com.	59⅜	52⅝	12,138	61	55½	10,895	66¼	57⅜	50,734	58⅜	51½	12,064	66⅜	60¼	30,082	102
103	" " Pref.	88⅜	86	318	92	90⅜	713	94	88½	620	91	87⅜	357	94¼	91	295	103
104	Tooke Bros. Com.							20	20	10							104
105	" " Pref.				70	70	25	75	75	15	76	76	5				105
106	Toronto Railway	93	89¾	1,598	75½	74½	252	95⅝	89	1,038	75	65	2,151	90	88	1,052	106
107	Tri-City Pref.																107
108	Tuckett Tobacco Co. Com.				20	20	50	23¼	23¼	100	20	20	25	23½	23⅜	60	108
109	" " Pref.										80	80	5	90	90	25	109
110	Twin City				85	85	25	97	96½	26				97¼	96	83	110
111	West Kootenay P. & L. Com.																111
112	Winnipeg Electric				44	42	99	95	95	50	50	47	40	92½	90	215	112
113	Wayagamack	66¼	60	2,220	59	50	927	66¼	60	2,012½	56	51½	265	95	66¼	10,140	113

PRICES AND SALES 1917—(WITH COMPARISONS)

	OCTOBER 1917			1916 NOVEMBER 1917						1916 DECEMBER 1917						1915			1916			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	15	12	205	24	22½	365				24½	20	730				23	7	50,500	35	19½	50,987	23¾	12	2,820	1
2				65	63	345	47	47	5	63½	55	389				75	55	8,968	80	52	18,777	61	47	1,730	2
3	15	12	340				15	15	4	24	23	65							24	23	65	21	12	570½	3
4	47	44	18				46	46	70	60	53	465	46	46	15				60	53	465	53	42	485	4
5	133	129	540	148	146½	304	130	130	74	147	145	387	130	130	34	159	140	6,056	152	143	5,646	150	129	2,438	5
6	40	31⅜	6,233	53	44⅜	8,274½	32⅜	32	3,701	46¾	43	6,503	32	32	309	60	54	20,082	62½	43	93,162½	47¾	31¾	43,102	6
7	40	35	340	61½	60	235										65	57	1,050	67½	55	3,950	56	35	865	7
8	59½	57	2,771				57½	57	465				58¼	57	520	124	105	1,438				69	57	31,887½	8
9	92	90	578	95	92½	935	90	90	247	95	90	389	90	90	93	92	90½	5,126	99	90½	10,220	95¾	90	5,240	9
10	150½	150½	25	215	190	3,064				227	180	2,015				243	65	10,178	227	170	8,917	205	139½	2,971	10
11				90	90	20							76	76	10				90	85	105	85	76	75	11
12	42½	38½	4,791	42½	35	10,982⅝	39¼	39¼	837	45	32	12,084	39¼	39¼	50	20	5⅞	18,782	45	15	79,481⅞	45⅝	29¾	54,115	12
13	80½	76	1,969	93½	89	8,737½	76	76	330	95	88	7,064	76	76	32	76	59	21,497	95	70	58,367½	93¾	76	19,866	13
14				39½	35⅝	1,215	40	38	1,710	41½	30	1,580				15	5	3,890	41⅛	14	13,795	41	33	3,337	14
15																95	95	3							15
16	148	140	100	174	170½	43	135	131	161	167½	165	107	132½	127⅜	70	193½	139⅝	6,714	182½	165	5,494	165	127¾	1,072	16
17	22½	18	956	47	40	3,563	18¼	18¼	30	45	32	2,100	18½	18½	10	120	50	63,069	85	32	43,612	46½	18	24,653	17
18	54	50	1,101	85	71	3,355	49½	45½	190	84	69	3,385	49½	49½	170	126	98	16,078	101	63	16,079	89	49½	29,908	18
19							99¾	99¾	50							91	91	50	100	91	79	99½	90	158	19
20				97	97	25										101	100	200	97	97	32	97	95	82	20
21				46	39	620				44	40	130				34	34	56	46	30	1,322	43	39	998	21
22	49	48½	57	66½	59	2,785	49	48½	103	63	53	911	48½	48½	43	40	25	3,603	70	36	23,099	56	46⅞	1,584	22
23	77	75	12	82½	81	322	76	76	12	82	79½	149	76	76	7	77	71	3,062	82½	75	4,617	82	75	1,519	23
24	103½	100	564	125½	118½	4,699	101½	101½	41	120½	109	1,463	101½	101½	42	132	91	18,958	125½	100	21,287	114⅜	100	4,523	24
25	59	58	20	60	55	1,400	58	58	18	58	52	1,920				64½	36	37,786	67½	51	19,055	64	52½	7,973	25
26	85	84½	90				84½	84½	5							83½	78	272	88	81	128	90	83½	364	26
27	16	15	235	37	37	10										53½	35	18,075¾	48	29	10,865	25	9	2,760	27
28										60	60	5				81	75	220	75	60	120				28
29																79½	77	2,780	83½	70	20,052	79	79	¾	29
30	72	68½	4,105	83¼	80¾	16,599	68½	68½	1,642	82	79	11,658	68½	68½	1,078				83¼	79	71,506	83	68½	60,440	30
31	27	25	4,752				25	25	752				25	25	339				163	146	5,268	35½	24	41,381	31
32	.25	.23½	801							44	38	7,500				1.00	.32	151,794	60	39	79,548	44	23½	31,339	32
33	110½	104¾	1,223	122¼	116½	9,801	104¼	104¾	235	128⅛	118	14,624				73	62	11,966	128¼	69	124,858	128	104¾	43,687	33
34	139½	128	1,483	212	190	8,265	128	128	239	196¾	160	7,210	128	128	23	237	107	135,518	231¾	160	67,041	170	125	19,144	34
35				20	20	20				20	18½	168				35	31	1,985	20	11	503	26	19½	615	35
36																						65	65	100	36
37				98	95	12				98	98	97				101	98	165	99	91	425	96½	85	119	37
38	60	52	15,713	76	68¼	100,940	54½	52	6,665	82	60¼	149,351	53⅜	52	22,892	52½	20	247,356	82	40	623,711	71⅜	52	257,161	38
39																									39
40	89	87⅞	204	97	93½	600	88	88	38	97	94	245	88	88	35	96	72	4,068	105	92	3,903	95	87½	2,479	40
41	82½	80½	610	89¼	84	1,664	80¾	80⅝	187	86½	80	899	80⅝	80¼	336	77	64	12,939	90½	74	23,512	89	76½	7,378	41
42	101	99½	53	105	104	212	100½	100	50	104½	103¾	15				103	99	639	105	101	925	105	99½	390	42
43										41¾	41	30							44	41	70				43
44																26	26	1	26	26	100				44
45																			75	40	396	45	43	29	45
46	100	100	110																			100	100	217	46
47	100	100	10							80	80	5							80	80	5	100	100	95	47
48																						15	14¾	300	48
49																70	70	280							49
50	32½	32⅜	7	44	44	10													44⅜	44	22	35	32½	92	50
51	80	79	14	90	89	258	80	80	11	90	90	41	80	80	4	91	91	1,334	91	87½	2,133	89	79	916	51
52	120¼	120	105	133	132	97	120¼	120⅛	40	132½	126	115	120¼	120½	90	137	129	1,694	136⅜	126	3,276	130	120	678	52
53				116	116	5				116	116	4				122	120	142	120	116	79	116	116	2	53
54	165	152	1,575	217½	206	7,446	152	152	94	210	190	1,140	152	152	477	198	160	34,617	217½	176	39,549	195	152	8,941	54
55																									55
56				84	77	777½				77	69	805				39	14½	9,691	93	25	35,203½	80	53	3,739	56
57	15	13½	625	17½	14	1,561	13½	13½	45	14	12	580	13½	13¼	35	14	7	4,690	19¾	9¼	14,488	16	8	8,006	57
58	76	73½	68	86½	86	118				84	83¾	68	74¼	74	160	84	74	472	89	65⅜	1,235	90	73¾	725	58
59	62½	62½	12	66⅝	66½	10	61	60	14	65¾	64¾	112				73½	65	992	68⅞	64¾	739	67⅝	60	168	59
60	108	98¾	179	122	107	1,770	104	98½	145	115	96⅜	1,740	94	91	72				122	96⅜	3,510	115	91	4,902	60
61																									61
62																									62
63																126¾	117⅛	190	129½	129½	26				63
64																									64
65				62½	56	752	50	50	25	59½	55	155				57	51	1,790	62⅝	50	4,200	59	49	776	65
66	100	99	40	103	101	232										100½	99	606	103	99	1,032	102	99	479	66
67				165	165	44										175	165	55	175	160	348	165	162½	222	67
68	120	119	195	136	135	207	120	120	50	136	135	85				140	136	267	136	135	616	138	115	321	68
69	165	165	2							180	180	140				220	220	476	200	175	150	181	165	65	69
70																49½	49½	10							70
71																95	95	22	75	75	50				71
72																8.55	5.50	1,640	8.75	8.00	700	9.40	9.40	10	72
73	90	79	2,476	154½	139¾	11,525	79½	79½	100	149	104	12,358	66	66	5	107½	45¾	134,633	154½	92¼	170,629	126	66	51,033	73
74				115	112	95	105⅝	105⅝	10	112	112	20				125	110	858	115	110	861	112	105	134	74
75	143	140	285	146	144	480	140	140	194	150	145	410	145	140	131	144	110	5,179	152	128½	7,582	158	137	4,129	75
76	110	107	6	113	113	32	110	110	5	114	113	9				120	113	549	116	112½	714	115	107	643	76
77	25½	25¼	25	45	40	2,600	22½	22½	5	39	30	390				123	120	1,196	45	19	18,265	34	18	2,682	77
78				77	77	25				80	80	6				27¼	13⅜	5,526	91½	73	897	74	74	25	78
79	69¾	69¾	15	95¼	93	87				94½	92	60				74½	72½	1,017	120	92	354	95	69¾	427	79
80																85	85	100	102½	102½	25	130	124	156	80
81	69	64	365	78	73	732	66	65	42	74¼	70	215	65	65	11	63	49	8,532	78	59	10,991	73½	64	2,755	81
82	82	81¾	94	82	82	5	81⅞	81⅞	35	86	84	21	81⅞	81⅞	5	84	82	581¼	90	82	460½	86	80	284	82
83										30	30	448							60	30	901	40	35	127	83
84				132	130	183	120	120	105	130	120	492							132	60	2,343	134	115	926	84
85																									85
86	17¼	14⅜	2,076	44¼	35	28,101	15	15	93	45	25	29,672	15	15	20	20½	9½	56,521	45	13½	155,924	35	14¾	44,461	86
87																80	75	31	124	90	6				87
88	122	115	1,394	150	128	13,332	117½	117½	31	144¾	111	5,082							150	59	54,650	127	106	12,901	88
89	94	91	45	96	95¼	70	92½	92	17	95	92	318	92	92	8				96	92	540	95	90	827	89
90																									90
91																			95	95	15				91
92																31½	30	125	32	23	777				92
93																74¾	69	120	76½	69½	530				93
94	116	107	2,304	135	133	911	107	107	1,197	134	126¾	1,189	107	107	336	139½	110	37,363	137	126¾	27,509	131	107	12,042	94
95																136	116½	557	130	127	52				95
96	60	59	362	59	57	375				57	57	75				65	55	475	60	45	1,274	60	56	1,100	96
97	98	98	7	99	99	46	99	99	3	99	97½	130				100½	99	768	100	97½	655	100	98	311	97
98	53¾	50	119	51¼	42	267	61	54	468	65	50	486				45	20	878	65	33	1,742	61	43	1,225	98
99				86	84	370	86	86	4	86	86	84							90	84	496	86	80	49	99
100	15	13	788	25	17½	29,280½	13	13	80	23	15	5,026½				7¼	3	3,439	25	3½	85,620	19	12½	9,545	100
101	49	49	2	69½	55	8,317				66	56½	1,976				35	35	55	69½	29	21,480	59¼	47	2,418	101
102	55¾	49½	7,678	82	66	113,615	50⅝	49½	3.743	88	53¾	131,880	50⅞	49¼	2,141	52½	8½	157,918	88	34½	644,153	71½	49½	167,765	102
103	88	85	360	100½	92	2,315	85¼	85¼	17	107½	91	1,425	85½	85½	15	95	69	7,149	107¼	86	10,437	100	85	3,706	103
104				22⅜	20	65				22	22	25	19	19	4	20	16	214	25	16	404	19	19	4	104
105				83	80	134							72⅜	72¼	10				83	75	229	79	70	154	105
106	65⅜	60	747	88	78	2,750	60	60	264	81	73	2,601	60⅜	60	268	117⅞	111	17,408	111	73	18,629	91	60	10,977	106
107																89	89	5							107
108	18½	18½	25	24	23½	430				24	23⅛	160				29¼	29	506	24	22	877	22½	18⅜	515	108
109																90	90	64	90	90	30	83⅜	80	108	109
110	79¼	79¼	10	97	96½	20	71	69½	75	93⅜	93⅜	15				101	95	517	98½	93⅜	475	95	69½	319	110
111																									111
112	48	48	50													180	180	229	110	90	375	81	42	381	112
113	50½	50	55	112⅛	89	13,505	50	50	5	106	91	2,736							112⅛	50	38,530½	97	50	8,454	113

TORONTO STOCK EXCHANGE

	STOCKS	JANUARY 1916 High	JANUARY 1916 Low	JANUARY 1916 Sales	JANUARY 1917 High	JANUARY 1917 Low	JANUARY 1917 Sales	FEBRUARY 1916 High	FEBRUARY 1916 Low	FEBRUARY 1916 Sales	FEBRUARY 1917 High	FEBRUARY 1917 Low	FEBRUARY 1917 Sales	MARCH 1916 High	MARCH 1916 Low	MARCH 1916 Sales	MARCH 1917 High	MARCH 1917 Low	MARCH 1917 Sales	
1	American Cyanamid Co. Com.	68	63½	655	30	30	50				29½	28	275							1
2	" " " Pref.	66	66	18	55	55	2				51	50	200				52	51½	20	2
3	Ames-Holden-McCready Com	Listed Feb. 11, 1916						20½	20	20				28	22	724	19½	19½	20	3
4	" " " Pref.	Listed Feb. 11, 1916									50	50	10	73⅝	70	65	59	50	25	4
5	Barcelona	10	9	110	14½	12½	1,594	9⅞	8½	272	12⅜	11⅛	1,620	10	9	538	12⅝	12	1,258	5
6	Bell Telephone	144	143	26	143½	143½	15	146	145½	21	149	149	85	148¼	146	35				6
7	Brazilian Com.	53	53	315	47¾	43½	4,999	53	53	425	45⅝	43	2,102	53	53	13	44	41⅞	3,628	7
8	" " " Pref																			8
9	B.C. Fishing and Packing Co	60½	60½	5							57	57	25	61	61	20				9
10	Burt Co., F. N. Com.	80	72½	581	78	78	70	79	78	71	85	78	157	79	76	265	85	84	114	10
11	" " " Pref.	95	92¼	161	91	91	12	92½	91	94	92½	89	252	93	90½	170	93½	90¼	42	11
12	Canada Bread Com.	30	30	10	17	16	167				17	16	280				16⅝	16	585	12
13	" " Pref.	90	90	58	86½	86½	40	90	90	10	85½	85½	2	90	90	10	85½	85	78	13
14	Canada Cement Company Com.	52	38¾	17,413	69⅝	62½	4,115	48¾	43½	3,557	62⅝	56	4,859	55½	44⅞	11,611	64¾	59	1,778	14
15	" " Pref.	92	91	55	95½	94	52	91	90½	56	93	91¾	25	92	90½	186	92½	92	30	15
16	Canada Foundries & Forgings Com.				190	190	25													16
17	" " Pref.																			17
18	Canada Steamships Co., Ltd. Com.	18¾	15⅝	1,800	37⅞	33½	3,065	19⅝	16½	3,249	35½	30½	3,479	20	16	10,035	40¼	34⅝	10,028	18
19	" " Pref.	73⅝	69¾	1,731	93¾	91	1,893	76½	72¾	2,484	93½	85	3,460	78⅞	73½	4,001	85½	83½	1,460	19
20	" " " Voting Trust	17⅛	13⅝	425				17½	17	255				17¼	15¼	225	32½	32½	100	20
21	Canadian Locomotive Com.	60	59½	110	58	57⅝	25				57	52½	283	61½	56	230	56	55	312	21
22	" " Pref.	89	85	8	89	88	49	86	84	29	90	88	64	84	82	48	90	88	260	22
23	Canadian Car & Foundry Com.	81	75½	180	35	26½	325	69¾	63	35				69	68	75	27	26¾	25	23
24	" " Pref.	99	98	45	88	60	396				74	68	70							24
25	Canadian General Electric Com.	114¾	109	821	114	111	392	116¾	108½	1,184	111	102	488	115	108⅝	1,044	111½	108	698	25
26	" " Pref.	110½	110½	25	106½	106½	20				106	106	20				105½	105½	36	26
27	Canadian Pacific Railway	179¾	167	46	164⅛	160¼	141	175	168	158	158	149½	638	169	164¾	37	166¼	151⅛	174	27
28	Canadian Salt																136	128	42	28
29	City Dairy Com.	98	98	1													30	30	1	29
30	" " Pref.	100	100	1				101	100	48				100	100	47				30
31	Confederation Life	350	350	10	330	330	100													31
32	Coniagas Mines, Ltd ($5 per share)	5.00	4.00	900	4.70	4.00	3,416	4.40	4.05	450	4.20	4.00	2,206	4.50	3.90	450	3.75	3.50	1,025	32
33	Consumers Gas	176	176	49	165¼	164½	789	176	176	111	165	164½	254	176	176	87	165	162½	427	33
34	Crow's Nest Pass Coal Co	80	75	548				83	79	245				77½	76	80	70	70	25	34
35	Crown Reserve ($1 per share)	52¼	42	3,300	43	43	250	44	44	200	37	37	150				35	35	1,000	35
36	Detroit United	79½	70¾	720	127	120⅜	115	88½	75½	586	120	113½	225	88	86¾	55	117¾	115¾	100	36
37	Dome Mines ($10 par)	28.50	28.50	50	23.25	20.62	230	29.25	23.88	698	20.00	19.75	50	25.25	23.75	200				37
38	Dominion Canners Com.				20	19	195				23	20½	225				25	21	360	38
39	" " Pref.										68	65	60				78	63	704	39
40	Dominion Coal Co. Pref.																			40
41	Dominion Iron & Steel Pref.							88	88	25				97⅜	97¾	23				41
42	Dominion Steel Corporation Com.	47¾	44½	489	71¼	60⅝	10.382	45⅛	42½	690	63	53	11,840	47⅜	44	815	68⅝	61¼	9,151	42
43	" " Pref.																			43
44	Dominion Telegraph				90	90	60				89	89	9							44
45	Duluth Superior				50½	43	971	43⅜	40	484	51	46⅛	470	49	41⅜	545	50½	50	361	45
46	Electrical Development Pref.																			46
47	Illinois Traction Pref.																			47
48	International Petroleum Co. ($5 par)	13.25	12.40	8,190	14.45	11.10	997	13.36	12.70	8.075	12.50	11.25	1,600	13.25	11.75	1,275	15.30	11.62	4,130	48
49	Lake Superior Corp.																			49
50	Lake of Woods Milling Co Com.																			50
51	" " " Pref.																			51
52	La Rose Consolidated ($5 per share)	.67	.67	100	.53	.53	1,000	.67	.65	1,260	.52	.49½	1,260	.63	.60	1.350	.56	.50	3,760	52
53	Mackay Companies Com.	80⅝	79	1,413	89½	83	3,243	90½	79	5,421	90	85½	2,018	82	79½	1,315	89¾	86½	1,549	53
54	" " Pref.	68	66	593	68	64½	362	68	67	528	68	65	469	68⅝	67	375	67	65	815	54
55	Maple Leaf Milling Com.	75	60	2,466	102½	97	985	76	70	607	99	90	576	96	71	8,741	115	100	7,847	55
56	" " Pref.	98	94⅞	248	97½	94¼	201	98	96¾	129	95½	94¾	367	100	98	287	95	94	497	56
57	Mexican Light & Power Com.																			57
58	" " " Pref.																			58
59	Minn. St. P. & S. S. M. (Soo) Com.																			59
60	Monterey Railway L. & P. Pref.																			60
61	Monarch Knitting Com.	30	25⅜	8	40	35	51	25½	25⅜	5	40	40	213				40	40	203	61
62	" " Pref.	82	82	76	81	80	80				81	80	23				80½	80	109	62
63	National Steel Car Co. Com.				21	15½	487				16½	14½	383				14½	10½	459	63
64	" " " Pref.				78	64	161				61	55	146				47	37	160	64
65	Nipissing ($5 per share)	7.75	7.10	130	8.50	8.30	830	7.25	6.55	745	8.40	7.90	700	7.45	6.40	215	8.05	7.80	497	65
66	Nova Scotia Steel and Coal Com.	102	95¼	1,089	128	107	3,210	99¼	90	1.755	110½	91	1,825	110⅝	93½	16,568	106	98	1,425	66
67	" " " Pref.				70	70	10													67
68	Ogilvie Flour Mills Com.																			68
69	" " Pref.							116	116	25	111½	111¼	5	116	115⅜	54				69
70	Pacific Burt Com.	30	29	66	29	28	145				31	30	29				40	35½	390	70
71	" " Pref.	83¼	83	40	80½	80	154	83	80	18	81	81	4	83	83	17	91	80	23	71
72	Penman's Limited Com.	60⅝	59⅞	370				62	59¾	59				63	61	140				72
73	" " Pref.							82	82	20	83	83	10	87	82	61	81¾	81¾	5	73
74	Porto Rico Com.				42	35	637				40	35	27				40	36	202	74
75	" " Pref.																			75
76	Quebec Railway L. H. & P.				34⅝	21¼	4,150				27½	22	2,080	19	18	275	28	24½	660	76
77	Riordon Pulp & Paper Co. Com.				123	117	145				118¼	106	120				118	117½	75	77
78	Rogers, William A. Com.							95	95	58	80	74	37				75	74	27	78
79	" " Pref.	99	99	5	92	92	10	99	99	5	91	90	60	99	99	85	90½	90	37	79
80	Russell Motor Car Com.	35	35	11	95	72	319	32	32	10	85	70	374	44	32	250	90	82	555	80
81	" " Pref.	68⅛	66	90	115	100	521	65	65	2	112½	100½	777	75	60	513	121	110	1,216	81
82	Sawyer Massey Com.													31	25	812	24	19	240	82
83	" " Pref.	74	74	5										72	69	160				83
84	Shredded Wheat Co. Com.	103½	102¾	360				110	105	165	136	136	30	113⅝	107¾	606	137⅝	135	30	84
85	" " Pref.	95	95	10							95	95	10	97½	95	30				85
86	Spanish River Paper & Pulp Com.	5	5	10	18	16	244				17¼	15½	319	10½	5	759	18	16	355½	86
87	" " Pref.				59	51⅝	115				57	51⅝	95							87
88	Steel Co. of Canada Com.	40	34¾	3,841	70¾	61½	4,465	42	34½	8,478	62	52	6.622	47	39	12,599	69	59¼	17,610	88
89	" " Pref.	94	87½	73	100½	95½	463	89	86	477	95	93¼	532	93	89	763	97	94	1,383	89
90	St. Lawrence & Chicago	120	115	66				119	116	42				165	117	551				90
91	Tooke Bros., Ltd. Com.													21	21	25				91
92	" " Pref.																			92
93	Toronto Paper Co	46	46	5	74½	72	390	43	43	5	74⅜	74⅜	25	42	42	10	89	78	525	93
94	Toronto Railway				83	76	824	111	111	25	86⅜	77	823	111	111	4	90⅜	85½	255	94
95	Trethewey ($1 par)	19	18	1,300	19	17	4,500				18	16	1,750				17	16½	2,800	95
96	Tuckett Tobacco Co Com.				22½	22½	25				20	20	225							96
97	" " Pref.																			97
98	Twin City Com.	96¼	94¾	350	95	93	452	96½	94¾	213	94½	93	439	96½	94½	105	94	93	111	98
99	Western Canada Flour													102	102	5				99
100	Winnipeg Electric				80	78	52				80	78	92				75½	72	163	100
	RIGHTS																			
101	Consolidated Mining & Smelting Co.																			101

PRICES AND SALES 1917—(WITH COMPARISONS)

	APRIL						MAY						JUNE						JULY					
	1916			1917			1916			1917			1916			1917			1916			1917		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	66	66	10				46	39¾	250				44½	44¼	50				40	40	20	20	19	125
2	66	66	40				70⅞	65	420				71	70½	100									
3	30	26½	385	17	17	25	33½	25	310				34½	28	198				20½	20½	10			
4	75	74¼	55				78½	73	732				80½	78	400	49	49	10	65	54	235			
5	12½	10¼	2,414	12	11⅝	920	14¼	10½	8,088	11½	11	350	14	12	1,090	11⅜	10½	335	15¾	13½	3,733	11½	10⅜	534
6	146	143	35	144½	143½	120	147	145½	77	142	140	64	152	147	232	141	139⅞	161	151½	147⅞	446	138	136⅝	14
7	56	53	7,669	43½	37	16,129	62⅝	50½	12,291	40⅜	38⅜	4,595	61⅞	57	4,418	40	38	3,792	61	57	2,444	40⅝	38½	4,424
8																								
9	67	60⅜	435				62	59¾	95	45	45	75	59½	59½	10				59	59	5			
10	76	75	190	80	80	1	75	74	51	80	79	90	75	73	60				81	80½	40			
11	92	90	319	90	89	145	95	91⅛	217	90	88	100	95	93	53	90	89	97	95	93	52	89	84¼	32
12				16⅛	16⅛	50	26¼	23½	5,605	15	15	30	25	22	784	15	15	10	22	21	165	15	15	134
13	90	90	1				88	87¼	192				87½	87½	36				88	88	1			
14	64½	54½	15,324	64½	59½	1,471	69¾	62	13,235½	65	57¼	5,330	73	65¼	11,570	64½	59⅜	2,480	70	59⅞	8,525	61½	60	278
15	94¼	92	196	95	95	10	96¼	93¾	79	92¾	92½	55	97	95	273	92¾	91¾	60	94⅜	93½	75	92½	90	38
16																								
17																								
18	28⅜	19½	28,724	40½	36½	6,052	27⅝	24½	5,270	40⅜	36	3,262	30	27⅜	10,715	45¼	36	18,768	28⅞	24¾	2,382	44	40½	1,716
19	82⅜	76½	9,419	87	83½	3,452	86	80	5,137	87⅜	85	2,998	87¼	84	3,617	81	77	2,982	85	81	1,469	81½	78½	698
20	25⅜	17¼	1,140				25½	25	400				26	25	125									
21	60½	58	419	63⅜	58	873	66¼	57	320	60	57½	254	65	62	126	59½	57	85				63¾	57¼	860
22	82½	82¼	25	91½	89	96	84¼	82	60	88	87	42	87½	85	175	86½	85½	26	87¼	87¼	7	90	88	59
23	72	70½	80	28	28	25	73¾	65	300	29	28½	15	70⅜	70⅜	30	31½	28¾	20	52¾	47	127			
24				69	69	2	92	88	75	68	65⅝	70	89	89	25	74	73	20	85	82	35	69¾	66¾	5
25	113	108	1,179	114½	108	624	115⅜	110	2,452	108	107	684	120¼	113½	3,496	108	103½	443	118½	115	805	103	100¼	336
26	109	109	10	109	105	48	114½	112	56				112	112	65				112	112	7			
27	169	165	298	162½	159¾	155	182½	175	331	163	157½	38	179½	176½	70	162½	159½	102	180	176	54	167½	159	52
28				134	133	75				133	133	5										130	130	10
29				30	30	115	89	89	1							30	30	25				30	30	10
30	100	100	12	70	70	4	100	100	30				100	100	52				100	99⅞	20			
31																								
32	5.25	4.46	3,090	3.75	3.60	550	5.95	5.00	3,623	3.80	3.60	300	5.15	4.95	740	4.30	3.70	790	4.95	4.50	110	4.40	4.40	50
33				165¼	164	279	169	168	189	165½	165	221	170¼	168¼	82	152⅜	150¾	720	170	168	345	150⅜	150	189
34	76	75¼	138							50½	50	60												
35	57	45	3,370	32	25	510	50	50	65	31	30	2,275	56½	48	8,500	25	25	2,060				29	29	100
36	99	95	145	119½	116	50	117½	110¼	520	112½	111	86	115⅜	112⅜	125	109⅜	108½	40	116	116	20	108	107	100
37				17.50	14.50	125	28.50	27.60	511	15.50	11.25	2,005	27.00	27.00	57	11.85	9.75	3,505	26.50	26.00	125	12.15	10.00	760
38				23	20	137				23	21	118				24	23½	60	5½	5½	1	23	22	125
39										75½	71	17				75	75	10						
40																								
41							96⅞	96¾	25	90	90	20	90	90	2				99½	91¾	98			
42	52¾	46½	11,673	66⅛	59	4,639	60	48¾	26,752	67	58½	7,407	58⅝	51¾	10,185	66	60¼	3,423	56½	51⅛	3,848	60¾	59	1,745
43																								
44																								
45	46¼	45½	52	50	49	286				50	45	152	49	41⅜	545	45	43½	65	46¼	45½	52	43⅜	42½	100
46																								
47																								
48	12.50	12.50	150	15.00	13.50	995	10.87½	10.50	510	14.01	12.75	1,060	11.00	10.00	415	13.75	13.00	430	10.38	10.25	320	13.50	13.00	300
49																								
50																								
51																129¾	129¾	10						
52	.79	.55	3,790	.51	.50	2,050	.90	.60	5,395	.45	.43	2,320	.67	.60	750	.40	.40	300				.47	.46	720
53	80½	78	730	87	84½	1,259	86¼	79¾	3,624	85⅜	81¾	1,684	85⅛	82	825	85	82	554	83¼	82	1,296	83	81¼	868
54	68¼	67⅝	565	65½	64½	433	69¼	62¾	614	65½	65	329	69¼	67½	608	65¼	64	69	69	68	437	65	64	294
55	94½	89	2,155	113½	105	1,586	97½	89½	8,299	108	102	706	96¼	88⅜	6,999	105	102	285	94½	88	1,080	106	100	466
56	98¼	96	265	96	94	209	98	96½	437	94⅜	93½	252	97	95½	665	95	94	86	96	94	225	94¼	92½	43
57																								
58																								
59																								
60																								
61				40	40	101				40	40	52				40	40	15				35	35	6
62				80	80	32																		
63	30	29	15	11	8½	30	31	30	7	8	6	23	31	31	19	12	11	30				13	10½	90
64	82	82	106	40	35	90	82	82	10	28	28	20	82	80	164				83	82	32	29¾	25	150
65	8.10	7.10	2,266	7.75	7.50	55	8.75	7.50	2,354	7.50	7.22	385	7.75	7.15	865	7.60	7.40	585	6.95	6.40	390	7.70	6.95	800
66	109¾	104½	2,883	99⅝	88	840	132½	107	14,954	96	89	590	132	120¾	3,182	107	92	2,815	130¾	122½	570	99	93⅜	580
67																								
68				14	14	75	128¼	128¼	50															
69				112⅜	112⅜	3																		
70				40	38	70	25	23	75	38	38	35	25	25	25	37⅛	37½	3	25	22	78	36	36	12
71	80	80	11	80½	80	18	80	80	74	80	80	7	80	80	46	82	80¼	22	80	80	4	81	80¼	46
72	62	61½	45				62½	61¾	265				62½	62	50				62	62	90			
73				85	84¾	20																		
74				39½	38	40	41	37	245				49½	41½	490									
75																						80	80	1
76	24	23	75	28¼	26¾	860	28	25¼	155	29½	20	945	30	29	95	20½	18	395	33¾	29½	570	22¾	17½	220
77										124¼	118	235												
78				70	65	37	85	85	6	65	65	25	90	85	33				92	90	242			
79	99	99	48	90	90	9	98	94	55	90½	90	20	98	94	17	90	90	9	95	94	36			
80	52	40¼	551	92	74	263	70	47½	1,577	70	69	40	60	57	172	75	70	45	60½	55	66	80	70	131
81	85	71	916	122	104	1,177	95	85	747	110	100½	252	89	87	60	110	106	210	93	90	412	111	109	106
82	31¾	29	269							15	8	35							22	20	50	10	10	25
83	77½	74½	435				75	74	145				75	74	215									
84	113	109½	115				117½	113	525	132	130	74	125	119	425	131	130	132	128	121½	270			
85	97½	97	40																100	100	10			
86	8¾	8	332	17	15	72 1/10	11	8½	2,526	14	14	5 3/10	9½	8	394	14	14	25	11	8	970	14	14	9
87				51	50⅜	35	31½	31½	50	51	49⅞	185	32	32	30				34½	31	26			
88	62½	46¼	20,515	67½	58⅞	6,120	65	58	4,940	63¾	56½	5,116	64	56	1,646	64	58	2,735	59½	52⅜	2,188	58¾	53½	520
89	94	88¾	719	94¾	92	365	90	88½	1,098	93	91	227	91	89½	862	91½	91	582	90	87½	82	92½	89¼	526
90	186	164	3,075																					
91	24	19	77				23	23	5															
92																								
93	47	45	20	88	80	675				90	86	976				82½	82½	5	44	44	15	80	80	5
94				88	81	264	107	101	716	80	76½	419	103	99½	362	80	74	247	99¾	89½	1,096	75¼	73⅞	377
95	30	19	6,600				30	26	13,800										21	20	2,000			
96																								
97				78	78	20													86½	86	8			
98	97¼	95	335	92½	90	325	99	96	583	92	85	508	99¼	97	1,622	89	85⅝	69	98	96	193	85⅜	84	511
99																								
100										55	48½	266	110	110	25	49	45	15	99½	98	290	40	40	149
101																								

TORONTO STOCK EXCHANGE

	STOCKS	AUGUST 1916 High	AUGUST 1916 Low	AUGUST 1916 Sales	AUGUST 1917 High	AUGUST 1917 Low	AUGUST 1917 Sales	SEPTEMBER 1916 High	SEPTEMBER 1916 Low	SEPTEMBER 1916 Sales	SEPTEMBER 1917 High	SEPTEMBER 1917 Low	SEPTEMBER 1917 Sales	OCTOBER 1916 High	OCTOBER 1916 Low	OCTOBER 1916 Sales	
1	American Cyanamid Co. Com.				21	21	50				19	19	25				1
2	" " " Pref.							62	62	50				62¾	60	72	2
3	Ames-Holden-McCready Com.	22	20½	145				22	21¾	35				25⅝	25	210	3
4	" " " Pref.	58½	58	15				59	59	10				65½	64	95	4
5	Barcelona	17	14¼	4,827	11	10⅝	105	16	14	2,205	10⅜	10½	262	14½	12½	1,182	5
6	Bell Telephone	148	148	30	138	137	17	150⅛	149½	222	137	135	27	149	148	85	6
7	Brazilian Com.	59½	56¾	4.470	41	38⅜	2,249	60¼	56½	6,062	40¼	38⅝	2,253	57⅜	52	12,141	7
8	" " Pref.																8
9	B.C. Fishing and Packing Co	60	60	25	42½	42½	12	60	60	20				64	58	35	9
10	Burt Co., F. N. Com.	80	80	100	75	75	25	82	78	186	65	65	10	81	80	25	10
11	" " Pref.	93½	93	20	89	88	70	96	93¾	49	88	88	68	94½	93	50	11
12	Canada Bread Com.	21	20	237				20	19	154	15	15	27	19⅝	18¾	1,034	12
13	" " Pref.	87¼	87	34	85	85	7	87	87	34				90	87	68	13
14	Canada Cement Company Com.	69¼	55	14,329	63	60½	595	66½	60⅜	4,801	62½	59	483	70½	64	9,537	14
15	" " Pref.	92½	92	57	91	90	40	95	93	70	91	90½	10	94⅝	94	85	15
16	Canada Foundries & Forgings Com.	190	190	25				197	190	18				190	190	15	16
17	" " Pref.																17
18	Canada Steamships Co. Com.	31¼	25⅛	4,420	45¼	41½	3,319	38⅜	30½	20,984	42⅞	40¾	1,843	35⅝	32⅜	3,626	18
19	" " " Pref.	86⅜	83¾	1,571	79¼	78½	878	91⅝	86½	3,748	79	77	545	91½	89	4,055	19
20	" " " Voting Trust	29¼	26½	115				35½	34	325	39	39	100				20
21	Canadian Locomotive Com.	59½	58½	54	63	61¼	101	57	57	3	60	58	60	57	53¾	41	21
22	" " Pref.	88¼	87	24	89	88	10	90	88	36	86	85	21	88¼	87	14	22
23	Canadian Car & Foundry Com.	50	45	40				47	36	125				41	41	40	23
24	" " " Pref.	76	73½	157	69	69	6	76	66	115				75	71½	135	24
25	Canadian General Electric Com.	118½	115⅝	494	105	103	192	121½	116¾	2,226	105	102½	615	122	117½	1,688	25
26	" " " Pref.	112	110	66													26
27	Canadian Pacific Railway	178	176	44	162¾	159	55	179½	177¾	44	155½	150	49	179½	174	126	27
28	Canadian Salt	130	125	25							129	129	5				28
29	City Dairy Com.				30	30	75				30	30	30				29
30	" " Pref.	99½	98½	19	60	60	8	99	97¼	59	60	60	10	97	97	23	30
31	Confederation Life																31
32	Coniagas Mines, Ltd ($5 per share)	4.85	4.25	1,165	4.25	4.00	500	4.70	4.70	100	4.00	3.90	1,250	5.00	4.99	1,120	32
33	Consumers Gas	169	168	75	152	150	38	168	168	10	150	148	68	166	160	11	33
34	Crow's Nest Pass Coal Co.							72	71	70	55	55	20	73	72	140	34
35	Crown Reserve ($1 per share)	43⅜	40½	3,200	25	23	225	58	58	200	27	27	500	54	50	1,010	35
36	Detroit United	118½	118½	50	109¼	107½	110				111⅛	111⅛	10	118⅜	116¼	125	36
37	Dome Mines ($10 par)	26.00	26.00	100	12.25	9.75	1,150	25.00	25.00	15	9.90	8.50	670	25.50	25.50	100	37
38	Dominion Canners Com.							15	15	160				20½	19	158	38
39	" " Pref.																39
40	Dominion Coal Co. Pref.																40
41	Dominion Iron & Steel Pref.	94¼	94¼	100	92	90⅝	32	97	91⅜	42				94¼	94¼	500	41
42	Dominion Steel Corporation	57	53¼	2,845	68¼	60⅜	5,689	67¾	55¼	23,459	63⅜	59	2.828	72⅝	61¼	27,073	42
43	" " Pref.																43
44	Dominion Telegraph							90	90	50				90	86	45	44
45	Duluth Superior	46	45½	223	41¾	40	50	46	45	90	46	40	213	44	43	145	45
46	Electrical Development Pref.																46
47	Illinois Traction Pref.													88	88	5	47
48	International Petroleum Co ($5 par)	10.30	10.30	5	13.63	12.25	1,015	12.50	11.16	605	13.25	12.00	175	11.13	11.13	50	48
49	Lake Superior Corp.																49
50	Lake of Woods Milling Com.							134½	134½	50	124¾	124¾	10	132½	132	60	50
51	" " Pref.																51
52	La Rose Consolidated Mines ($5 per share)	.61	.61	1,200	.50	.46	2,700	.63	.63	100	.57	.50	1,740	.60	.56	450	52
53	Mackay Companies Com.	86½	81¼	2,988	82	80	1,118	86¼	84½	2,102	81½	77⅜	537	87	85	1,439	53
54	" " Pref.	68¾	67½	1,073	64⅝	64	259	67⅜	66	491	64	63½	99	67⅜	66¼	477	54
55	Maple Leaf Milling Com.	90	85	510	103½	99	468	109	86	9,328	110	99	2,152	116	105½	11,893	55
56	" " Pref.	94⅜	93¼	290	94	91⅜	234	97¼	93¾	265	110	92	334	98	96	204	56
57	Mexican Light & Power Com.	15	15	10							14	10	130				57
58	" " Pref.																58
59	Minn. St. P. & S. S. M. (Soo) Com.																59
60	Monterey Railway L. & P Pref.																60
61	Monarch Knitting Com.	32	32	8	35	35	42	32	32	35	35	35	130	35	35	5	61
62	" " Pref.	83	82	27	80	80	50	82	80	54				82	80	12	62
63	National Steel Car Co. Com.				8	8	8				6	5	60				63
64	" " Pref.				30	27½	29				29	29	30				64
65	Nipissing ($5 per share)	7.20	6.90	215	8.55	7.90	590	9.05	7.10	4,590	9.50	8.80	400	8.60	7.90	970	65
66	Nova Scotia Steel and Coal Com.	130½	110	527	109	98	1,121	139½	127⅛	2,428	99½	89	155	144	135¼	2,206	66
67	" " " Pref.													145½	145½	10	67
68	Ogilvie Flour Mills Com.																68
69	" " " Pref.																69
70	Pacific-Burt Com.							22	22	25				22	20	87	70
71	" " Pref.				80½	80	12	79⅞	78	18				80	78	15	71
72	Penman's Limited Com.							75½	63	485				72	70½	75	72
73	" " Pref.							86	85¾	66				95⅞	85	15	73
74	Porto Rico Com.	44	40	191				49	43½	75				46	45	60	74
75	" " Pref.	95	95	10													75
76	Quebec Railway L. H. & P.				22½	20⅞	145				16	16	5	35½	35¾	10	76
77	Riordon Pulp & Paper Co Com.				122	120	25				116½	116¼	25				77
78	Rogers, William A. Com.	90	88	6				86	85	27				85	85	15	78
79	" " Pref.	94	94	7				90	87	80				90	90	107	79
80	Russell Motor Car Com.	57	57	41	80	70	95	61	57	123	69	69	20	85	60	2,579	80
81	" " Pref.	92½	90	90	112	105	117	95	92	538				109	94	2,863	81
82	Sawyer Massey Com.				10	10	50	27	20	55				23¼	23¼	10	82
83	" " Pref.																83
84	Shredded Wheat Co. Com.	131	128	330				135	131½	120	122	122	25	135	132	153	84
85	" " Pref.	100	100	10										98	98	17	85
86	Spanish River Paper & Pulp Com.	15	10	3,438	19	15½	799½	12⅜	11	2,495				21	12⅝	10,134	86
87	" " Pref.	45	34	276	53½	51½	84	40	35½	424				60	39	2,638	87
88	Steel Co. of Canada Com.	59⅞	53½	3,300	60⅝	55½	2,152	66	58	10,341	58¼	51½	2,430	66½	61	12,465	88
89	" " Pref.	88¼	87	543	91⅜	90½	408	94	88½	345	89½	86½	225	95	91	296	89
90	St. Lawrence & Chicago																90
91	Tooke Bros., Ltd Com.																91
92	" " Pref.																92
93	Toronto Paper Co.	53	53	25	76	76	5	61	54	90	72	72	30	75	61	474	93
94	Toronto Railway	93	89½	785	76	74½	81	96	90	312	75	64½	647	90½	86½	698	94
95	Trethewey ($1 par)	21	19	900													95
96	Tuckett Tobacco Co. Com.				21	21	25				21	21	25	23¾	23½	54	96
97	" " Pref.	86	86	5										85¼	85½	49	97
98	Twin City Com.	97½	96¾	369	85½	85	288	98	96½	212	85	80	511	97	96	415	98
99	Western Canada Flour													118½	118½	17	99
100	Winnipeg Electric	95	92	67	47	36	219	95	94	136	49	45	90	92	91	215	100
	RIGHTS																
101	Consolidated Mining & Smelting Co													2¾	2½	2,583	101

PRICES AND SALES 1917—(WITH COMPARISONS)

	OCTOBER 1917			NOVEMBER 1916			NOVEMBER 1917			DECEMBER 1916			DECEMBER 1917			1915			1916			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1										28	27	75							68	27	1,060	30	19	525	1
2				60	58	50													71	58	750	55	50	222	2
3				23½	23½	65				21	21	10							34½	20	2,112	19½	17	45	3
4				64½	63½	75													80½	54	1,682	59	49	45	4
5	10½	8½	1,387	16	13	2,574	8¾	8½	385	13½	12	1,757	9¾	8¾	375	12⅜	7½	18,341	17	8½	28,790	14¼	8½	9,125	5
6	130	129	107	148½	146	31	130	130	15	145½	144¾	8	130	130	5	158	140	554	152	143	848	149	129	630	6
7	39⅜	31¾	5,971	52⅜	45	10,751	32¼	32	2.548	47	41¾	6,550	32	32	870	59½	53	19,522	62⅜	41½	67,549	47⅞	31¾	53,560	7
8																									8
9	40	40	15							60	60	25				64	55	730	67	58	675	57	40	127	9
10				87	81	276				88	79	256				73	65	277	88	72½	2,101	85	65	467	10
11	87	86½	46	94½	94	86	86¾	86	83	93½	90¼	150				95	89	782	96	90	1,421	93½	84¼	947	11
12	14	13¾	100	19½	18	450	14	13	89	18	16½	334	20	18½	535	31½	30	1,369	30	16½	8,773	20	13	2,007	12
13	80	80	5	87⅜	87	69				87½	87½	9				90½	90	610	90	87	552	86½	80	132	13
14	59½	57	355	72½	66⅝	11,507	58	57	328	72½	56½	20,313	58½	57	315	48½	28	22,563	73	38⅜	141,722½	69⅜	56	22,387	14
15	91½	90¼	53	94⅜	93¼	146	90	90	35	95¼	93⅜	55				90⅝	90½	214	97	90½	1,333	95¼	90	408	15
16				215	200	174				215	215	20							215	190	252	190	190	25	16
17																									17
18	41½	38⅜	1,189	42½	34½	21,526	39½	39¼	170	44⅜	30½	14,406	39	39	6	19⅜	6⅛	24,487	44⅜	15⅝	127,137	45½	30½	52,897	18
19	80	75½	621	93⅜	89½	7,647	76	76	262	95½	89	7,585	76	72½	96	76½	59	90,72	95⅝	69¾	52,464	93¾	72½	19,345	19
20				39	36	225	39	38	50	37⅜	37⅜	25				15½	8½	1,080	39	13⅜	3,260	39	32½	250	20
21	58	58	65	60	60	10				58	54	417				63	30	5,390	66¼	53¾	1,730	63½	52½	2,918	21
22	84	83	23	88	87½	48	89½	84½	15	91	88	118	84⅓	84½	10	90	78	434	91	82	592	91½	83	675	22
23				45	43½	30	18½	18½	10	40	38	70				120	50	3,610	81	36	1,132	35	18½	420	23
24	49	49	25	82	32	25				83½	75	150				127	106¾	298	99	66	762	88	49	594	24
25	103⅝	100	473	126	119	5,020	101½	101½	74	121½	109½	1,615	101½	89½	73	132	91	14,859	126	108	22,024	114½	99½	5,092	25
26																110½	110	535	114½	109	229	109	105	125	26
27	149	133	137	173	173	10	137	131	80	167½	163¾	38	138½	128¼	94	193	144½	1,569	182½	163¾	1,256	167½	131	1,715	27
28				140	124	182										115	110	16	140	124	207	136	128	137	28
29	30	30	4				30	30	10							101	98	94½	98	89	2	30	30	270	29
30	60	60	32	97	94	56				92	92	20				102	100	414	101	94	387	70	60	54	30
31				330	330	100													350	330	110	330	330	100	31
32	3.70	3.25	320	4.95	4.80	1,370	3.00	3.00	400	5.10	4.70	2,071				5.35	3.50	12,534	5.95	3.90	15,189	4.70	3.00	10,807	32
33	148	147	45	165	162	298	148	147	121	165	163	106	150½	150½	45	185	176	1,057	176	160	1,363	1165½	147	3,196	33
34				75	73	135										80	74	2,274	83	71	1,356	70	50	105	34
35	23⅜	23	2,050	49	49	100				45	39	6,400	21	21	200	99	32	26,857	58	39	26,345	43	21	9,320	35
36				121½	117½	460				128	118⅜	475				70	63	85	128	70⅜	3,281	127	107	836	36
37	8.40	7.80	4.120	25.50	24.60	406	7.60	6.60	2,255	22.00	22.00	50	8.75	6.66	2,300	30.00	16.50	5.096	29.25	22.00	2,312	23.25	6.60	17,170	37
38				20	20	40				20	20	5				34⅛	31	1,071	20½	5½	364	25	19	1,220	38
39				61½	61½	5				65	65	20							65	61½	25	78	63	791	39
40																									40
41				96	94½	1,135				97	94¾	22				95	78½	201	99½	88	1,972	92	90	52	41
42	60	52	4,006	76	68½	19,767	54	52	1,654	80⅞	60	31,913	53	50¾	565	53	47½	22,083	80⅝	42½	159,509	71¼	50¾	63,329	42
43																									43
44				90	89	21				90	89	55				100	100	18	90	86	171	90	89	69	44
45	44	42	247	43¼	40	224	42½	42¼	35	41½	37	210	42	41	35				49	37	2,570	51	40	2,985	45
46																									46
47				88	88	3										91¼	91	36	88	88	8				47
48	14.25	12.50	900	11.85	11.25	255	12.00	12.00	100	11.85	10.50	805	12.00	12.00	10	14.15	5.25	109,680	13.36	10.00	20,655	15.30	11.10	11,712	48
49																9⅞	9⅜	100							49
50													120½	120⅜	10				134½	132	110	129⅜	120½	30	50
51																									51
52	.48	.42	1,445	.60	.55	690				.61	.60	570				.85	.45	27,719	.90	.55	15,655	.56	.40	17,295	52
53	77	74½	1,009	87	84	2,003	75	70⅜	828	85	82½	1,449	76	72	291	84½	73	13,152	90½	78	24,605	90	70⅜	14,958	53
54	63⅜	60½	333	67	65⅜	1,333	63	59	277	66½	64½	368	69	59⅝	122	70¼	65½	6,062	69¼	62⅜	7,462	69	59	3,861	54
55	107	98	512	122	108½	5,511	105	98½	587	114	98½	3,468	95	92	60	68	33	15,763	122	60	61.057	115	90	16,230	55
56	95⅞	93	110	98	96	123	92½	92	124	98	96	136	92	92	110	98	90	2,737	100	93¼	3,274	97½	91¾	2,567	56
57																			15	15	10	14	10	130	57
58																									58
59																									59
60																									60
61	30	30	8	39	39	3	30	30	45				30	30	1	27	25	69	39	25⅛	105	40	30	867	61
62	80	80	9	80⅜	80	160				82	80	75				82	82	83	83	80	716	81	80	303	62
63	7	5½	15	37	31	1,445				31	24	128	6	6	25				37	24	1,573	21	5	1,610	63
64	19	17	55	92½	83½	949	17	17	5	88	80	51	19	18	20				92⅛	80	1,000	78	17	866	64
65	8.50	8.00	381	9.10	8.50	2.220	7.80	7.70	445	9.25	8.75	2,435	8.50	8.10	475	8.70	5.00	24,736	9.25	6.40	17,395	9.50	6.95	6,153	65
66	90½	78½	435	153	139½	3,454				149	108	1,085	66	66	20	107	45⅜	23,792	153	90	50,701	128	66	13,016	66
67																111½	111½	20				70	70	10	67
68																140⅝	120	203	145½	128½	60	14	14	75	68
69																116	116	15	116	115⅝	79	112⅜	111¼	8	69
70				26	25	117				29	26	94				31	28	351	30	20	567	40	28	684	70
71	79	79	1	79	77½	5				78	78	18				85	80	199	83¼	77½	266	91	79	287	71
72	64½	64½	25	77	72⅝	230				73	73	10				61½	51	170	77	59¾	1,819	64½	64½	25	72
73				85	85	5										82	82	95	95⅞	82	167	85	81⅞	35	73
74	30	25	50	41½	41	21				37	32½	171				46	46	25	49½	32½	1,253	42	25	956	74
75				90	90	25				90	90	5							95	90	40	80	80	1	75
76				44⅛	38⅞	2,640				44½	28	1,140				19	14	660	44½	18	4,960	34⅜	16	9,460	76
77	117¾	116	20							143	116	81							143	116	81	124½	106	645	77
78				85	85	50	40	40	10							95	95	60	95	85	437	80	40	136	78
79				94	91	16	90	90	1	94	90	20	90	90	5	99	99	173	99	87	481	92	90	151	79
80	63	50	178	113	82	2,108	50	50	40	114	65	3,297	51	50	21	51	9	3,598	114	32	10,785	95	50	2,081	80
81	108	72	445	139	107	4,564				135	90	4,588				79	25	3,207	139	60	15,383	122	72	4,821	81
82				20	20	50										38½	25	1,011	31⅜	20	1,246	24	8	350	82
83	41	40	132										40	40	10	76	69	771	77⅜	69	960	41	40	142	83
84	112	112	20	140½	136	210				140¼	140	125				102	92	970	140⅜	102¾	3,404	137¾	112	311	84
85				98	98	30				98	98	50				93⅜	93	145	100	95	197	95	95	10	85
86	14½	13⅜	145	24½	17	6,220½	13	13	70	22	15	1,194				6¼	3	750	24½	5	28,472½	19	13	2,044 1/10	86
87				70	56	2,483				65	52	105							70	31	6,032	59	49⅝	514	87
88	55⅜	49½	1,797	81½	65⅜	41,308	50¼	49½	714	88¼	53	22,035	50¼	49½	160	47½	9	97,070	88¼	34⅜	148,656	70¾	49½	50,441	88
89	87	84½	404	100	91½	2,162	85	84½	99	107	98	3,987	85	84⅜	57	94½	69	4,909	107	86	11,407	100½	84½	5,271	89
90																130	100	1,209	186	115	3,734				90
91																18	16	50	24	19	107				91
92																									92
93				91	75	1,502				75	75	25				45	35	55	91	42	2,171	90	72	2,636	93
94	65	58½	786	85	78	1,267	60	60	216	80	72	546	60½	60	87	117	111	4,691	111	72	5,811	90½	58½	5,025	94
95	13	13	50	17	17	1,000				21	19	1,080				18	10½	13,850	30	17	26,680	19	13	9,100	95
96	17	17	7	25	23½	415										20	29	5	25	23½	469	22½	17	307	96
97																90	90	27	86½	85⅝	62	78	78	20	97
98	80½	77	402	96½	95½	314	76	67½	695	95½	93⅜	327	67⅞	62½	152	101	93	4,417	99⅜	93¼	5,038	95	62½	4,463	98
99																105	100	50	118½	102	22				99
100	48	46	62				48	48	10										110	91	733	80	36	1,118	100
101				3⅝	2½	15,907				3½	3⅜	33				7	5	4,606	3⅞	2½	18,523				101

BANKS QUOTED ON TORONTO STOCK EXCHANGE

	BANKS	1916 JANUARY 1917						1916 FEBRUARY 1917						1916 MARCH 1917						
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Commerce	203	203	1	185¾	184¾	191				187	185	146				186½	184½	267	1
2	Dominion				212⅝	212	83				212⅛	210	118				212	207	142	2
3	Hamilton				191	190	7				191½	191¼	5				192	191	61	3
4	Imperial				200½	197½	159				199	196	139				199	197½	149	4
5	Merchants	180	180	2				180	180	8										5
6	Molsons				180	180	3													6
7	Montreal				234	234	10													7
8	Nova Scotia				255¼	255¾	1	261	261	37				261	261	17	257	257	58	8
9	Ottawa																			9
10	Royal	221¼	221¼	5	214	212	47	221½	221¼	2	214	211	46				213	212½	47	10
11	Standard	215	215	96	215	214⅛	84	215	215	1	212	211	76	215	215	15	212	211	188	11
12	Toronto				192	190	60	211	211	2	191	190	27				192	190	65	12
13	Union	140	140	26	140	139	43	140	140	39	140	139	50				139	138	77	13

	BANKS	1916 AUGUST 1917						1916 SEPTEMBER 1917						1916 OCTOBER 1917						
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Commerce	190	185	310	186¼	183	169	187½	186	120	185	184	247	186	185	45	185⅝	184½	72	1
2	Dominion	210	206	26	207½	206	76	220	219	12	207½	204½	19	215	210	73	203	203	36	2
3	Hamilton	200	195	12	191	191	30	194	193	16	189½	189½	3	193½	192	16	186	184	83	3
4	Imperial	201½	200	219	197	193	52	203	202	142	197	194	70	203	198	96	194	185	113	4
5	Merchants	177	177	10	168¼	168¾	6	175	175	5							169	168½	4	5
6	Molsons																			6
7	Montreal	226½	226½	5										220	220	5				7
8	Nova Scotia	260	260	5																8
9	Ottawa	204	204	4				202	202	4										9
10	Royal	213	212	22	213	210	48	212	210	182	210½	208½	41	211	211	101				10
11	Standard	221	218½	51	204	203	27	221	220	65	205	203	113	221	219¾	220	204	200	118	11
12	Toronto	197½	191	138	190	187½	8	198	197½	16	187½	187½	1	197½	195	41				12
13	Union	134	131	72	142	139	145	136	133	124	139¾	138	131	135	134½	129	138	137	19	13

NEW COMPANIES LISTED ON THE TORONTO

	STOCKS	JANUARY			FEBRUARY			MARCH			APRIL			MAY			
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Canada Life							190	190	100							1
2	Canada Steamships Co., Ltd. New Voting Trust																2
3	Cons. Mining & Smelting Co. $25 par	35⅜	31¾	3,186	32	27	2,185	33½	31	1,714	31¼	26	1,459	27¾	26	835	3
4	Dominion Iron & Steel Com.																4
5	Prov. Paper Pref.																5
6	Riordon Pulp & Paper Co. Pref.																6
7	Standard Chemical Com.										15	13¾	72				7
8	" " Pref.										51	49	330				8
	RIGHTS																
9	Detroit Rights	3	2⅜	310	3	2¾	510										9
	BONDS																
10	Bell Telephone	98¼	98¼	$1,000													10
11	Dominion of Canada War Loan 1931	98¾	97½	240,400	98½	96	$103,300	97⅜	95½	$59,800	97½	95⅜	$19,000	95½	94	$23,100	11
12	" " " " 1937										96	94¾	210,610	95	94⅜	74,400	12
13	Mexican Light & Power																13

NEW COMPANIES LISTED ON THE MONTREAL

	STOCKS	JANUARY			FEBRUARY			MARCH			APRIL			MAY			
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Abitibi Com.																1
2	" Pref.																2
3	Brompton	58¼	54	2,104							56	49	1,181	52	46	5,228	3
4	Canada Steamship Lines, Ltd. New Voting Trust																4
5	Howard Smith Paper Mills Com.													74½	70	370	5
6	" " Pref.																6
7	Intercolonial Coal																7
8	Maple Leaf Milling Co. Pref.				94¾	94⅜	30	95	95	10				94½	92	8	8
9	West India Electric				77	77	80										9
	BONDS AND DEBENTURE STOCK																
10	Canadian Consolidated Felt										95	95	$2,000				10
11	Canada Steamships Deb.	78	78	$1,400													11
12	Dominion of Canada War Loan 1937																12
13	Windsor Hotel				80	80	$4,000										13
					3	2½	4,996	3½	2⅜	$30,014							
	RIGHTS																
14	Detroit																14
15	Nova Scotia Steel																15

PRICES AND SALES 1917—(With Comparisons)

	1916 APRIL			1917			1916 MAY			1917			1916 JUNE			1917			1916 JULY			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1				186	185¾	249				188	185	180	193	190	111	186	186	145	190	186½	238	187	185	96	1
2				207½	207	135	208	208	1	207	206	81	207	204	99	206	203	111	205	202	210	206	204	68	2
3				192	191	46				191	189	50	197	195	13	190	189	42				191	190	55	3
4				198	194	173				194	193½	93	201	200	11	192⅜	190	275	204	199	87	192	190	41	4
5							180	180	1										175	175	3				5
6										184	184	25				184	184	25							6
7																			229⅜	229⅜	10	220	220	5	7
8				254	254	2	261	261	1	253¾	253½	25				252	252	12							8
9										202	202	50													9
10				213	213	6				213	213	7	215½	215	65	212	210¼	15	215½	211½	62	212	210	49	10
11	215¾	215	74	211	209	42				208	207	122	215½	215	55	207	206	10	217	217	11	206	203	101	11
12			48	189	189	15				188½	188½	5	200	199	10				199	197	28				12
13	140	140	6	140	139½	26	140	140	4	141½	138	26	138⅜	137	48	140¼	140	91	136	134	41	142	142	10	13

	1916 NOVEMBER			1917			1916 DECEMBER			1917			1914			1915			1916			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	185½	183	90	185	185	42	185	184	149	185	182½	33	218	199⅛	5,930	203	203	293	203	183	1,064	188	182⅛	1,837	1
2	212	208	54	202	202	87	212	208	86	202	202	15	233	218	3,064	227	227	943	220	202	525	212⅛	202	971	2
3	192	192	24	184	184	77	192	190	50				207	198	430	208	201	222	200	190	131	192	184	459	3
4	200	198	69	185	185	85	200	199	119	185	185	21	218	210	2,187	210	210	745	204	198	743	200½	185	1,370	4
5	170	169½	12	167	167	12	170	170	2				191	184	268	180	180	49	180	169½	43	169	167	22	5
6													200	194½	48	201	201	5				184	180	53	6
7	222½	222½	22										248	229½	94	237⅜	237⅜	12	229⅜	220	42	234	220	15	7
8	255½	255½	5				256⅞	256	9				264⅜	257½	215	261	261	27	261	255½	74	257	252	98	8
9													208	201	181	207	207	36	204	202	8	202	202	50	9
10	212	208	88				212	211	13	205	202	22	227½	219	620	221¼	221¼	149	221½	208	540	214	202	308	10
11	220¼	218	189				215	214	241	200	200	17	223½	208½	1,777	220	215	823	221	214	1,018	215	200	898	11
12	190	190	15				190	190	12	184½	184½	6	215	203	581	211	211	140	211	190	310	192	184¼	187	12
13	138	135¾	55	139	136	85	137⅜	135	74	137	136	132	145⅝	138⅞	543	140	140	266	140	131	618	142	136	735	13

STOCK EXCHANGE DURING 1917

	JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER			1916			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1																						190	190	100	1
2	43	43	50																			43	43	50	2
3	27¾	25	2,232	27	24¾	1,086	30	27	460	27½	26	609	25⅝	24⅞	1,632	25	25	150	25	24⅜	130	35½	24⅜	15,678	3
4							66	61½	2,705													66	61½	2,705	4
5							81	80	80				78	78	15							81	78	95	5
6				93½	93⅛	25																93½	93⅛	25	6
7																						15	13¾	72	7
8	55	55	40	56	55	85	55	54½	32	55	55	47	56	55	300							56	49	834	8
9																						3	2⅜	820	9
10																						98½	98½	$1,000	10
11	95	93½	$61,600	96	93½	$146,400	96½	95½	$122,800	96½	95	$143,100	96¾	95	$214,000	96	93⅜	$251,800	95	91	$94,100	98½	91	1,479,400	11
12	94¾	92½	202,900	95⅛	94	531,400	95½	95	387,500	95½	94⅜	146,700	94⅜	94¼	329,000	94⅜	93	233,400	93⅜	91¾	152,400	96	91¾	2,268,310	12
13				30	30	9,000																30	30	9,000	13

STOCK EXCHANGE DURING 1917

	JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1				58½	58½	55	58½	57	150	55	50	50	50	50	10	48	48	5				58½	48	270	1
2							90	90	110	88½	88½	20										90	88½	130	2
3	53	44½	1,260	48	46⅞	1,245	47½	44½	967	48	44	885	47	38	2,314	40	39	1,120	40	39	1,237	58½	38	17,541	3
4	43½	39	450																			43½	39	450	4
5	73	71	155				70	70	48	65	65	25	65	65	6							74½	65	604	5
6																									6
7							25	25	5													25	25	5	7
8	95	95	6										92¾	92¾	15							95	92	69	8
9																						77	77	80	9
10				78⅛	77	$4,000	78⅝	78	$7,900			$				80	80	$18,500				95	95	$2,000	10
11							96	95	1,325,600	95½	94½	1,029,600	95	94	$667.800	94½	92⅝	317,500	94	92	$171,200	80	77	31,800	11
12																						96	92	3,516,700	12
13																						80	80	4,000	13
14																						3½	2⅜	35,010	14
15				35	1½	4,733																35	1½	4,733	15

BONDS QUOTED ON MONTREAL STOCK EXCHANGE

	BONDS	1916 JANUARY 1917						1916 FEBRUARY 1917						1916 MARCH 1917					
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Ames-Holden-McCready																		
2	Asbestos Corporation				73	70	$17,375				76	70	$738				70½	70½	$300
3	Bell Telephone				99½	98½	6,500	97⅞	97	$1,000	99	99	500	98½	97	$16,500			
4	Canadian Car & Foundry													100	100	21,000			
5	Canada Cement	93½	92	$15,200	98	96½	17,000	94½	93	47,500	97⅞	97¼	2,000	95	94	37,700	97½	97	41,000
6	Canadian Converters																		
7	Canadian Consolidated Rubber	91¼	90	27,000	97	96	7,000	91	90	13,000				92⅜	91	10,000			
8	Canadian Cottons	79¼	78	7,500	83	82½	8,700	79	79	1,000	82	80	2,000	78	78	1,000			
9	Canadian Locomotive	88	88	5,000										88½	88½	3,000			
10	Cedar Rapids	86	85¼	37,600	92	89¾	24,900	85⅜	85	46,700	91¼	90	26,500	87	85	129,300	91	90	18,200
11	Dominion Canners																		
12	Dominion Coal				93	93	7,000	95	95	4,000	94	94	8,500				94½	94½	10,500
13	Dominion Cotton	99¾	99	32,500	99	99	1,000	99½	99¼	6,000	99	99	2,000	99¼	98¾	3,500	99	98	30,000
14	Dominion Iron and Steel	85	85	3,000	87½	86½	28,000	85	85	18,000	87½	87	9,000	85	85	41,000	87½	87	19,000
15	Dominion of Canada War Loan....1925	97¾	97	361,400	99	97¾	274,500	98½	97	1,181,000	98½	97	1,498,700	98	97	473,800	97⅞	96⅜	190,800
16	" " " " 1931				97	97½	1,010,900				98¼	96	671,500				97	95¾	161,900
17	Dominion Textile Company, A	97½	97	2,250	98	98	2,250				98	97	12,500	97	97	500			
18	" " " B	99½	97	3,000	98	98	1,000	97	97	2,000	99½	99½	1,000				99½	98½	1,500
19	" " " C	97	97	3,000	97	97	1,000	97	97	2,000							99	98½	3,000
20	" " " D																		
21	Lake of the Woods Milling Co.				104	104	1,000							102	102	2,000			
22	Laurentide Paper Co				101	101	9,000	101	101	1,000									
23	Lyall Construction Co							84½	84	16,500				86	85	10,200	85½	85½	5,500
24	Montreal Light, Heat and Power...4½%				96	96	6,000				93¼	93	18,000				93	93	6,000
25	Montreal Street Railway																		
26	Montreal Tram																		
27	" " Debenture Stock	81¼	81¼	1,600	76	75	20,901	81¼	81¼	1,200	75	75	13,300				77	73½	18,900
28	National Breweries, Ltd				90¼	86½	24,500				87	87	5,000				83⅜	80	1,500
29	Nova Scotia Steel & Coal Co	84	84	2,000	89	88½	2,000				88½	87	6,000	84¾	84	12,100	87	86	11,000
30	Ogilvie Flour Ordinary				103½	103	12,000				103½	103½	2,000	103	103	2,000			
31	" B	100	100	4,000	103	103	4,000				103	103	1,000						
32	" C				103¼	103¼	25,000				103	102¾	2,000						
33	Ontario Steel Products, Ltd																		
34	Penmans										85	85	1,000						
35	Porto Rico																		
36	Price Bros	81	78½	19,000	85	85	500	83	82	7,200				83	83	7,900			
37	Quebec Railway, Light and Power Co	50	50	6,500	71	70	3,600	54½	50½	29,400	68	68	1,000	57	54½	32,500	68	65	23,000
38	Rio de Janeiro																		
39	Riordon Paper																97	97	4,000
40	Sherwin-Williams Co	101	99	6,000	99	99	1,500	99	99	6,000	99¼	99¼	100	99	98	2,000			
41	Spanish River																		
42	Steel Co. of Canada	92½	89	9,000	97	97	3,500	91	90	4,000	97	97	2,500	93	91	3,600	100	96	3,000
43	Wayagamack				90	86	69,500				90	87½	41,000				87	86	8,000
44	West Kootenay																		
45	Winnipeg Electric	97	97	5,000	95	95	13,000							95	95	5,000			
46	Winnipeg Street										96	96	1,500						
	RIGHTS																		
47	Consolidated Mining & Smelting Co																		
48	Shawinigan Water and Power																		

	BONDS	1916 AUGUST 1917						1916 SEPTEMBER 1917						1 OCTOBER 1917					
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Ames-Holden-McCready							88	88	$1,000									
2	Asbestos Corporation				72	72	$200				72	72	$1,000				76⅜	72	$6,125
3	Bell Telephone	98½	98	$3,500	96½	95	4,500	98	97½	2,500	95⅜	92⅜	13,000	98	98	$1,000	93⅜	92⅞	7,000
4	Canadian Car & Foundry	97	97	500							97¼	97¼	5,000	96⅜	96⅜	5,000			
5	Canada Cement	98½	96½	61,000	98	97	6,000	99	96½	32,400	98	97	18,800	97½	97	29,200	97½	97	5,100
6	Canadian Converters													81	81	1,000	82	82	1,000
7	Canadian Consolidated Rubber	98¾	98¼	1,000	94¼	94¼	3,000	98¾	98	7,000	94	94	1,000	99	96	4,000	94½	94½	4,500
8	Canadian Cottons				81	80	3,500	83½	83½	3,000	81	80	5,500	80¼	80¼	4,500			
9	Canadian Locomotive	88	88	500				94½	94½	500									
10	Cedar Rapids	90½	89	46,800	85½	85½	6,500	90½	89	53,200	85½	85	4,300	90¼	89	20,800	84½	84	7,700
11	Dominion Canners				89½	89¼	1,000												
12	Dominion Coal	93½	93½	7,000	90¼	90	3,000	93¾	93¼	4,000				93½	93	4,000	84⅜	83	4,000
13	Dominion Cotton	99½	98¾	12,500	98¼	98½	1,500	99½	99½	14,500	98½	98½	1,000	99½	99	5,500	99¼	99¼	1,000
14	Dominion Iron and Steel	90	89	6,000	88	88	15,000	89	87	19,000	88	87	21,000	87½	87	9,000	87½	86½	12,000
15	Dominion of Canada War Loan....1925	98¼	97½	702,800	98	97	52,400	98	97½	107,100	97⅜	96⅞	72,900	99⅜	97¾	654,200	97¼	95⅝	272,000
16	" " " " 1931				96¼	95¼	234,000				96¼	95⅝	193,800	98½	98½	5,500	96	94	199,000
17	Dominion Textile Company, A	97½	97½	2,000				97½	97½	250	99½	99	2,000	97	97	14,500	97½	97¼	3,000
18	" " " B							98	97½	3,000				97	97	4,000			
19	" " " C	98	97	1,250				96	96	500	99	99	9,000	97½	97½	500	97½	97½	5,000
20	" " " D	96½	96½	1,000				97	96½	7,000									
21	Lake of the Woods Milling Co				99¾	99¾	1,000	103	103	3,000				103¼	103¼	16,000			
22	Laurentide Paper Co				101	101	1,000										101¼	101¼	10,000
23	Lyall Construction Co	83½	81¾	1,800	91	83¾	6,300				93	92	20,000				93	93	3,000
24	Montreal Light, Heat and Power...4½%	93	93	5,000				93	93	3,000				93½	93½	1,000	88	88	3,000
25	Montreal Street Railway																		
26	Montreal Tram	91¼	91¼	15,000															
27	" " Debenture Stock	79	75	6,800	74¾	73	8,500	79	75	10,500	75	74	11,200	76½	75	23,100	74¾	72	4,400
28	National Breweries, Ltd										81	81	1,000	95	93½	28,500			
29	Nova Scotia Steel & Coal Co	90	90	17,000	83	83	5,100	87	87	1,000	83	82	12,500	90	87	20,000	82	82	1,000
30	Ogilvie Flour Ordinary				103	103	1,000				103	103	1,000				102⅜	102⅜	1,000
31	" B										102¾	102¾	1,000						
32	" C	103½	103½	1,000				103½	103½	8,000									
33	Ontario Steel Products, Ltd													81	81	200	86¾	86¾	19,200
34	Penmans							84½	84½	2,000	86	86	1,000				86	86	1,000
35	Porto Rico																		
36	Price Bros	87¼	87	31,400	83	83	2,000				83	83	100	87	87	2,000	81⅜	81⅜	11,500
37	Quebec Railway, Light and Power Co	70½	68	22,400	62½	62	24,000	71	69½	55,200	61	60	3,000	71	70	12,300	60	60	5,000
38	Rio de Janeiro																		
39	Riordon Paper																		
40	Sherwin-Williams Co	99½	98	10,300				100	99	3,300	99	99	2,000	99	99	500			
41	Spanish River				81¾	81¾	2,000							84	80	8,500			
42	Steel Co. of Canada	96½	94½	6,700	96⅜	96	2,800	96½	96	4,700	95	95	1,000	96¾	96	7,000	92	92	6,000
43	Wayagamack	84	82	36,900	83¾	83	3,190	84	82	40,700	81½	80	11,500	90	83	282,700	81½	80	15,500
44	West Kootenay																		
45	Winnipeg Electric																		
46	Winnipeg Street																		
	RIGHTS																		
47	Consolidated Mining & Smelting Co													3	2½	11,023			
48	Shawinigan Water and Power																		

PRICES AND SALES 1917—(With Comparisons)

	1916 APRIL			1917			1916 MAY			1917			1916 JUNE			1917			1916 JULY			1917		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1																								
2				72	72	$6,500				74	72	$336				80	72	$150				75½	72	$2,275
3	98	98	$4,500	97½	97	6,000				98	96½	12,000	99	98	$10,500	96½	94¼	26,000	98½	98	$9,000	95¼	94½	7,000
4	100	100	6,000				100	100	$10,000										97¼	97	10,200			
5	95½	94	12,900	98	97	36,500	96	95	53,400	97¼	97	24,200	97½	96¼	18,900	98	97⅛	34,900	100	97½	52,900	97½	97	7,900
6																			81	80	5,000	83	83	1,000
7	95	94½	7,500	95	95	5,000	102½	94½	32,600	95	94¼	22,000	100	100	4,000	94¼	94¼	2,000	100	99¾	7,800	94¼	94¼	2,000
8	80	80	9,000				83½	83	76,000	83	82½	1,000	83½	83½	11,500	83	80	5,000	83½	83½	500	81	80	3,000
9							88	88	12,000															
10	89½	86½	90,900	90	89	10,200	89½	88¾	103,600	90	88	24,000	90½	89⅛	111,900	87½	86	17,800	91	90	94,500	86	86	3,200
11																								
12				95	95	1,500	95	95	7,000	93½	91	14,500	95¼	94	27,500				94	94	2,500	89¾	89	6,500
13	99¾	99½	15,000	99	98	2,500	99½	99	20,500	98½	98½	11,500	99½	99	13,000	97½	97½	6,000	99½	99½	15,500	98½	98	4,000
14	85	85	3,000	87½	85	27,000	87	85	45,100	87	86	21,000	90	87	16,000	87	87	7,000	90	90	1,000	87	86	12,000
15	98⅛	97	581,200	97⅞	96⅝	130,100	99	97⅞	630,300	97¾	96½	185,100	100	98⅞	1,470,300	97¼	96½	200,400	99¾	97⅝	499,000	98	97¼	102,600
16				96¼	95¾	60,700				96⅝	95	66,100				95	93½	78,800				96	93½	210,600
17							98	97	6,750	99	98	4,750	96	96	2,000				97¾	97¼	2,500			
18	97¾	97	7,750				97	97	1,000													99½	98	3,250
19	97	97	4,000	99	99	3,000	97	97	2,750	98¾	98½	3,000	97	96	12,000							98¾	98¾	1,000
20													96½	96½	2,000	98¾	98¾	2,000						
21				103	103	8,000				102½	102	3,000												
22	101	101	20,000				101	101	10,000													101	101	5,000
23	85¼	84	5,300	84	84	900	85	84½	2,700	85	85	4,000	85	84	2,000	86	85½	15,000	84	84	1,000	88¾	88⅞	2,000
24				91¾	91¾	1,000	92	92	4,000	91	90	17,000	93	92	170,000				92¼	92¼	12,000	88½	87¼	14,000
25																								
26																								
27				75	75	2,800	81¼	79	6,700	75¼	74¾	51,000	79	75	19,000	74	72	6,800	77	75	23,000	74¾	73	9,100
28																			90	90	3,000	85	85	1,000
29	85¼	85	22,500	87	87	1,000	85	85	8,000	84¾	84¾	1,000	90	87½	27,000	83	83	1,000	90	90	1,600			
30													104	104	8,000				103	103	2,000	102¼	102½	3,000
31										102¾	102¾	5,000												
32				103¾	103¾	2,000	103	103	5,000	102¾	102¾	2,000				102½	102½	2,000						
33																			85	85	300			
34																						87½	87½	1,000
35																			87½	87½	500			
36	83½	83½	1,000	83	83	1,420	85	84	3,000	83	83	1,000	87	84	13,500	83	83	1,500	87½	85	6,500	83	83	3 800
37	62½	57½	71,800	65	65	15,000	70	63	82,200	68	65¼	400	69¼	67	57,500	65¼	60	2,800	71	66	100,200	62½	52	8,000
38																								
39				97	96¼	2,000				96½	96½	2,000												
40				100¼	98½	4,200	100	98½	13,500	100	100	500							99	98	1,000			
41				86	86	500													80	80	1,000			
42	95	95	5,700	100	99	12,000	95½	95	16,200	99½	98¾	12,000	97	96	24,800	97¼	96	2,000	96¼	96¼	1,000	96¾	96¾	2,000
43				87	84	8,100				86	84	9,700	84¼	82¾	43,500	86	84	4,100	84	82⅝	54,300	84¼	83½	8,700
44																								
45										94	94	2,000	97	96¼	2,500	92	92	1,000				92	92	1,000
46										98¾	98¾	1,000												
47																								
48							1⅛	1¼	9,397				1⅛	1¼	20,110				1⅛	1¼	9,864			

	1916 NOVEMBER			1917			1916 DECEMBER			1917			1914			1915			1916			1917		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1													100	97¾	$16.500	97	97	$500	88	88	$1,000			
2							72⅜	72½	$6,000	72	72	$10,000							72½	72½	6,000	80	70	$44,999
3	100¼	100	$8,000				99¾	99¾	1,000				100	97½	161,500	100	96½	200,000	100¼	97	57,500	99⅛	92¾	82,500
4													106¼	104	40,600	102	100	8,000	100	96¾	52,700	97¼	97¼	5,000
5	97½	97	34,100	96½	96½	$1,000	98	97	16,000				98	95	338,600	94¼	92	149,500	100	92	411.200	98	96½	194,400
6	83	83	1,000							82	82	3,000	82	82	2,000				83	80	7,000	83	82	5,000
7	97	95	3,000				98	96	5,000				93	88¾	21,800	91	88	92,700	102½	90	115,900	97	94	46,500
8	83	83	5,000				83	83	9,200				82½	79	78,100	80½	78	41,900	83½	78	128,200	83	80	28,700
9													98	91	11,600	90	90	1,000	94½	88	21.000			
10	90½	90	76,900	84	84	500	92	90⅝	17,500	84	84	600				86¾	85	82,600	92	85	829,700	92	84	144,400
11							90	90	2,000										90	90	2,000	89½	89¼	1,000
12	93	93	2,000	84¾	84¾	4,000	94	93	4,000	85	85	5,000	100½	98	90,500	95	95	27 500	95¼	93	62,000	95	83	64.500
13	99½	99	11,500				99¾	99	9,500				101	100	137,500	101	98	179,500	99¾	98¾	159,500	99¼	97½	60,500
14	90¼	87½	26,000	86½	86½	3,000	90¼	87½	28,000				91	84	108,000	90	85	184,000	90¼	85	215.100	88	85	174,000
15	99¼	98½	475,700	96⅝	95	207,600	99¼	98	251,800	95¾	94¾	108,600				98	92½	71,100	100	97	7,388,600	99	95	3,295,700
16	99½	98⅛	1,022,500	95¾	94½	281,500	99	98	671,800	95	91⅝	57,700							99½	98	1,699,800	99	91⅞	3,226,500
17	97	97	250	98½	98½	2,000	97	96	9,250				101	99	28,000	100	97	15.500	98	96	40,250	99¼	97	26,500
18	98	97	1,250				98	97	4,250				100½	99¾	85,750	100¼	97	12,250	99¾	97	26,250	99½	98	6,750
19	97	97	5,000				98	97	2,000				101	96	36,000	100	97	23.000	98	96	33,000	99	97	25,000
20													100	100	1,500	98	98	1,000	97	96½	10,000	98¾	98¾	2,000
21							104½	103½	4,000				105	100	11,000	103	100	3,000	104½	102	25,000	104	99¾	13,000
22													105¼	102	7,000	101	101	1,000	101	101	31,000	101¼	101	25,000
23													88	87	20,900	84	84	5,000	83½	81¾	39,600	93	84	56,700
24	95	95	6,000	82	82	7,000	96	96	3,000				98½	96¾	56,000	96	95	41,000	96	92	204.000	96	82	72.000
25							97	97	13,200				100½	100	39,600	100	100	8,000	97	97	13,200			
26	91¼	91¼	3,000				95¾	95¾	2,000				100	97	34,500	96	96	1,000	95¾	91¼	20,000			
27	76	75	22,800	72¾	72¾	1,700	75	75	8,000	72¾	72¾	1,000	83¼	75	469,410	81¼	81½	61,000	81¼	75	122,700	77	72	149,601
28							92	92	1,000				102	102	3,000	101	99	63,500	95	90	32.500	90¼	80	33,000
29	88	86½	21,500				89½	89½	1,000	82	82	500	89½	85½	70,500	85½	84	11,400	90	84	133,700	89	82	40,600
30							103¼	103½	9,000				106	103	9,000	103	103	6,000	104	103	21,000	103½	102½	20,000
31													103	102	17,000	104	102	6,000	100	100	4,000	103	102¾	11,000
32							103½	103	27,000				103	102	14,000	104	102½	15,000	103½	103	41.000	103¾	102½	33,000
33	86	86	1,000													85	85	3,000	86	81	1,500	86¾	86¾	19,200
34	84½	84½	1,000							86	86	500							84½	84½	3,000	87½	85	4.500
35	80	80	5,000										90½	84	7,000				87½	80	5,500			
36	85	85	3,000										86⅜	85	9,500	80	80	1,000	87½	78½	94,500	85	81¾	21,820
37	72	71	39,000	60	60	3,000	71	66	88,400				82	78	91,500	78	75	37,900	72	50	597,400	71	52	98,800
38													55¼	47	1,126,300	58	45	354,900						
39													96	96	5,000									
40	99½	99½	5,000				99½	98¾	3,200				98	98	19,300							97	96½	8,000
41													101½	98½	78,500	100	97	61,500	101	98	50.800	100¼	98½	8,300
42	96½	95¾	1,500	90	90	500	96	94	1,073				75	66	4,500				84	80	9,500	86	81¾	2,500
43	90	87	15,300	80	80	1,100	90	86½	22,600				93	90	28,400	90	88	37,666	97	89	85,273	100	90	47,300
44	100	100	7,000																90	82	496,000	90	80	180,300
45							97	94	9,000										100	100	7,000			
46							95	95	3,000				102	99½	36,000	97¼	97¼	1,000	97	94	21,500	95	92	17,000
																			95	95	3,000	98¾	96	2,500
47	3¾	2½	42,343				3	2¾	27										3¾	2½	53.393			
48													3	2½	28,879	1⅝	½	40,356	1⅝	1¼	39,371			

LOAN & TRUST COS. QUOTED ON TORONTO STOCK EXCHANGE

	COMPANIES	JANUARY 1916 High	Low	Sales	1917 High	Low	Sales	FEBRUARY 1916 High	Low	Sales	1917 High	Low	Sales	MARCH 1916 High	Low	Sales	1917 High	Low	Sales	
1	Canada Landed & National Invest.	157½	157½	10	160	158¼	32				159⅜	159	116	157½	157½	34	156	156	76	1
2	" " " 20% paid																			2
3	Canada Permanent Mort. Corporation	183	183	288	170½	170	345	183	183	105	171½	170½	527	183	183	166	173	171	295	3
4	Central Canada Loan and Savings																			4
5	" " " 20% paid																75	75	34	5
6	Colonial Investment & Loan				77	75	106							80	80	30				6
7	Dominion Savings & Investment																			7
8	Great West Permanent										141¼	141	14	140	140	20	142	141	17	8
9	Hamilton Provident and Loan				140	140	18													9
10	" " " 20% paid										210½	210½	14							10
11	Huron and Erie Mortgage Corp	210	209	17	210	209	50	210	210	55	197	197	56							11
12	" " " 20% paid	197	197	3	198	197	237													12
13	Landed Banking and Loan										132	131	66				130	130	10	13
14	London & Canadian Loan & Agency	132	132	25							210	210	60							14
15	National Trust																			15
16	Ontario Loan & Debenture	169	169	48	175	175	2													16
17	" " " 20% paid																			17
18	Real Estate Loan																			18
19	Toronto General Trusts	208	207	81	213	213	5	210	208	139	215	214	30	208	205½	43	214¾	214¾	35	19
20	" " " New																			20
21	Toronto Mortgage				140	140	5	134	134	38							140	140	25	21
22	Toronto Savings																			22
23	Union Trust Co																			23

	COMPANIES	AUGUST 1916 High	Low	Sales	1917 High	Low	Sales	SEPTEMBER 1916 High	Low	Sales	1917 High	Low	Sales	OCTOBER 1916 High	Low	Sales	1917 High	Low	Sales	
1	Canada Landed & National Invest.	162	162	169				163	163	45	154	154	25	161	161	30	151	151	5	1
2	" " " 20% paid																			2
3	Canada Permanent Mort. Corporation	175½	173	204	170	168	499	175	172½	504	170	168	348	175	173	93	169	167	295	3
4	Central Canada Loan and Savings																			4
5	" " " 20% paid																			5
6	Colonial Investment & Loan							71	71	15	69	69	67	71	71	45	68	68	81	6
7	Dominion Savings & Investment																			7
8	Great West Permanent																			8
9	Hamilton Provident and Loan				137	137	16	139	138	52										9
10	" " " 20% paid													212½	212½	5	205	205	20	10
11	Huron and Erie Mortgage Corp				209	209	30													11
12	" " " " 20% paid							145	145	14							143	143	1	12
13	Landed Banking and Loan													134	134	19				13
14	London & Canadian Loan Agency										210	207½	20				207½	207½	10	14
15	National Trust																			15
16	Ontario Loan & Debenture																			16
17	" " " 20% paid																			17
18	Real Estate Loan				206	206	9	210	210	10				211	210½	14	205	205	58	18
19	Toronto General Trusts																			19
20	" " " New				136	136	7							135	135	15				20
21	Toronto Mortgage																			21
22	Toronto Savings																			22
23	Union Trust Co																			23

BONDS QUOTED ON TORONTO STOCK EXCHANGE

	BONDS	1916 JANUARY High	Low	Sales	1917 High	Low	Sales	1916 FEBRUARY High	Low	Sales	1917 High	Low	Sales	1916 MARCH High	Low	Sales	1917 High	Low	Sales	
1	Canada Bread	93½	93	$13,600	94	93	$7,300				93⅜	93	$2,000	93	93	$1,500	93⅜	93¾	$13,000	1
2	Canada Cement (Unlisted)													94	94	5,000	96½	96½	700	2
3	Canadian Locomotive	88	88	1,700	95	95	1,500	88	88	$1,500				88	88	8,100				3
4	Dominion of Canada War Loan 1925				98¾	97⅞	146,500				98⅛	97⅛	97,200				97¾	97	85,600	4
5	Dominion Iron & Steel	85	85	3,000																5
6	Electrical Development							88½	88½	1,500	92½	92¼	1,000	88	88	1,000				6
7	Penmans																96	96	1,000	7
8	Porto Rico				82	82	8,000													8
9	Quebec Railway, Light and Power				86⅛	85⅞	8,000				85½	84¼	10,000				83½	82¾	8,500	9
10	Rio de Janeiro Tram. Light & Power				84	84	1,000													10
11	Sao Paulo Tramway																			11
12	Steel Co. of Canada	92	90	8,500				91¾	90¼	2,000	97¾	97¾	1,000	93¼	92	5,100	98	97	2,700	12

	BONDS	1916 AUGUST High	Low	Sales	1917 High	Low	Sales	1916 SEPTEMBER High	Low	Sales	1917 High	Low	Sales	1916 OCTOBER High	Low	Sales	1917 High	Low	Sales	
1	Canada Bread	93½	92¾	$11,600	92½	92	$3,800	93¼	93	$2,100	92	91	$12,200	95	93	$13,500	91¾	90	$11,000	1
2	Canada Cement (Unlisted)																			2
3	Canadian Locomotive	95	94	5,000				95	95	3,000										3
4	Dominion of Canada War Loan 1925				98	97¼	40,700	97¾	97¼	31,000	97⅛	96⅝	43,200	99⅞	97¾	137,800	97	96	157,400	4
5	Dominion Iron & Steel													87	87	1,000				5
6	Electrical Development	83	83	2,000				83	83	9,500				88¼	83	34,000				6
7	Penmans																			7
8	Porto Rico																			8
9	Quebec Railway, Light and Power																			9
10	Rio de Janeiro Tram. Light & Power	87⅝	87⅝	5,000	80	80	500	86½	86½	13,000	85	80	2,600							10
11	Sao Paulo Tramway																			11
12	Steel Co. of Canada	96⅛	95½	11,400	95¾	94¾	4,200	96½	96⅛	1,500				96½	96	13,000	92	92	3,000	12

PRICES AND SALES, 1917—(WITH COMPARISONS).

	APRIL 1916			APRIL 1917			MAY 1916			MAY 1917			JUNE 1916			JUNE 1917			JULY 1916			JULY 1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	157½	157½	37				157½	157½	20				160	159	12	155	154	12	161	160½	133	153¾	153¾	50	1
2																									2
3	183	183	230	172¾	172	373	180	175	1,473	170½	170	927	176½	175	1,215	170	166	193	177½	174¼	677	167½	167	688	3
4																									4
5																									5
6				75	74	2,790				74	74	25							70	70	134				6
7																									7
8																									8
9							140	140	16	141	141	40										137	137	10	9
10										124	124	13										121	121	6	10
11				208½	208½	52							214	212	179	211	209	64				209	209	10	11
12																198	198	39							12
13													144	144	5										13
14	134	134	10	130	129	92				130	129	15	133	133	9										14
15										212	212	10													15
16																									16
17																									17
18																									18
19	208	207	83	212	212	75	208	208	21	212	212	5	208	208	8	212	207½	7	210	210	25	207	206	16	19
20																									20
21				138	138	7				133	138	9										136	136	54	21
22																									22
23																									23

	NOVEMBER 1916			NOVEMBER 1917			DECEMBER 1916			DECEMBER 1917			1914			1915			1916			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1				151	151	8				150	150	6	170	155	368	162	157½	239	163	157½	490	160	150	330	1
2																									2
3	172	170	934	165	165	125	171	168⅝	781	165	162½	159	192½	183¾	13,456	188	183	4,758	183	168⅛	6,670	173	162½	4,774	3
4																190	190	6							4
5																									5
6	71	71	87				76	70	160				83	78	2,019	78	78	817	76	70	441	77	68	3,103	6
7													80	77	59	81	81	16	80	80	30				7
8													128	128	24										8
9													140	137	87	140½	139	164	140	138	88	142	137	115	9
10													120	120	13	125½	125	126				124	121	19	10
11	212	211	119				212	211½	25				212	212	413	211	205	436	214	209	400	211	205	237	11
12	40	40	20													197	197	252	197	40	23	198	197	332	12
13													146	143	36	147	147	30	145	144	19	143	143	1	13
14	135	134½	40	128½	128½	2							140	125	320	136	131	91	135	132	103	132	128½	185	14
15	210	210	40										230	225	35	223	223	71	210	210	40	212	207½	100	15
16	175	175	20										173	173	70	173	169	23	175	169	68	175	175	2	16
17																173	173	34							17
18													103	102	29										18
19	212	212	10	200	200	7							204	189	478	210	202½	348	212	205½	434	215	200	247	19
20																									20
21							140	140	5				140	137	205	138	138	21	140	134	58	140	136	107	21
22																									22
23																									23

PRICES AND SALES—1917 (With Comparisons)

	1916 APRIL			1917 APRIL			1916 MAY			1917 MAY			1916 JUNE			1917 JUNE			1916 JULY			1917 JULY			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	93½	93	$3,800	93	92½	$3,000	93	92½	$10,500	92	92	$600	93⅛	93½	$2,400	92	92	$2,700	93	92¾	$2,000				1
2													96¾	96¾	1,600	97	97	500							2
3				93	93	1,000				94	94	300	90	89	1,500				94	94	3,500				3
4				97½	96⅞	20,700				96¾	96	26,700				97¼	96½	89,300				98	97	$52,600	4
5																									5
6	88	88	1,000	90	89¾	1,000	88¾	88½	13,700										85	85	1,000				6
7																									7
8	85	85	2,500																						8
9													68¾	68¾	3,000										9
10				81	81	8,500	84½	84½	100										87½	87½	500	80	80	200	10
11							84	84	1,000													80	80	8,000	11
12	94	93½	5,200	99½	99½	5,500	95½	94½	11,000				96	95	24,000	96½	96½	1,000	96½	96	19,000	97½	97	4,000	12

	1916 NOVEMBER			1917 NOVEMBER			1916 DECEMBER			1917 DECEMBER			1914			1915			1916			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	95⅛	94⅛	$5,100				95	93	$4,900	90	90	$18,400	97	92	$334,700	93¼	93	$89,700	95½	92½	$71,000	94	90	$74,000	1
2	96¾	96¾	5,000																96¾	94	11,000	97	96½	1,200	2
3	96	95	8,500				95	95	2,000				98	91	5,300	90	88	3,800	96	88	48,500	95	93	2,800	3
4	99	98⅜	101,300	96¾	95	$114,400	99	98	84,400	96¼	94⅜	64,600							99⅞	97¼	364,500	98¾	94⅜	938 900	4
5																			87	85	4,000				5
6	91¾	91	9,500				92½	92	20,500				93	90	33,500	88	88	4,500	92½	83	80,000	92½	89¾	2,000	6
7	84½	84½	500	87½	87	1,500													84½	84½	500	96	87	2,500	7
8													85	85	1,000	90	90	2,000	85	85	2,500	82	82	8,000	8
9													51	50⅜	2,500				68¾	68¾	3,000				9
10	86½	86½	1,000	81⅜	80	2,000	86½	86	12,100				97	94⅜	95,000				87⅜	84½	31,700	86¼	80	40,300	10
11																			84	84	1,000	84	80	9.000	11
12	96⅜	96½	10,200	90	90	4,000	97	96¾	7,500				93	81	42,500	89¾	88	47,000	97	90	118,500	99½	90	25,400	12

BANKS QUOTED ON MONTREAL STOCK EXCHANGE PRICES AND SALES—1917 (WITH COMPARISONS)

	BANKS	JANUARY 1916 High	Low	Sales	1917 High	Low	Sales	FEBRUARY 1916 High	Low	Sales	1917 High	Low	Sales	MARCH 1916 High	Low	Sales	1917 High	Low	Sales	
1	British North America				112	112	10										112	112	1	1
2	Commerce				186½	184½	91	203	203	10	186½	185	47	203	203	1	188	185	310	2
3	Dominion							227	227	2										3
4	Hamilton																			4
5	Hochelaga	149	149	16	145	145	103	149	149	16	145	145	367				145	143½	21	5
6	Imperial																			6
7	Merchants	180	180	3	170	167½	303	180	180	11	170	168½	137	180	180	14	170	169	79	7
8	Molsons				181	179½	129	201	201	1	180	180	6	201	201	10	180	180	18	8
9	Montreal	235	234	402	234	232	308	234	234	125	234	225	42	234	234	98	226	222	151	9
10	Nationale										134	134	2				134	134	2	10
11	Nova Scotia	261	261	12	255	255	14	261	261	14	256	255	45	261	261	7	257½	257	59	11
12	Ottawa	207	207	10							200	200	10				202	202	1	12
13	Royal	222¼	221½	255	214	212	379	221½	221¼	13	213½	212	159	221¼	221¼	22	213	212	121	13
14	Standard																			14
15	Toronto				191¾	190	30													15
16	Union	140	140	16	137	137	23	140	140	5	140	138	40				139	138	48	16

	APRIL 1916 High	Low	Sales	1917 High	Low	Sales	MAY 1916 High	Low	Sales	1917 High	Low	Sales	JUNE 1916 High	Low	Sales	1917 High	Low	Sales	JULY 191 High	Low	Sales	1917 High	Low	Sales	
1				112	112	1													110¾	110¾	1				1
2				186½	185½	151	203	203	3	188	185	233	190½	190	7	186	185	155	190	187	114	186	185	321	2
3																									3
4																									4
5				145	144	23				145	145	68	146¾	146¾	2				148	145	68	143	143	65	5
6																									6
7	180	180	10	170	168	120	180	180	30	170	167½	86	179¾	175	6	170	168½	88	179	175	79	170	167	126	7
8				185	182	87				186	182	40	195	195	14	184	179½	171	195	194	16	180¼	180	11	8
9	234	234	176	222	219	99	234	230½	75	219	215	81	230½	230	90	216	215	233	230½	228½	204	219	215	187	9
10																						149	148	11	10
11				254½	253	21				255	254	144	261	261	2	255	253	34	257½	257½	52	253	253	4	11
12																						202	202	10	12
13	222¼	222¼	7	213	212	77	221¼	218¼	116	213	210	128	218¼	215	46	213	211	117	216	214	30	212	210¾	126	13
14																									14
15										190	190	10										188	188	50	15
16				139	138	50	140	140	12	141	139	45				141	139	27	135	133¾	91	141	140	17	16

	BANKS	AUGUST 1916 High	Low	Sales	1917 High	Low	Sales	SEPTEMBER 1916 High	Low	Sales	1917 High	Low	Sales	OCTOBER 1916 High	Low	Sales	1917 High	Low	Sales	
1	British North America							110	110	35	112	112	1	110	110	5				1
2	Commerce	188	186	255	186½	183	205	187	186	168	185	183½	256	186	183	192	185½	185	86	2
3	Dominion																			3
4	Hamilton																			4
5	Hochelaga	147	145	60	143	142½	25	145½	145	87	142	141⅞	9	148	145	40	142	140	81	5
6	Imperial																			6
7	Merchants	175	174	58	170	167½	83	174	173	20	170	169	13	170	166	444	170	167	120	7
8	Molsons	194	194	1	185	180	8	192	192	10	183	183	17	190	188	12	181	179¾	107	8
9	Montreal	227	224½	84	216½	214	11	226½	221	48	215	213	39	225	219	187	214	210	356	9
10	Nationale																148⅜	148½	5	10
11	Nova Scotia	259	257½	187	253	253	20	259	256	201	253	250	14	256	254	57	250	248½	37	11
12	Ottawa				200	200	5	203	203	5	200	200	2	200½	200½	6				12
13	Royal	214	210	79	213	210½	195	212½	210	74	210½	209½	168	212	210	252	210¼	208	109	13
14	Standard																201	201	5	14
15	Toronto	197½	197½	8							190	190	2							15
16	Union	133½	132	61	141½	140	43	134	133	114	140	138	8	135	134	180	138	135	191	16

	NOVEMBER 1916 High	Low	Sales	1917 High	Low	Sales	DECEMBER 1916 High	Low	Sales	1917 High	Low	Sales	1914 High	Low	Sales	1915 High	Low	Sales	1916 High	Low	Sales	1917 High	Low	Sales	
1	112	111	4										150	145	9	145	145	69	112	110	45	112	112	13	1
2	185	180	194	185	185	18	186	185	151	185	185	9	218	200¾	4,497	203	203	87	203	180	1,095	188	183	1,882	2
3													231⅜	226⅜	44				227	227	2				3
4													204½	202½	27	201	201	10							4
5	147½	146½	46	140	140	38	145	145	20	140	140	23	155	148	1,891	149	149	143	149	145	355	145	140	823	5
6													216	212	26										6
7	171	170	270	167	167	130	170	168	58	168	167	117	193	177	1,201	180	180	351	180	166	1,003	170	167	1,402	7
8	186½	185	22	179⅞	179⅞	143	184	182	53				205	194	633	201	201	115	201	182	139	186	179½	794	8
9	222	221	60	210	210	12	233	226	126	210	210	44	250	227½	1,781	240	234	2,145	235	219	1,675	234	210	1,563	9
10							134	134	2				133¾	132¾	76	132¾	132¾	1	134	134	2	149	134	20	10
11	256½	255	31				257	256	87	248	248	3	265	257	1,455	261	261	194	261	254	650	257½	248	395	11
12	202	202	10										206½	203	20	207	207	36	207	200½	31	202	200	28	12
13	213	211¼	204	208	208	67	212	211	161	208	208	47	228	219	1,890	221¼	221¼	340	222¼	210	1,259	214	208	1,693	13
14													219	218½	2							201	201	5	14
15							190	190	3	187	187	1	212	203	118	211	211	4	197½	190	11	191¾	187	93	15
16	138	135	119	139	136	157	137	135	37	137	136	382	147½	137	643	140	140	305	140	132	635	141½	135	10,029	16

A year prior to the war, in 1913, the yield of Dominion government bonds averaged 3.56 per cent., and to-day the maximum may be set down at 5.75, an advance of 61.8 per cent.

At an adjourned meeting of the Greater Winnipeg Water Board on Monday it was decided to send Mayor Davidson and the Commissioners of the Greater Winnipeg Water District to Ottawa and Montreal to interview the Minister of Finance and the city's fiscal agents in regard to raising the money necessary to carry on the coming year's work on the pipe line. The board will require in 1918 about $4,000,000, and perhaps an additional $2,000,000 in 1919.

In the Chatham district of Ontario the yield of sugar beets was 100,000 tons for 1917. The capacity of the three factories there are 300,000 tons. The chief cause of the shortage of supply of raw beets is the difficulty in getting labor, which promises to become a still more serious question during the current year.

MOOSE JAW

Saskatchewan's Railway Centre

Population 1901	1,558
" 1906	6,249
" 1911	13,823
" 1916	16,934
"(Est.) 1917	19,000

1917	
Assessment gross	$31,801,499
" taxable	26,344,334

Improvements assessed at 45% of value.

Gross debenture debt, $5,740,278.92.
Net debt after deducting Sinking Fund and Public Utility debentures, $2,139,159.39.

	TAX LEVY	TAX RATE
General rate	$459,067.20	17.50 mills
Public school rate	171,958.67	6.80 "
High school rate	28,451.88	1.08 "
Library rate	18,901.17	.72 "
	$678,378.92	26.10 mills

Fire loss (11 months 1917), $40,068.00.
Surplus of assets over liabilities, $2,600,632.47.
Light and Power Plant owned by City—surplus at 31st December, 1916, after paying all charges, including interest, sinking fund and depreciation, $12,681.37.
Power rates from 1 cent per k.w. hour up.
Building permits 1916, $318,945.00—1917 (11 months), $294,660.00.

	BANK CLEARINGS	CUSTOMS RECEIPTS
1916	$52,971,442.00	$495,980.00
1917 (11 months)	57,987,758.00	591,579.00

Condensed General Balance Sheet as at 31st October, 1917

ASSETS		LIABILITIES	
Land, buildings, improvements	$5,584,864.33	Debenture debt	$5,740,278.92
Taxes and accounts receivable	1,303,051.13	Accrued interest on debentures	113,540.82
Materials and supplies	102,998.97	Bank loans	386,500.00
Cash on hand and in bank	330,379.03	Accounts payable and accrued liabilities	453,980.29
Instalments deferred, frontage assessments	869,921.36	Reserve for doubtful debts	19,347.06
Tax sale certificates	214,673.02	Miscellaneous	6,506.97
Sinking fund	485,020.75	Nominal excess of assets over liabilities	2,600,632.47
Advances on high school and public library buildings	246,895.24		
Miscellaneous	183,182.70		
Total	$9,320,786.53	Total	$9,320,786.53

For further information apply City Commissioners.

DAY OF INDIVIDUAL TRUSTEES IS PAST

Progress of Trust Companies' Business Last Year—Life Insurance and Estates

By A. E. PARKER.

The outstanding features of the developments that have taken place which are of special interest to trust and loan companies during the past year would appear to be those referring to:—(1) The provincial rural credit schemes. (2) The continuance of the moratorium in Manitoba. (3) The administration of the several provincial acts for the protection of the property of soldiers on active service. (4) the diminishing of the supply of old country funds. (5) The administration of soldiers' estates. (6) The noticeable increase in the amount of life insurance being placed by the people of Canada. (7) The effect of conscription. (8) The question of the advisability of the continuance of the appointment of individuals by the various governments to execute trusts that could be better administered by a trust company.

Rural Credit Schemes.

The success of the various rural credit schemes is of such vital interest to the respective provincial governments that they will find it necessary to make conditions such that the security offered to mortgage companies will be of a much more certain value than heretofore. The competition of the provincial authorities is undoubtedly welcome so long as it remains fair competition. When the various schemes are looked into, it is questionable if the competition is fair and it is hardly necessary to point out that if these government schemes are run on a proper business basis, it will be found that the cost to the borrower will not be any less than it would be if he dealt with a well-managed private institution.

In addition to the question of the fairness of the competition and the maintenance of the low rate of interest that has been promised by government officials, there is the serious question as to whether such a scheme can be properly handled by any department of the government. Previous experience has shown that government departments cannot carry on business in such an economical and satisfactory way as the private corporation where individual initiative is able to take full advantage of all opportunities presented, being entirely free from political influence and domination.

Effects of Moratorium.

During the past year, the unfortunate effects of some of the provisions of the Manitoba moratorium have been more pronounced than they were in the early stages of the war. Financial conditions are gradually reasserting themselves and in consequence, borrowers, with few exceptions, are in a position to pay at least the interest and the taxes on the properties covered by mortgages. It is found, however, that full advantage of the moratorium is being taken in many cases where it is obvious that moneys that should be used in paying indebtedness to mortgage companies, is being used for other purposes.

The several provincial statutes with reference to the protection of the property of soldiers on active service have been administered, with a few notable exceptions, in a manner worthy of commendation and it is creditable to the men who have volunteered for active service that in very few cases has advantage been taken of the protection afforded by the acts.

Withdrawal of British Funds.

There is one serious feature of the events of the past year, namely, the gradual withdrawal of funds formerly invested in this country by British investors. This money is being withdrawn from Canadian investments and is being invested in Great Britain. We know that the interest rate has increased to a great extent in the old country, and in view of this, it is just possible that a great deal of the money will never be returned to Canada. We expect the conditions that will exist after peace is declared will be such that there will be an enticing field for investment in Europe. Therefore, the question of taking such steps that will enable Canadian financiers to obtain European funds for investment in Canada after the war is a matter that should receive the closest attention of all the financial interests of Canada that would be benefited by this return of old country money.

The enlistment of the men who have gone to fill up the ranks of Canada's army has been a matter of serious concern to the country at large, and perhaps more particularly to the agricultural interests. From the point of view of a trust company that has many estates made up chiefly of farm lands, the past year has been one of considerable anxiety. It has been found difficult to obtain an adequate supply of labor in some cases, and there is no doubt that the foreign element in the community has profited considerably by the increase of wages due to the scarcity of labor caused by the enlistment of our loyal population. If the war continues for another year, this is a matter that will have to receive attention at the hands of the proper authorities.

Estates of Soldiers.

What might be termed a new feature of trust company business has been the increase in the number of estates under administration of soldiers who have been killed on active service. In many of these cases the beneficiaries reside in the British Isles, and are, therefore, usually ignorant of the conditions prevailing in this country. There has also been, as might be expected, a lack of information in connection with the assets and liabilities of some of these estates. Many of the estates have been made up entirely of homestead entries. In this connection, the services rendered to the beneficiaries by the Canadian militia department, both through its offices at Ottawa and through its officials in England, have been of great assistance and value. The administrators especially have reason to be pleased with the efficient, prompt and courteous manner in which information has been given with reference to the affairs of these soldiers who have given up their lives for the great cause.

The writing of life insurance is in the ordinary way outside of the jurisdiction of the trust company, but it is with pleasure that officials of trust companies note that the amount of life insurance being placed with the various companies in Canada is increasing to a remarkable extent. This augurs well for the future and perhaps no body of officials are more competent to speak of the benefits of adequate life insurance than those officials connected with trust companies who see from day to day in the course of their duties, the value of such protection, especially when the head of the family is a man who has numerous liabilities as well as numerous assets.

Day of Individual Trustees Past.

The trust company business has increased from year to year and the success of the various companies engaged in the business in Canada has been a token of the respect and regard that these companies have earned from their clients. It is now an acknowledged fact that individual trustees are not only unnecessary, but also a relic of the past. It would, therefore, be a wise decision if all government authorities decided that all positions of a trust nature at the disposal of the governments, should be given to a reliable trust company. The day of individual trustees is past and the various governments should be the first to lead the way in the new order of things. Trust companies have by their past actions earned this additional recognition on the part of the governments concerned.

As a final word on this subject, the writer would put this question. Are the trust companies of Canada sufficiently progressive? We hear of combinations of mortgage companies, combinations of manufacturers, in fact combinations of every class of business interests throughout the Dominion, but so far, we have not heard of a combination of the trust companies. These combinations are not of the sinister kind, but are formed with the object of promoting the mutual interests of all members of the combination by the raising of business standards and the increasing of the efficiency of methods used by each and all of the companies. Perhaps the time has now come when the trust companies should get together and compare notes for the mutual benefit of all concerned.

It was estimated that to have secured a distribution of the third Canadian war loan equal to that of the first Liberty Loan we should have had 280,000 subscribers. The Victory Loan campaign committees asked for at least 200,000 subscribers to the present loan; there were 802,000 subscribers.

Of the world's total population of 1,691,000,000, about 1,342,000,000 live under the flags of the Central Powers' open enemies in the war. About 40,000,000 inhabit the countries which have broken relations, and 132,000,000 are neutral, while the population of Germany and her allies is about 177,000,000.

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Through the generation of Hydro-Electric Power, the Coal resources of Canada are conserved, and the necessity of importing thousands of tons is eliminated.

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INVESTMENT POWER IS INCREASING

Better Classes of Bonds and Stocks Bought at Low Prices

By H. BEVERLEY ROBINSON.

That the financial business has been hard hit by the war is a fact that is well known by all. There is scarcely a holder of securities who has not felt the depreciation in values acutely.

The past year started with an improvement for the month of January in the volume of trading compared with the same month in 1916, but the unrestricted submarine warfare announcement by Berlin and the events surrounding the breaking off of diplomatic relations with Germany by the United States in February caused most unsatisfactory and erratic markets during that month.

About the middle of May prices of securities improved and gave the appearance of the beginning of a bull movement similar to that experienced in the fall of 1915 and 1916. The improvement was short-lived, however, and petered out in the latter part of June.

Stock Exchange Business.

Business on the stock exchanges, outside of a few rallies from time to time has, as the year advanced dwindled in volume with steadily declining prices resulting in minimums being placed on stocks on October 30th. The wisdom of this action on the part of the stock exchanges is apparent, as both bankers and brokers alike realized that stocks were selling below their intrinsic value and the placing of minimums no doubt saved a lot of investors from throwing their securities over. In the absence of minimums there would have come a time when investors would ignore the income return their securities gave them and be influenced only by the panicky sentiment which was becoming so prevalent as a result of the continued decline of New York stocks.

During the year there was a large expansion in trading on the Montreal exchange in government bonds. Holders and investors alike have always found a ready market there either to sell or buy these securities.

The vast army of investors who have purchased war bonds during the past three years, (many of whom having for the first time bought a bond), will be a great field for other investments in time to come.

After the war is over, financial conditions with regard to good standard bonds and dividend paying stocks should show considerable improvement.

Building Up Large Reserves.

While Canada is piling up a heavy debt to finance her share of the war, we must not overlook the fact that she has developed her foreign trade to a large extent with the result that her debit trade balance has now changed to a credit of no mean amount. After the war she should be able not only to retain a great deal of the foreign business built up during the past three years, but also enlarge it through her ability to supply a great many things which will be needed in the rebuilding of devastated Europe.

Public works, building operations, etc., in Canada, have as far as practicable been held in abeyance during the war and this in itself will mean large business when peace comes. The majority of our big public utility and industrial corporations have firmly entrenched themselves by building up large reserves and putting their affairs in a very liquid state, so that they will be in a position to take full advantage of peace conditions after the war is over.

Money During War.

It is a true saying that money is worth far more during a period of war than at any other time. Evidence of this fact is the extremely high yield of all classes of securities as compared with pre-war times. During the last few months many investors have been taking advantage of these chaotic conditions to purchase outright the better class of bonds and stocks.

Throughout the latter months of the year particularly there has been a tendency on the part of Canadian banks to curtail rather than expand their loans to brokers and others against stock exchange securities. The attitude of the banks in this respect has probably been prompted by a sense of "first duty to the state," and a feeling of uncertainty as to what might be required of them by the Dominion government in the way of temporary, direct or indirect financial assistance. They have doubtless considered that throughout the duration of the war it was their duty to trim their business so that they might be prepared to meet any reasonable call from the government with the least possible shock to the agricultural and commercial business of the country. It seems reasonable to expect that until the end of the war is in sight the Canadian banks will pursue a policy of strengthening their cash reserves.

The whole-hearted manner in which the government of the United States has taken hold of the allies' war problems has to some extent relieved the feeling of anxiety which previously existed in Canada, but at the same time the active participation of the United States in the war has necessitated the raising of such colossal government loans for their own use that the United States market has practically been closed to us as a field for the raising of war loans.

To Encourage Thrift.

In order to encourage thrift and promote the investment in well-seasoned dividend-paying listed stocks among the salaried men and those of moderate income our firm recently inaugurated a systematic investment plan, by which such securities are brought within the reach of this class of investors. They are enabled by our plan to acquire securities and pay for them over a period of months.

The plan is becoming popular and the present low level of securities makes its attractiveness more apparent. In time a widening of the investment field should result.

Canada's aim in the future must be to develop her vast natural resources and increase her agricultural production. We are doubtless in a unique position to accomplish much in these respects and it appears to us perhaps our greatest need when the war is over will be an educational campaign, having as its object the bringing of all to a realization of the possibilities of our country's future if we but determine to do our utmost to work in harmony to develop it.

RURAL CREDITS IN ALBERTA

Review of Recent Legislation—Twelve Hundred Applications Under Farm Loan Act

BY W. V. NEWSON.

In the ordinary course of events, decades of persistent agitation would have been necessary to bring about what the stimulus of a great war has accomplished in a few short years. This is especially true with respect to rural credits legislation in the Western provinces. With due allowance for the progressiveness of the Western parliaments, it is not too much to say that the war and the consequent necessity for greater production without the costly frills of the middleman are largely responsible for the despatch with which these rural credit enactments were brought into being. The province of Alberta decided concurrently with the other Western provinces that if the functions of a middleman were necessary they should be performed by the government without the usual profits. Dealing with the commodity of loans, various plans were, therefore, drafted with a view to giving the farmer his working capital at actual cost, and at the 1917 session of the Alberta legislature these took the form of the following acts: (1) The Alberta Farm Loan Act. (2) The Live Stock Encouragement Act. (3) The Alberta Co-operative Credit Act.

Alberta Farm Loan Act.

This act proved to be very attractive to the average farmer, who needed a long-term mortgage loan for ordinary improvements or for the extension of his holdings. To make the act a success, however, investigations had to be made with a view to obtaining a steady supply of money at such a rate that the farmer would make some profit out of his business after he had repaid his principal and met his interest instalments. From the passing of the act up to the present time, war financing in Canada and the United States has absorbed all the money that might have been available for this worthy purpose. Little has, therefore, been done in respect to bringing the act into full operation.

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Proceeds to be loaned to Farmers under the Manitoba Farm Loans Act

4% PAYABLE ON DEMAND

Write for Explanatory Booklet.

MANITOBA FARM LOANS ASSOCIATION

WINNIPEG MAN.

The provincial treasury department has, however, done some preliminary work with the object of distributing information and preparing the way so that the organization may be complete and ready for business when sufficient funds are available.

In October last, the department had received communications from over 1,200 prospective applicants, 60 of whom specifically stated the amount of their requirements. These averaged approximately $1,675.

Live Stock Encouragement Act.

Any five or more persons engaged in practical farming in the province of Alberta may, under the provisions of this act, jointly apply to the live stock commissioner for a loan, not to exceed $500 each, for the purpose of buying cattle. The loan is secured by the joint note of the borrowers, supplemented by the guarantee of the province. The notes may run for a period not to exceed five years, with interest not to exceed 6 per cent. per annum.

By agreement with local banking institutions to provide funds for loans approved under this act, the provincial treasurer had guaranteed to October, 1917, notes amounting to $250,000.

The total applications to September 30th, 1917, may be represented as follow. Completed, 72; rejected or withdrawn, 28; awaiting fees, 84; under investigation, 232; Total, 416.

The 84 cases awaiting fees represent approximately $190,000.

Any person who has made a homestead entry may take advantage of the provisions of the act. It will, therefore, be seen that it supplements the other rural credit legislation by giving the homesteader a chance to enter the field of stock-raising, thereby adding not only to his material prosperity, but to his mental welfare. No one, perhaps, can appreciate more the contentment to be found in the association with animals than the new settler on an isolated homestead.

It is hoped that the progress so far made augurs well for the stability of the cattle industry in Alberta and assures the small farmer of some measure of independence.

Alberta Co-operative Credit Act.

The preceding acts were designed to encourage production. There was still required some legislation to help the farmer to market his produce and purchase his supplies to the greatest advantage, and to meet this need the Co-operative Credit Act was passed. That the principle of co-operation is sound has been proved in several European countries, perhaps more notably in Denmark. It is on record that before the co-operative movement began in Denmark only one per cent. (1%) of the farmers bought their supplies economically and sold them profitably, whereas now 99 per cent. of the farmers do so. If such a gain can be made in Denmark, where the soil and climate are far from ideal, there is reason to expect results at least equally favorable in Alberta, where farming conditions are excellent.

There are, nevertheless, many difficulties attending the organization of societies under this act, which may be largely attributed to the scattered population and the cosmopolitan nature of the rural communities. A beginning, however, has been made, and, while the past season's operations were all arranged for before the act came into effect, the department has dealt with many enquiries, and has also distributed literature calculated to interest the farmers of the province in the movement. During the present winter, lecturers and organizers are inaugurating and completing the formation of a number of co-operative societies before the spring work of 1918 begins.

One interesting feature noted in the preliminary work of the department is that settlements comprising those foreign peoples who have been associated with similar systems in Europe appear to more readily discern the better communal conditions that will obtain through the operation of the co-operative system in the province of Alberta.

The trade returns for the eleven months to November 30th show exports of $1,399,018,936, and the excess of exports over imports $455,519,369, the latter comparing with $262,957,000 for the same period in 1916, and $115,980,000 for the same period in 1915. In the corresponding eleven months of 1912 there was a balance against Canada of $281,123,000.

TRUST COMPANIES' BUSINESS LAST YEAR

Farmers are Paying Off Mortgages—Interest Rates Obtainable Were Less

By W. E. RUNDLE.

The main business of trust companies, as they are organized in Ontario, is to act as administrators, executors and trustees of estates. The general experience is that no matter whether times be good or bad, the average of business received from year to year is very much the same and denotes gradual and continuous progress. The past year has been no exception. Of course, some years show a greater progress than others; for instance, when some exceedingly wealthy citizen of the province dies, having appointed a trust company as his executor.

Incidental to the management of estates, trust companies have established investment departments. These departments take care of the investment of the funds of an estate from time to time as the original assets are realized. Such investments, unless the will particularly directs otherwise, are made in first mortgages upon the security of improved realty (largely farms and middle-class city residences), and government and municipal debentures. The investment department of a trust company also takes care of the investment of the trust company's own funds, both capital and guaranteed. It is in connection with the investment phase of the trust company business that there have been some interesting developments during the past year or two which might be of interest to readers of *The Monetary Times' Annual.*

Farmers Paying off Mortgages.

There has been a growing tendency on the part of the farmers to pay off their mortgages as they mature. Especially is this the case in the provinces of Manitoba, Saskatchewan and Alberta. In these provinces, Ontario trust companies which have branch offices there have of recent years largely invested that part of their capital and guaranteed funds which they have been placing in farm mortgages. The reason for this policy is, of course, the higher rates of interest which have maintained in the provinces mentioned over those obtainable for similar mortgages in the provinces east of the Great Lakes.

Experience has shown that the security is as good as that in any other part of Canada. The good crops and the high prices which the farmers have received for their products have placed the agricultural community of the Dominion in a greatly improved financial position; hence the ability of many to pay off their mortgage indebtedness. This, of course, is a splendid thing for the country generally,—and what is good for the country must inevitably result for the good of its financial and other institutions. But the immediate effect is manifestly to reduce the earnings of trust companies and all other mortgage loan institutions on their mortgage investments, because they cannot reinvest at as favorable interest rates. Moreover, as the demand for mortgage loans has been greatly reduced since the war, the repayments to which I have referred have been reinvested in government and municipal securities,—largely the Dominion war loans. This class of security, while not yielding as high a rate as the mortgages paid off, have yielded a much higher rate than was obtainable previous to the war on similar securities.

Reduction in Average Rate.

The net result, however, during the past year has been a reduction in the average rate of interest obtainable on the total invested funds. Whether or not this loss has been overtaken by the general increase during the year in other departments of trust companies' business, will depend upon the experience of the individual companies. Speaking for our own company, we will overtake the loss in interest on mortgage loans through the increased commissions we will receive on increased estates business which has come to us during the year.

There is a growing disposition of the public at large in Canada to appoint regularly authorized trust companies for the purpose of administering estates and trusts rather than private individuals.

CITY OF WINNIPEG

STATEMENT OF GROSS AND NET DEBT AS AT 30th APRIL, 1917.

Gross Debt			$40,553,679.82
Deduct :—			
Revenue producing and other Special Debts as follows:—			
Water Works		$ 6,990,768.54	
Hydro-Electric System		7,402,000.00	
Local Improvements—Ratepayers' Share		12,459,748.64	
Fire Service Water Works—Special Assessments.		1,264,632.28	
School Board Debentures		3,500,000.00	
		$31,617,149.46	
Total Sinking Fund	$8,142,694.33		
Less Sinking Fund on above Special Debts	6,105,507.15	2,037,187.18	33,654,336.64
Net Debt			$6,899,343.18

ASSESSMENT, 1917

Assessed Value of Rateable Property	$253,667,790.00
Exemptions not included above	41,641,300.00

TAXATION REVENUE, 1917

Revenue from Property Taxation	$4,312,352.43
Revenue from Business Taxation	333,866.40
Revenue other than from Taxation	759,239.82
	$5,405,458.65

Tax Rate for 1917 (including Schools 4.8843 Mills) 17 Mills

Population, 1917 182,848

Area ..... 15,283 Acres

PUBLIC UTILITIES

Results for Fiscal Year, 1916-17

	Surplus after deducting operating charges only.	Surplus after deducting operating and fixed charges.
Hydro-Electric System	$697,215.98	$84,574.53
Water Works System	571,125.61	93,989.25

PROVINCIAL GOVERNMENT LOANS

Total Issues Last Year Were $15,300,000, Including Ontario's $8,000,000 Hydro Issue

The provincial government loans last year totalled $15,300,000. This compares with $33,173,000 in 1916, $47,000,000 in 1915, and $36,748,644 in 1914. The total last year ordinarily would have been only $7,300,000. The issue of $8,000,000 of Ontario bonds in respect of the acquisition of the Ontario Power Company by the Ontario Hydro-Electric Commission, however, increased the year's total to $15,300,000. This is the smallest total of provincial government loans for many years.

Five of the nine provinces were in the market, the four exceptions being Quebec, Nova Scotia, Prince Edward Island and British Columbia. In 1916 seven of the provinces were in the market.

During Ontario's fiscal year, the province borrowed $3,000,000, out of which treasury bills of $2,000,000 were paid. The net borrowing was, therefore, $1,000,000. That loan was the only one made during the calendar year 1917, with the exception of the Hydro-Electric issue. The province issued last year $8,000,000 of 4 per cent. 10-year bonds on behalf of the Ontario Hydro-Electric Commission in regard to the acquisition of the Ontario Power Company by the commission. This made a grand total of $9,000,000 of bond sales for Ontario.

Alberta and Manitoba.

Alberta made an issue of $1,500,000 5 per cent. 5-year bonds, due 1922. The issue was offered to the public at 94.70.

In a statement to *The Monetary Times*, the deputy provincial treasurer of Alberta said: "The rapidity with which these bonds were absorbed was very gratifying to the province, and is a strong indication of the confidence of the investing public in securities of this class. In strict adherence to its resolution of war-time economy, the province has eliminated all but the most essential items in its programme of capital expenditure. It was, therefore, not necessary last year to borrow the full amount authorized by the legislature."

Manitoba made one issue of $2,000,000 for the following purposes: New Parliament Buildings, $1,500,000; Manitoba Farm Loans Association, $100,000; Rural Credits Association, $5,000; Psychopathic Building, $50,000; Settlers' Animal Purchase Act, $100,000; Demonstration Farm, $16,000; Brandon Asylum Extension, $100,000; Brandon Asylum (apart from new building), $20,000; Underground Electrical Work and Transforming Equipment, $35,000; Government Grounds, north of Broadway, $4,000; Ninette Sanitarium, $50,000; Dauphin Judicial District, $20,000.

Saskatchewan's Greater Production Loan.

Saskatchewan issued $1,500,000 5 per cent. 15-year bonds, of which about one-third was sold in the United States. The province also announced in September the flotation of the Saskatchewan Greater Production loan. The object of this loan is to raise money within the province to provide the necessary funds for the carrying out of the scheme of rural credits under the Farm Loans Act, the purpose being to supply money at cost to farmers requiring it for the development of their farms and the bringing about of increased agriculture and live stock production in Saskatchewan.

Ten-year Saskatchewan Greater Production loan bonds are being issued in denominations of $20, $100, $500 and $1,000, bearing interest at 5 per cent. per annum, payable half-yearly. The bonds are redeemable at par at any time upon three months' notice to the provincial treasurer. It is understood that to the end of 1917, approximately $800,000 of these bonds had been sold.

New Brunswick sold an issue of $500,000 5-year 20 per cent. bonds in July.

PRINCIPAL STOCK ISSUES LAST YEAR

Since the table on page 166, showing the principal stock issues made last year, was completed, the Imperial Oil Company of Canada has made a new issue of 50,000 shares, par value $100 per share. Shareholders were entitled to subscribe for one share for every five owned.

CANADIAN FLOTATIONS IN LONDON

Only Three Were Made Last Year—Sales Since 1905 Total £305,299,560

Only three Canadian public flotations were made in London last year. These were issues in May of £205,000 of stock by the Canada Land Corporation, and £1,025,000 shares of the Imperial Tobacco Company of Canada. In December the Grand Trunk Railway issued £1,000,000 6 per cent. 3-year notes to replace notes falling due. The capital in the first case was raised by a 4 per cent. assessment on a portion of the company's shares. The Imperial Tobacco Company of Canada sold 1,000,000 ordinary shares of $5 (£1 os. 6d) at 19s. per share, being an issue of 93. The British Treasury's permission was obtained to the three issues.

Canadian public borrowings in London in 1915 amounted to £8,235,000, the lowest total on record, with three exceptions, since 1905. In 1914, our public borrowings in London were £37,777,271, and in 1913 £47,363,425. The total for the latter year was the highest on record.

The low totals during the past three years are accounted for by the continued closing of the London market to practically all flotations except war loans. The bulk of Canadian funds in 1916 were raised in the United States. Temporary advances, however, have been made to Canada by the Imperial government for war purposes, since October, 1914. On the other hand there have been Canadian advances to Great Britain for purchases here.

Thirteen Years Record.

According to *The Monetary Times'* records, Canada's public borrowings in London during the past thirteen years have been as follow:—

1905	£ 13,530,287
1906	6,427,500
1907	11,203,711
1908	29,354,721
1909	37,411,723
1910	38,453,808
1911	39,855,517
1912	32,456,603
1913	47,363,425
1914	37,777,271
1915	8,235,000
1916	1,000,000
1917	2,230,000
Total	£305,299,560

The three Canadian flotations in London in 1915 were as follow:—

Dominion government, £5,000,000 4½ per cent. five or ten-year bonds issued at 99½. This loan was over-subscribed.

Grand Trunk Railway, £2,500,000 5½ per cent. five-year notes at 99. Forty-four per cent. of this issue was left with the underwriters.

Canadian Northern Railway £735,000 5½ per cent. one-year notes. This issue was made to replace notes maturing in July, 1915.

Only one Canadian flotation was made in 1916. This was an issue in August of $1,000,000 6 per cent. 20-year debentures of Canadian Vickers, Limited, Montreal.

Details of Six Years' Loans.

The following table gives details of the purposes of our loans in London for the past six years:—

Purpose.	1912. £	1913. £	1914. £	1915. £	1916. £	1917. £
Government	5,500,000	9,800,600	16,260,000	5,000,000	.....	.....
Municipal	5,472,049	13,926,470	6,469,487	.....	.....	.....
Railroads	9,002,585	13,179,170	11,943,800	3,235,000	.....	.....
Mining	650,000	225,000	175,000	.....	.....	.....
Financial	2,772,000	.....	.....	.....	.....	.....
Mortgage, land and lumber	1,704,975	2,451,332	705,329	.....	.....	205,000
Industrial	7,354,994	7,780,847	2,223,655	.....	1,000,000	2,025,000
Totals	32,456,603	47,363,425	37,777,271	8,235,000	1,000,000	2,230,000

Complete records of Canadian bond sales in all markets last year appear on other pages.

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BONDS
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UNION TRUST BUILDING
WINNIPEG

City of Red Deer

ASSESSMENT AND TAXES, 1917

City Land Net Assessment	$3,176,780.00
Special Franchise	110,000.00
Business	52,790.00
Exemptions	393,800.00
Public School Net Assessment	4,753,880.00
Separate School Net Assessment	146,000.00

TAX RATE, 1917

Municipal General	8.5 mills
Municipal Debenture	7.5 mills
School	6.5 mills
	22.5 mills
Business Tax	8 per cent.

DEBENTURE DEBT, December 31st, 1917

Total Debenture Debt		$343,449.74
less Waterworks Debentures	$87,304.87	
less Local Improvement Debentures	83,525.79	
		170,829.66
Net Debenture Debt		$172,620.08
Treasury Bills Issued, Series A	$55,000.00	
less Repaid	13,750.00	
		$41,250.00
Series B		30,000.00
		$71,250.00

LIQUID ASSETS

Uncollected Taxes, 1917	$48,718.09	
Arrears of Taxes, 1915	16,139.08	
Arrears of Taxes, 1916	32,877.91	
Cash on hand	755.46	
Cash in Bank, General Account	252.82	
Cash in Bank, 1915 Arrears	24,275.58	
Cash in Bank, 1916 Arrears	1,480.83	
Cash in Bank, Unexpended Debentures	3,046.06	
Unpaid Water Rates	1,236.75	
Agreements for Sale	913.62	
Lands Sold to City, 1914	3,584.49	
Lands Sold to City, 1915	5,744.69	
Lands Sold to City, 1916	7,445.75	
		$146,471.13

FLOATING LIABILITIES

Bills Payable	$21,000.00	
Agent, Dominion Lands, Nuisance Ground Payment	309.14	
Public School, Balance Demand, 1917	10,317 43	
Memorial Hospital	1,764.13	
Separate School, 1917 Demand	900.00	
Sinking Fund	35.95	
Suspense Account, Englewood	844.03	
Suspense Account, Riverview	15.00	
Tax Sale Fund	1.36	
		$35,187.04
Treasury Bills, Series A	41,250.00	
Treasury Bills, Series B	30,000.00	
Unpaid Debenture Coupons (not presented)	784.65	
		72,034.65
Estimated Exp'ditures for November and December		11,461.61
		118,683.30
Estimated Receipts, 1917	111,172,15	
Estimated Expenditures, 1917	98,348.72	

All Debenture Coupons presented for payment to date have been paid. Treasury Bills due in 1918 amount to $23,750.00, for repayment of which we have in the Bank, cash, $25,756.41.

RESULTS OF MANITOBA'S MORATORIUM

Law was Hardly Necessary—Gradual Adjustment Might Have Been Better

(By a Western Correspondent.)

The Manitoba moratorium must not be confused (as has so frequently been done) with a somewhat similar act but one only intended to affect the property and interests of a particular class, namely, "The Volunteer Relief Act." That was an act passed for the protection of the soldier on active service, a very laudable motive with which everyone was in hearty sympathy. Unfortunately, however worthy the object of that act was, like other legislation hurriedly drafted and made law, the act has lent itself to many abuses, causing perhaps more trouble and complications than the moratorium proper. The latter act was passed to temporarily protect property interests during the war.

Was it Necessary?

Was the Moratorium Act necessary and has it been a help or otherwise? In every real estate boom period there are two principal classes at work. First, the speculator who puts as little money as he can into his operations and deals extensively but chiefly on narrow margins, and second, the more moderate investor, who buys and sells with more cash in his deals, in the hope of good profits. When the boom breaks the former, with a large "paper" but small "cash" interest in the property he holds, drops out with a larger covenant liability than he can ever hope to redeem, and is, therefore, insolvent from the first and does not deserve nor does his case call for protection; the latter having a larger cash interest in his transactions, has not likely undertaken more than he can reasonably well protect, and is financially responsible for. The breaking of the "boom" while it will tie him up, possibly for a term of years, with care, economy and reasonable leniency (usually granted) on the part of his creditors, he will "pull through."

Had there not been a war, the aftermath of the "boom" would have had to be borne by those affected, in the same way as in times past, when similar conditions existed, and it is a question if it would not have been better if a gradual adjustment as "between man and man" had been allowed to take place. The war was given as the reason for the passing of the moratorium or protective legislation whereas it is now pretty generally admitted that had war conditions creating a demand for all land products, as well as many other articles, at greatly increased prices, not existed, the financial depression after the real estate boom, might have been much worse. In place, therefore, of the gradual adjustment which would in due course have taken place, the moratorium has protected the speculator as well as the more legitimate real estate investor, and instead of thrift and economy being encouraged and exercised, as would otherwise have been necessary, a continuance of extravagance has resulted and postponed in many cases the evil day and in place of settlement being made, while much money has been in circulation and there was prosperity in many directions, from abnormal conditions, many adjustments which still have to be made, will likely become necessary in less prosperous times after the war, and be all the more difficult to accomplish.

The mortgage lending companies who have the facilities for carrying and helping deserving clients, have not been detrimentally affected by the moratorium, as their customers for the most part have reasonably met their payments and have not taken advantage of the moratorium. Small individual investors, however, who were dependent for their living on the income from mortgages, etc., who may not have had such choice security, and many of whose borrowers have taken advantage of the moratorium, have suffered most. Such small investors were equally citizens of the country and worthy of consideration as were the borrowers or debtors. The moratorium protects the one and hurts the other.

Consideration of such facts as above discussed rather gives the impression that a general law such as the moratorium, was hardly necessary, and that had some arrangement been made in Manitoba whereby any special cases of hard treatment on the part of creditors could have been brought before the proper authorities to be dealt with, as was done in some of the other provinces, it would have sufficed

HOW THE SEED GRAIN LIENS ARE BEING REPAID

The Dominion government in 1915 advanced relief to those in western Canada who lost their crops through drought, etc., in 1914. This relief was for furnishing food for settlers, feed for stock, and seed grain for land thoroughly cultivated. The object of the administration in making these advances was twofold.

1.—To alleviate the destitute settler, thereby preventing starvation or emigration—the only alternative.

2.—To enable farmers to seed every available acre, it being realized that the future of our country depended in a great measure upon the crop.

There was advanced for seed grain $7,600,000, and for other goods by way of relief and fodder for animals $4,400,000, making a total of $12,000,000.

In September, 1915, the Dominion government issued a statement announcing easier conditions for the repayment of these loans. The repayment in full was actually due on January 1st, 1916.

At a conference in Calgary in September, 1916, it was recommended that those farmers who had not discharged their indebtedness should be given until June 30th, 1917, to pay up, and that after that date the holder of a mortgage on their property might pay off the lien and add the amount to the mortgage at the named rate of interest.

The following is an official statement of the seed grain lien situation on September 30th, 1917:—

1917.	Seed grain and fodder.	Relief.	Total.	Changes—Three-month periods.
Securities taken	$7,560,760	$4,748,846	$12,309,607	.....
Repayments on principal—				
March 31st	3,709,914	1,418,257	5,128,171	.....
June 30th	4,037,006	1,635,261	5,672,267	+ $544,096
September 30th	4,214,340	1,791,387	6,005,727	+ 333,459
Balance of principal outstanding—				
March 31st	3,850,846	3,330,589	7,181,435	.....
June 30th	3,523,754	3,113,585	6,637,339	— 544,096
September 30th	3,346,420	2,957,459	6,303,879	— 333,459
Interest payments to—				
March 31st	186,871	76,007	262,878	.....
June 30th	216,535	91,591	308,126	+ 45,247
September 30th	239,571	105,686	345,258	+ 37,131
Total repayments—				
March 31st	3,896,786	1,494,264	5,391,050	.....
June 30th	4,253,541	1,726,853	5,980,394	+ 589,343
September 30th	4,453,912	1,897,074	6,350,986	+ 370,591

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Established 1889

Members Montreal Stock Exchange

Principal Canadian Stock Issues made during 1917

Company	Stock	Rate %	Amount	Issued at	Date	Remarks
IN CANADA						
			$			
Alberta Flour Mills, Ltd.	Common	.....	250,000	Par	Jan.	
Canadian Car & Foundry Co.	Common	.....	750,000	Par	July	This stock was issued in payment of commissions due on contracts, for shells for Russia
Canadian Westinghouse Co.	Common	.....	1,250,000	Par	Jan.	Issued to shareholders at par, one new for every four held on Feb. 1st
Consumers' Gas Co., Toronto	Common	10	718,050	Prem. of 50	May	Shares sold numbered 9,574
Halifax Housing Co.	Common	.....	50,000	.....	July	The Company also raised $90,000 on mortgage
Mackintosh Rubber Co. of Canada	Common	.....	100,000	.....	Sept.	
Montreal City & District Bank	Common	16	500,000	Par	April	Call of 25 per cent., or $500,000 of bank's $2,000,000 authorized capital, bringing shares up to 75 per cent. paid
New Brunswick Power Co.	Cum. 1st pref.	7	300,000	.....	April	This was part of an issue of $1,000,000, the balance of $700,000 being sold in U.S. The $1,000,000 of seven per cent. first preferred stock was purchased by American bankers, and most of it was sold, with the exception of a block of $300,000, which was purchased by Messrs. Nesbitt, Thompson & Co. of Montreal, and the Eastern Securities Co. of St. John and Halifax. Offered at par and accrued dividend
New Brunswick Power Co.	Non-cum.2ndpf.	7	350,000	.....	April	First offered at 93
Nova Scotia Steel & Coal Co,	Common	5	5,000,000	Par	June	
Nova Scotia Tramways & Power.	Cumulative pref.	6	1,5000,000	.....	Jan.	Offered in blocks of 10 shares (par $100 each) of preferred stock, and 3 shares (par $100 each) of common stock, for $1,000.
Nova Scotia Tramways & Power.	Common	.....	500,000	.....	Jan.	
Port Arthur Shipbuild'g Co. of Can.	Cum. pref. stk.	7	120,000	Par	June	This offering was the unsold portion of a total closed issue of $1,000,000 the balance having been taken privately in advance
Regent Theatre Co., Toronto	Preferred	7	75,000	Par	Jan.	With bonus of 25 per cent. common stock, making $175,000 issued to that date.
Shawinigan Water & Power	Common	.....	1,361,250	.....	May	Issued to shareholders at 115, in ratio of 1 share of new to 10 shares of old. Right was given to British shareholders, who were forbidden by English law to subscribe to new stock at the present time, to defer payments until May 1, 1917, at which time the price per share was 120.
Whalen Pulp & Paper Mills, Ltd.	Mort. deb. stock	7	750,000	.....	Oct.	With bonus of 50 per cent. common stock. The balance of $750,000 of this issue of $1 500,000 was sold in the United States.
IN UNITED STATES						
New Brunswick Power Co.	Cum. 1st pref.	7	700,000	.....	April	This was part of an issue of $1,000,000, balance of $300,000 being sold in Canada; offered by Bodell & Co., Providence. Offered at par and accrued dividend.
Whalen Pulp & Paper Mills, Ltd.	Mort. deb. stk.	7	750,000	Par	Oct.	With bonus of 50 per cent. common stock. The balance of $750,000 of this issue of $1,500,000 was sold in Canada
IN UNITED KINGDOM						
Canada Land Corporation	Com. stock	... ..	1,025,000	.....	May	Four per cent. assessment on portion of company's shares
Imper. Tobacco Co. of Can., Ltd.	Ord. shares	.....	5,125,000	93	Oct.	Interim dividend of 6 per cent. had been paid for fiscal year ended September 30th, 1917.

PAR OF EXCHANGE ON EUROPEAN COUNTRIES

The par of exchange on European countries, calculated from the United States Mint's intrinsic valuation of their standard coin in terms of United States currency, is as follows:—

Austria	20.3 cents to the crown.
Denmark	26.8 cents to the krone.
England	$4.74 to the sovereign.
France	5.18⅛ francs to the dollar.
Germany	95.2 cents to four marks.
Holland	40.2 cents to the florin.
Russia	51.2 cents to the rouble.
Spain	19.3 cents to the peseta.

Par of the New York exchange on Italy and Switzerland is the same as that on France; the franc, lira and peseta are all valued by the Mint at 19.3 cents, and the number of each of them in one dollar is, therefore, the same. Par of exchange on Norway and on Sweden is the same as on Denmark. The Mint valuation of one German mark is 23.8 cents; by old custom the American foreign exchange market reckons rates on the basis of four marks.

EUROPEAN BANK RATES

The following table shows the official minimum discount rate of all the European State banks, with the respective date at which the present rates were established, and the rates at the corresponding dates in previous years:—

Bank of—	Date of last change.	1917.	1916.	1915.	1914.
England	Apr. 5, 1917	5	6	5	5
France	Aug. 20, 1914	5	5	5	5
Germany	Dec. 23, 1914	5	5	5	6
Holland	July 1, 1915	4½	4½	4½	5
Austria	Apr. 10, 1915	5	5	5	8
Italy	June 1. 1916	5	5	5½	5
Russia	July 29, 1914	6	6	6	6
Spain	Oct. 27, 1914	4½	4½	4½	4½
Switzerland	Jan. 2. 1915	4½	4½	4½	5½
Portugal	Jan. 15, 1914	5½	5½	5½	5½
Sweden	Nov. 9, 1916	5½	4½	5½	5½
Norway	Nov. 9, 1916	5½	4½	5½	5½
Denmark	July 10, 1915	5	5	5	6

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VALUE OF OUR STOCK EXCHANGES

Important Factor in Finance—Benefits of Short Selling—Stock Exchange Practice

By C. TOWER FERGUSSON.

Kings and rulers have always needed money, and usually they have succeeded in getting it. In earlier days, if they were victorious in their wars, of course, they made the other fellow pay, but if not, they obtained it from their own people by unjust exactions and often confiscations of properties under one or another pretext.

The saying is attributed to Macauley, that after the reign of William III. (Orange), "Kings borrowed with intent to repay." Then followed the National Debt of England. The obligations thus created by the government were in the beginning disposed of to the people in many ways. Sometimes they were sold at church-doors to the worshippers who congregated there. At others they were hawked about from hand to hand. To remedy this condition of affairs the London Exchange was founded in 1773. An old record says: "In this year the brokers and others of New Jonathans, which was the name for a coffee house in Cornhill, came to the resolution that instead of being called 'New Jonathans' it should be called the stock exchange, which is to be wrote over the door."

Early Brokers in France.

Earlier even than this in France a group of stock brokers, afterwards constituting the "Bourse," were appointed by Louis XIV. In that country the Crown did not lose control of revenue because of these appointments, but claimed part of the earnings of the brokers as a return for the privileges. Even to this day in France the regular members of the Bourse receive their appointment from the government. There is a smaller exchange, called the "Coulisse," where the membership is free.

These exchanges having been erected in both countries, formed a market on which government securities could be bought and sold, and in which the public could lend their money to the different governments and receive obligations in the form of bonds, securing to them the repayment of funds so invested.

From this small beginning, the London stock exchange soon developed a wider market, in which East India securities and the bonds and stocks of chartered companies were bought and sold.

Bonds of China and Siam.

In more recent years, it has assumed enormous proportions, both in the volume of business and in the variety of shares and government securities listed thereon. For instance, there is hardly a government in the world whose securities cannot be purchased and sold in London. The immense Kingdom of China has its bonds listed, as well as those of little Siam. If the investor in stocks is partial to the national beverage, there are scores of brewery securities in which he can place his money, but on the other hand if he is of temperance leanings, he can invest in Bovril shares or in Apollinaris common or preferred, to say nothing of Ceylon tea bonds.

The New York stock exchange, while not so old as those of England and France, has nevertheless in its one hundred years of existence filled a large place in the growth and development of the United States. During the Civil War it was to members of the stock exchange and the banking fraternity of Wall Street that Secretary Chase looked to obtain the money for carrying on the affairs of the nation, and builders of railroad systems have leaned on the exchange in financing their vast enterprises. Stock exchanges as institutions, therefore, have borne the stress of time, which is at least one test of merit. Since their inception, they have from time to time been subjected to criticism, which resulted in judicial enquiry into their functions and practices. In 1877, a Royal Commission was appointed in England to enquire into matters relating to the London exchange, with a view of bringing it more closely under government control. A prominent member of parliament, who was one of this commission, said with regard to this "incorporation of the stock exchange would mean that the rules established thereby would be stereotyped, and could only be altered even in the minutest detail with the approval of the department of state. In my opinion, this requirement would be either mischievous or nugatory." Another extract from the report says: "This Royal Commission has been sitting more than 12 months, yet nothing important or reliable has been volunteered of a character adverse to the general practices or conduct of business on the stock exchange."

In 1908, after the outcry with regard to government interference in New York State, the Hon. Chas. E. Hughes, then the governor of the state, and more recently the Republican candidate for the Presidency, appointed a commission to ascertain if changes were advisable bearing upon speculation, etc., on the stock exchanges of New York. This commission went inexhaustibly into the matter and their report was presented on June, 1909. Their conclusions were to the effect that any changes looking to improvement in the methods of the exchange could better be put in force by the stock exchange authorities themselves than by any interference of the state. This commission also dealt with the general practices of the exchange relating to "margin trading" and "short selling." In referring to the first named an extract from the Hughes' Report reads as follows, namely: "Purchasing securities on margin is as legitimate a transaction as the purchase of any other property in which part payment is deferred. We, therefore, see no reason whatever for recommending the radical change suggested, namely, that margin trading be prohibited."

Very good people piously inveigh against "short selling" as an iniquity and a sin, and yet when one considers it in relation to general business, it does not seem quite so sinful. Manufacturing concerns, for instance, will contract to build a bridge at a given time and yet they have not on hand the iron forming part of the structure, nor have they even contracted for the labor which must go into the enterprise. They expect in the ordinary course of things to be able to purchase the material and to hire the labor. They enter into the contract in good faith, without having in hand either the one or the other. The benefit of "short selling" to the exchange lies in the fact that on the one hand it prevents undue inflation of values, in the case of a boom, and on the other hand the filling of short contracts often stays a falling market and prevent it running into demoralization and panic. It is a dangerous practice, however, and the "shorts" often find themselves in trouble. In one of the wars of King Henry V., the French King sent word to him that it was better he should surrender quietly rather than that the French should come and take him. His reply by the ambassador was what everyone would expect of him and he added: "The man that once did sell the lion's skin while the beast lived, was killed himself in hunting it." The "bears" frequently find equal difficulty in securing that which they have sold before it was in their possession.

Laws have from time to time been passed in the United States and also in other countries to prevent "short selling," but such laws have invariably been repealed.

Vocabulary of Stock Exchange.

Institutions of long-standing have generally a vocabulary of their own. In this regard the one under review is no exception. On the "floor" of the exchange the "bulls" and the "bears" struggle with one another, sometimes one in the ascendency, sometimes the other. On the outside gambol the most numerous class of quadruped, namely, the "lambs." In the ordinary business from day to day there are "slumps" and "bulges." The meaning of dealing in "puts" and "calls" is known to many, but very few would understand "contango" and "backwardation" so well. The poor fellow who fails, according to the New York phraseology, is "sold out under the rule," but in England he would be "hammered." Holding a "seat" simply represents membership in the exchange.

The real testing time for security markets came in 1914, when the world was suddenly plunged into the Great War. When the storm first struck, the stock exchanges reeled, and for a time suspended open trading, this being true even in New York. They soon got their bearings, however, and gradually resumed normal operations, until within a year or so regular open markets for securities were re-established in the United States and Canada.

The success of those at the helm of these institutions, in safely piloting them through this time of crisis, is an earnest that during the coming period of reorganization, they will be equally well handled and will prove a valuable factor in the financial upbuilding of the country during the development of the coming years.

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CAPITAL SUBSCRIPTIONS IN THE UNITED KINGDOM, 1909-1917

(Written for *The Monetary Times* by the Editor of "The Statist," of London, England.)

Table A herewith indicates the home borrowings of the British government during the period from January 1st, 1914, to November 17th, 1917. It will be seen the statement includes all forms of borrowings by the British government except by the issue of "other" debt, which represents loans raised abroad. In part, the large sales of exchequer bonds made in 1916 were effected by the sale of United States and other foreign securities under the scheme of the treasury to regulate exchanges. From the total proceeds of loans raised at home has to be deducted the loans and advances Great Britain has made to her Allies and Dominions in order to arrive at the net sum borrowed at home for war purposes. For example, between January 1st, 1917, and November 17th, 1917, the British government has borrowed at home for war purposes a sum of £1,130,610,000 and has advanced to Allies and Dominions approximately £545,000,000, making net home borrowings for war purposes of, roughly, £585,610,000.

Table B is designed to afford a rough indication of government loans in Great Britain for the past five years. First, those for the British government itself; secondly, estimated figures of loans and advances to Allies and Dominions; and, thirdly, the foreign and colonial government loans offered for public subscription in the London market.

Table C, beyond containing a summary of the data contained in Table B, shows the capital that has been subscribed for municipal, railway and industrial purposes during the past nine years, thus enabling a comparison to be made between pre-war and war figures.

It should be noted that in all cases the figures are based upon the prices of issue, and, therefore, represent actual capital subscribed and not the nominal amount issued.

Inasmuch as no detailed particulars have been published as to how much money Great Britain has advanced for war purposes to her Allies and Dominions, it is impossible at the present time to furnish the usual statement showing the geographical distribution of the capital subscriptions of Great Britain.

(a)—Internal Borrowings of British Government during the last Four Years.

	*1917	1916	1915	1914
	£	£	£	£
3½% War Loan	.....	.....	229,798,000	102,000,000
4½% War Loan	.....	6,029,000	586,316,000	.....
4% & 5% War Loans	947,125,000	.....	.....	.....
4% & 5% National War Bonds	92,331,000	.....	.....	.....
3% Exchequer Bonds	.....	.....	21,831,000	.....
5% " "	82,183,000	316,315,000	18,200,000	.....
6% " "	1,748,000	159,204,000	.....	.....
War Expenditure Certificates	6,296,000‡	29,857,000	.....	.....
War Savings Certificates	56,700,000	41,500,000	.....	.....
Treasury Bills	108,693,000‡	719,606,000	297,087,000	77,350,000
Ways & Means Advances	90,008,000	71,110,000	63,006,000	7,040,000
Total	1,155,106,000	1,343,621,000	1,216,238,000	186,390,000
Less Miscellaneous Repayments	24,496,000	4,373,000	160,428,000	.....
Net	1,130,610,000	1,339,248,000	1,055,810,000	186,390,000
Less approximate amount of Loans and Advances to Allies and Dominions for War Purposes	545,000,000	573,000,000	155,000,000	32,000,000
Home Borrowings of British Government for War Purposes	585,610,000	766,248,000	900,810,000	154,390,000

* To November 17th. ‡ Net amount repaid.

(b)—Government Loans in Great Britain.

	*1917	1916	1915	1914	1913
	£	£	£	£	£
Home War Borrowings of British Government (see Table A)	585,610,000	766,248,000	900,810,000	154,390,000	.....
Other British Government issues	.....	1,430,000	4,816,250	6,952,500	6,098,020
	585,610,000	767,678,000	905,626,000	161,342,500	6,098,020
Total for British Government approximate loans to Allies and Dominions (see Table A)	545,000,000	573,000,000	155,000,000	32,000,000	.....
Ditto publicly issued including for other foreign and colonial governments	11,595,726	24,077,000	64,223,750	68,098,665	54,916,089
Total Government Loans	1,142,205,726	1,364,755,000	1,124,850,000	261,441,165	61,014,109

* To November 17th.

(Continued on page 172)

THE
Hamilton Provident and Loan Society

Incorporated 1871

HAMILTON CANADA

Paid-up Capital - - $1,200,000.00
Reserve and Surplus Profits $1,091,062.50

5% Paid on DEBENTURES 5%
issued for two to five years.

Executors and Trustees are authorized by law to invest Trust Funds in the Debentures and Savings Department of this Society.

George Hope, President J. J. Greene, Vice-President
D. M. Cameron, Treasurer

The
Waterloo County Loan and Savings Company

HEAD OFFICE, WATERLOO, ONT.

ORGANIZED 1913

YEARLY GROWTH

ASSETS,	1913 - - -	$ 339,000
„	1914 - - -	566,000
„	1915 - - -	776,000
„	1916 - - -	1,076,000
„	1917 - -	Over 1,350,000

Capital Stock and debentures for sale. For particulars write Head Office.

THOS. HILLIARD President
E. F. SEAGRAM - Vice-President
P. V. WILSON - Manager

The Empire Loan Company

Authorized Capital - - - - - - - - -	$5,000,000.00
Subscribed Capital - - - - - - - -	671,000.00
Paid up Capital and Surplus - - - - - -	688,000.00
Assets (Approximately) - - - - - - - -	1,000,000.00

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The Empire Loan Company issues Debentures in sums of $100 and upwards for terms of from one to five years, bearing interest at current rates. Sterling Debentures for £25 and upwards, with interest coupons payable in London, England, are also issued. These Debentures are a charge on the Company's Assets of over one million dollars, and the Debenture holders are further secured by the deposit of mortgages with a trustee to the amount of one and one half times the total outstanding debenture debt.

Debenture prospectus may be had on application.

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CAPITAL SUBSCRIPTIONS IN UNITED KINGDOM *(Continued from page 170)*

(c)—*Purposes for which Capital has been Subscribed by Great Britain since 1909.*

Class of Security	*1917	1916	1915	1914	1913	1912	1911	1910	1909
Government—	£	£	£	£	£	£	£	£	£
United Kingdom....	585,610,000	767,678,000	905,626,250	161,342,500	6,098,020	4,200,708	3,927,960	8,669,375	7,728,667
Indian	556,595,726	597,077,000	219,223,750	100,098,665	Nil	2,790,000	3,360,000	7,237,500	8,752,500
Colonial.....					26,888,924	12,106,534	7,430,000	13,495,775	24,273,124
Foreign.....					28,027,165	11,114,495	21,587,209	17,275,856	18,836,284
Total.....	1,142,205,726	1,364,755,000	1,124,850,000	261,441,165	61,014,109	30,211,737	36,305,169	46,678,506	59,590,575
Municipalities—									
United Kingdom....	Nil	495,000	Nil	3,045,810	920,000	373,750	2,542,070	748,282	4,509,020
Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	487,500	2,048,950
Colonial.....	Nil	Nil	350,000	7,818,511	14,810,371	6,290,386	4,414,278	3,929,200	3,487,159
Foreign.....	Nil	Nil	Nil	10,606,169	8,536,570	10,643,495	2,584,000	6,809,514	10,234,011
Total.....	Nil	495,000	350,000	21,470,490	24,266,941	17,307,631	9,540,348	11,974,496	20,279,140
Railways—									
United Kingdom....	Nil	1,678,956	4,290,517	8,019,340	5,486,328	4,892,376	4,109,781	4,579,736	3,594,756
Indian	Nil	Nil	3,465,000	5,873,750	3,010,000	495,000	772,000	3,100,000	3,183,875
Colonial.....	Nil	Nil	2,475,000	19,425,894	35,293,563	19,012,057	15,492,766	11,687,905	19,378,402
Foreign.....	490,000	240,000	2,940,000	17,240,931	30,815,848	25,685,298	46,160,863	41,977,408	39,400,633
Total.....	490,000	1,918,956	13,170,517	50,559,915	74,605,737	50,084,731	66,535,410	61,345,049	65,557,666
Banks.....	1,500,000	285,000	106,996	1,415,395	3,393,715	8,253,337	3,502,000	1,681,039	775,000
Breweries.....	650,000	299,020	Nil	911,500	24,500	1,387,040	240,000	675,000	Nil
Canals and Docks....	Nil	Nil	Nil	Nil	727,000	400,000	135,000	532,000	450,000
Commercial, Ind., etc.	3,794,800	3,596,179	2,592,829	16,175,425	33,255,435	26,701,538	25,711,735	21,944,839	16,904,389
Electric Light & Power	100,000	25,500	677,950	4,803,997	4,427,581	6,096,590	5,127,222	3,522,534	3,344,680
Fin., Land, Inv. & Trust	30,000	3,750	47,500	8,128,183	11,129,882	14,923,327	15,776,301	20,809,584	5,296,455
Gas and Water.....	314,500	86,513	122,736	1,590,650	1,633,910	2,431,687	2,210,391	747,406	2,270,989
Insurance.....	Nil	75,000	40,000	297,161	454,430	418,750	670,573	2,339,898	898,250
Iron, Coal, Steel & Eng.	1,759,272	1,858,750	245,930	4,038,390	7,587,489	8,526,463	3,786,747	5,856,945	3,470,852
Mines.....	325,791	32,500	41,250	2,376,362	4,011,257	5,892,923	9,085,227	10,810,102	8,410,688
Motor Traction.....	361,387	395,000	120,000	2,009,160	1,581,250	556,812	319,236	350,149	1,619,250
Nitrate.....	30,000	Nil	Nil	285,000	359,300	Nil	Nil	Nil	145,500
Oil.....	Nil	51,251	25,000	3,189,309	5,683,700	6,384,742	3,771,375	10,508,086	1,918,250
Rubber.....	14,375	31,490	195,954	759,466	1,387,945	2,720,195	4,316,186	20,774,055	5,774,870
Shipping.....	82,080	1,424,419	588,900	6,694,750	4,857,474	10,023,812	662,000	4,300,055	1,959,500
Tea and Coffee.....	Nil	11,231	Nil	142,330	255,342	239,400	582,500	104,500	40,000
Telegraphs & 'Phones	437,500	76,853	Nil	244,000	2,455,210	2,812,303	1,706,919	2,637,500	3,363,000
Tramways.....	100,000	Nil	432,000	6,448,236	5,125,000	13,954,962	6,232,153	4,550,988	11,029,714
Grand Total.....	1,152,195,431	1,375,421,412	1,244,607,562	392,970,884	248,237,207	211,336,980	196,216,492	232,142,731	213,098,768

(c) Calculated at prices of issue, and excluding all conversion loans and shares issued to vendors. * To November 17th.

COST OF LOANING OPERATIONS

Expenses Have Increased but Rates Cannot be Advanced —Interesting Statistics

In making loans to farmers and taking care of them after they are made, the cost has been increased by the incidence of war. Salaries, travelling and office expenses have tended to move upwards, despite rigid economy where it was possible to economize further. The margin of profit in this particular class of business has never been a wide one, and where earnings have been slightly above the average, they are due to skilful management and economy. No one could substantiate a general charge to the effect that Ontario loaning institutions are guilty of extravagance. They have a reputation for being otherwise and unless that reputation is fully borne out by fact, their existence would be imperilled. Between the interest paid for borrowed funds and the price charged for them when loaned, the margin is relatively small, and that available for acutal profit varies according to skill and economy of management. It is quite apparent that during the past year or two the companies have been faced with higher costs of operation, thus reducing the margin from which profits on capital employed and expenses can be met. In this respect their experience is very different to so many other classes of business in which profits have been ample to cover additional expense incident to war.

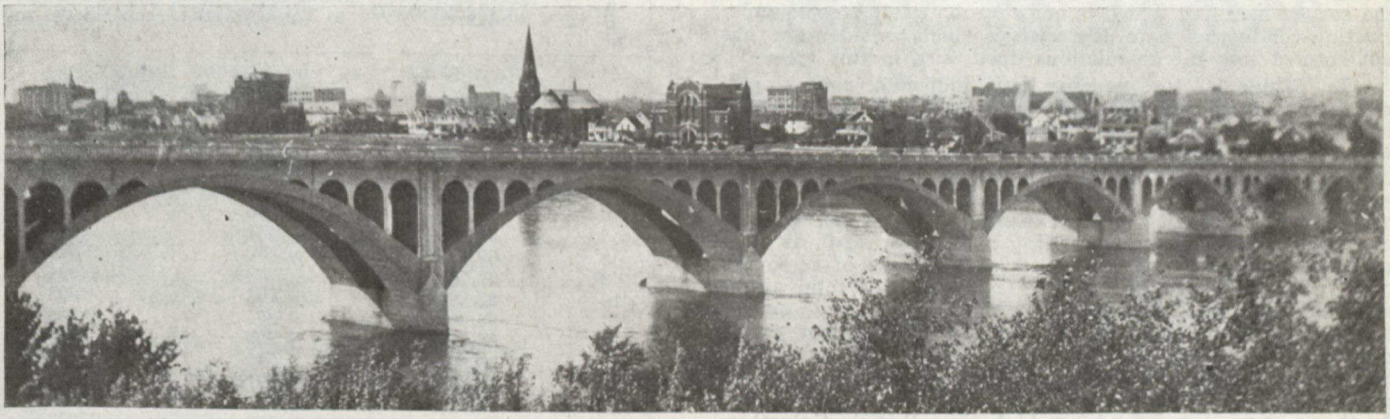
If it was always possible to advance rates as operating costs increased, the margin would be of an elastic character. It is not, however. Farmer borrowers are not making as large demands for money as they did a few years ago and many of them are paying off their loans. The amount of repayments at present is more than enough to cover the new demands, hence the rates to farmers are stationary and show no tendency to advance. If the times were normal, and repayments exceeded new loans, rates would decline, assuming, of course, there was no ex-Dominion demand for money at rates higher or as high as that netted from farm loans. At present, however, the rates prevailing are low in comparison with the cost of the money, and hence the loan companies, as a whole, to sustain the very reasonable rates earned on their capital, cannot reduce rates to borrowers. The only hope of extra earnings rests in cutting down expenses, which, speaking generally, is impossible without impairing efficiency.

The experience in 1916 of thirty-four companies which do a general loaning business, the preponderance of which is with farmer borrowers, shows that it cost $1.70 to take care of every $100 outstanding in the form of mortgages. In the previous year the cost was $1.54. Included in the cost are the following: (1) Salaries, wages, fees; (2) commissions and brokerage; (3) stationery, postage, printing and advertising; (4) law costs; (5) fuel, rent, local taxes and rates; (6) travelling expenses; (7) registration fees; (8) provincial and Dominion taxes and contributions to patriotic funds. Exception may be taken to the inclusion of contributions to patriotic funds as expenses, but on the other hand, it cannot be gainsaid that such contributions are looked upon as obligatory. A representative institution that did not contribute would be regarded as lacking public spirit. Any such idea in the public mind will ultimately breed mistrust, against which every precaution is essential. For this reason contributions to Red Cross and other funds for furtherance of objects of national moment are included in the expenses.

The percentage of expense to total assets in the case of the companies already referred to, was in 1916 $1.35 per $100,

SASKATOON

Saskatchewan's University City



UNIVERSITY BRIDGE (Photograph taken from University Campus) Constructed in Reinforced Concrete.

Saskatoon is Saskatchewan's Premier City for Education and as a Distributing Centre.

FINANCES OF CITY ON SOUND BASIS

Total Debt, including Local Improvement Debentures		$8,290,118.42
Less Waterworks Debentures	$ 673,648.80	
" Electric Light Debentures	1,382,665.00	
" Street Railway Debentures	725,000.00	
" Local Improvement Debentures	1,742,086.56	
		4,523,400.36
Net General Debt		$3,766,718.06
Less Sinking Fund in respect to Net General Debt	447,076.50	
Debentures Redeemed	5,640.89	
		452,717.39
Net Debenture Debt		3,314,000.67

SINKING FUND INVESTMENTS

City of Saskatoon Debentures and Stock	193,362.80	20.23%
Dominion of Canada War Loan	362,500.00	37.93%
United Kingdom of Great Britain and Ireland Gold Bonds	400,000.00	41.84%
	$955,862.80	100.00%
Cash in Bank	67,178.29	
	$1,023,041.09	

PUBLIC UTILITIES show Surplus Revenue over Expenditure

(Year ending 31st December, 1916)

	Electric Light & Power	Street Railway	Waterworks
Operating Expenses	$164,682.26	$120,990.77	$57,462.20
Fixed Charges including Interest Sinking Fund and Depreciation	99,572.12	49,078.38	28,744.13
	$264,254.38	$170,069.15	$86,206.33
Revenue	297,318.19	171,234.82	88,291.16
Profit	$33,063.81	$1,165.67	$2,084.83

BANK LOAN ON CURRENT ACCOUNT at 31st October, 1917	$269,397.80
OUTSTANDING FLOATING CAPITAL LIABILITIES at 31st October, 1917.	$60,230.00
ARREARS OF TAXES at 31st October, 1917	$448,966.24

	Population	Assessment	Tax Rate.
1907	3,011	$6,621,337.00	20.00 mills
1917	25,000	$36,294,367.00	21.80 "

(including 1.5 mills Patriotic Tax.)

CITY COMMISSIONER, Saskatoon.

or eight per cent. above the ratio ($1.25 per $100) in 1915. In "Table I.," accompanying, it will be noted that the proportion of mortgages to total assets showed the substantial decline of 2.05 per cent. in one year—a tendency that will be more marked during the present year. Normally, this change would be accompanied by a decrease in the rates of expense; new mortgage business being less and the usual cost incident thereto proportionately so. As total assets were slightly higher at the close of 1916 than in 1915, it is apparent that mortgage repayments have been converted into securities, the cost of handling which is not very material, except, under existing conditions, as to depreciation which consideration has not entered into the calculations dealt with in this article.

In "Table I.," the expense ratio indicated, covers operations in several provinces. In 1916, out of $109,000,000 in mortgages held by the 34 companies referred to, $50,000,000 was invested chiefly in Western Canada. Cost of operation in that field is far more expensive than in Ontario. To arrive, approximately, at the difference in cost, the experience of ten companies (Table II.) shows expenses of $1.12 per $100 of mortgage indebtedness outstanding in the year 1916, as compared with $1.01 per $100 in 1915, an increase of 10.89 per cent. The corresponding figures in respect of total assets are $0.85 and $0.89 respectively. Management cost, on the average, of these companies, of whose business about 50 per cent. is in the West, is about 40 per cent. higher than in the case of companies confining their attentions to the Ontario field. It is quite reasonable to assume, therefore, that in the western provinces, not including British Columbia, the cost of doing business will be considerably higher than the average for the companies, a substantial proportion of whose business is in Ontario where management costs are very much less.

TABLE I.

Cost of Management of Loan Companies. (Experience of Thirty-four Companies.)

	1915.	1916.	Change % Inc. or dec.
Total assets ...	$136,709,081.55	$137,861,531.89	+ $00.84
Mortgages	111,091,324.70	108,806,436.22	— 02.05
Per cent. of mortgages to total assets	81.26	78.92	— 02.86
Cost of management	1,716,508.82	1,854,335.64	+ 08.02
Per cent. of cost of management to total assets	1.25	1.35	+ 08.00
Per cent. of cost of management to mortgages	1.54	1.70	+ 10.38

TABLE II.

Cost of Loan Company Operation in Ontario. (Experience of Ten Representative Provincial Companies.)

	1915.	1916.	Change % Inc. or dec.
Total assets	$16,261,333	$16,801,636	+ $03.32
Mortgages	13,625,750	13,337,322	— 02.11
Per cent. of mortgages to total assets	83.80	79.38	— 05.27
Cost of management ...	138,956	150,088	+ 08.01
Per cent. of cost of management to total assets	00.85	00.89	+ 04.70
Per cent. of cost of man- to mortgages	01.01	01.12	+ 10.89

Cost of Loaning Operations.

Of the total assets of 34 representative companies, practically 79 per cent., as shown in Table III., are employed in the form of mortgages, and the balance in liquid securities or buildings and other plant necessary for carrying on business. Upon examination it will be found that those companies with a high proportion of their assets in mortgages have the highest expense ratio. Of course, decided variations occur due to character of business and the locality in which it is carried on. Where small loans are made on city properties and monthly payments have to be collected, the risk and expense are both factors which enter into management costs. In the western provinces the average farm loan is much less than in Ontario, and the cost of lending $3,000 in the latter province, may not, on the average be as great as lending a $1,000 in the former territory. Under these varying conditions and localities many lending businesses are carried on, the general cost of which is indicated in Table III. following:

TABLE III.

Management Cost and Proportion of Mortgages to Total Assets. (Experience of Thirty-four Companies.)

Company	% Mortgages to Assets	% Management Cost to Total Assets	% Management Cost to Mortgages
	%	%	%
1	98.332	1.267	1.288
2	83.022	1.181	1.423
3	86.748	1.411	1.627
4	72.409	2.156	2.978
5	95.456	.678	.710
6	72.370	.669	.925
7	55.818	.451	.808
8	69.686	1.450	2.080
9	67.763	.739	1.091
10	87.800	.793	.903
11	88.309	1.857	2.103
12	63.822	1.209	1.895
13	83.962	.545	.649
14	86.063	1.001	1.163
15	82.183	.681	.828
16	51.550	2.750	5.303
17	84.775	.527	.622
18	93.666	.765	.817
19	82.547	.908	1.100
20	69.002	1.999	2.897
21	69.533	.882	1.269
22	80.786	1.924	2.381
23	85.312	.870	1.020
24	77.704	2.093	2.694
25	69.707	1.041	1.493
26	74.306	.760	1.022
27	74.641	.763	1.022
28	89.417	1.459	1.632
29	84.805	1.553	1.831
30	93.274	1.133	1.215
31	67,198	.871	1.296
32	93.913	3.397	3.617
33	50.645	1.233	2.435
34	92.793	1.708	1.840
Average	78.924	1.345	1.704

As yet the experience of provincial government loan associations is of too short duration to be regarded as a safe basis in which to arrive at what their average management costs will be. In British Columbia they were, for the first year, over 3 per cent. of the amount loaned. To care for this, provide for interest on bonds sold, and for losses, a rate of 10 per cent. to the borrower would be necessary.

AVERAGE VALUES OF CANADIAN FARM LAND

For the whole of Canada the average value of farm land held for agricultural purposes, whether improved or unimproved, and including the value of dwelling-houses, stables and other farm buildings, was approximately $41 per acre in 1916 as compared with $40 in 1915. These are the latest figures issued by the census office, Ottawa. The average values by provinces are as follow: Prince Edward Island, $39; Nova Scotia, $33.6; New Brunswick, $29.4; Quebec, $52; Ontario, $52.5; Manitoba, $32; Saskatchewan, $23; Alberta, $22; British Columbia, $118.5. In the last-named province the higher average is due to orcharding and fruit-growing.

Of the various short-term notes placed by Canada in New York during the past two and a half years, the principle of conversion to twenty-five-year 5 per cent Canadian bonds was exercised in an almost negligible degree, payment being demanded in United States gold coin at the agency of the Bank of Montreal in New York.

Northern Mortgage
COMPANY OF CANADA

HEAD OFFICE - WINNIPEG

Capital Subscribed	-	**$3,000,000**
Capital Paid-up	-	**1,800,000**
Undivided Profits	-	**150,000**

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CANADIAN
Bond and Mortgage
CORPORATION

ELECTRIC RAILWAY CHAMBERS
WINNIPEG, CANADA

Subscribed Capital	-	**$890,800.00**
Paid up and Reserve	-	**$486,490.00**

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BOND PRICES AND THE OUTLOOK

Review of the Market for Past Twenty Years—Comparison of Prices

By C. H. BURGESS.

The past year commenced with a feeling of apprehension that there would be some new developments in connection with the war which would materially affect conditions on this continent. Financial conditions were unsettled. The Dominion government found it necessary early in the year to offer another loan. Little money, it was anticipated, would be secured from the United States especially after war was actually declared. It was generally conceded it would be advisable to make either an international loan or a loan entirely in the United States in order to secure as much money outside the country and conserve our own resources against the time when the United States markets would be closed to us. However, the minister of finance issued $150,000,000 5 per cent. 20-year bonds at 96 payable in gold in Canada as well as in New York. This was handled through the Canadian dealers (75 per cent. of it through the members of the Bond Dealers' Association of Canada). The loan was subscribed to the extent of $266,000,000. The price did not hold well as for one reason there was no convertible feature in connection with this and the previous issue as with the first war loan due 1925. The price dropped to about 93, when an order-in-council was passed making the two last issues convertible into any new issues running 20 years or over. This stiffened the market price. During this time the prices of all government and municipal bonds was uncertain and kept dropping, more especially as it became evident that we could look very little to the United States for financial help, they having raised one loan of $3,000,000,000 in June, and immediately had to prepare for another issue of $5,000,000,000 in the fall. Canada also had to raise another $150,000,000 in the fall. A country-wide organization with committees in every province, city and county was set up by the minister through the Bond Dealers' Association of Canada in order that the whole country would be covered. During October and November there was practically no other bond business being done. The loan was over-subscribed by more than $270,000,000, or a total of about $415,000,000. At the end of the year prices for government and municipal bonds in Canada ranged about as follow:—

Dominion, 5⅛ per cent. to 5⅝ per cent.
Province of Ontario, 5.90 per cent.
Large cities and counties, 6 per cent.
Medium sized cities and towns in Ontario, 6¼ to 6⅜ per cent.
Saskatchewan, Alberta and British Columbia provinces, 6½ per cent. to 6¼ per cent.

The following is a record of approximate prices of Canadian securities for a series of years:—

1896-1897.

Turning point from depression in Canada following collapse of real estate boom, and succession of crop failures,

Provincial Governments (Ontario, Quebec and Nova Scotia), 3⅛ per cent. to 3¼ per cent.
Large cities and Ontario Counties (Toronto, Montreal, London, etc.) 3¼ per cent. to 3⅜ per cent.
Large Ontario towns and townships, 3½ per cent. to 3⅝ per cent.
Village bonds, 3¾ per cent. to 4 per cent.

1899-1900.

Provincial Governments, 3½ per cent. to 3⅝ per cent.
Large cities and counties, 3¾ per cent. to 3⅞ per cent.
Large towns and townships, 4 per cent. to 4⅛ per cent.
Village bonds, 4⅛ per cent. to 4¼ per cent.

1901-1904.

1902.—Great industrial and stock speculation.
1903.—Reaction from speculation of year before.
Provincial Governments, about 3¾ per cent.
Large cities and counties, 3⅞ per cent. to 4 per cent.
Large towns and townships, 4⅛ per cent. to 4¼ per cent.
Village bonds, 4⅜ per cent. to 4½ per cent.

1905-1906.

1907.—Panic year.
Provincial Governments about 3½ per cent. to 3⅝ per cent.
Large cities and counties, 3⅞ per cent. to 4 per cent.
Large towns and townships, 4 per cent. to 4⅛ per cent.
Village bonds, 4¼ per cent. to 4⅜ per cent.

1907-1908.

1908.—Recovery year.
Provincial Governments, 4 per cent. to 4¼ per cent.
Large cities and counties, 4½ per cent. to 4¾ per cent.
Large towns and townships, 4¾ per cent. to 5¼ per cent.
Village bonds, 5½ per cent. to 5¼ per cent.

1909.

Great prosperity and real estate boom in Canada commences.
Provincial Governments, about 3⅞ per cent.
Large cities and counties, 4 to 4¼ per cent.
Large towns and townships, 4¼ per cent. to 4⅜ per cent.
Village bonds, 4½ per cent. to 4⅝ per cent.

1910.

Provincial Governments about 3.90 per cent..
Large cities and counties, 4 per cent., 4¼ per cent. to 4⅜ per cent.
Large towns and townships, 4½ per cent. to 4⅝ per cent.
Village bonds, 4⅞ per cent. to 4¾ per cent.

1911.

Provincial Governments, 4 per cent. to 3.90 per cent.
Large cities and counties, 4⅛ per cent., 4¼ per cent. to 4⅜ per cent.
Large towns and townships, 4½ per cent., 4⅝ per cent. to 4¾ per cent.
Village bonds, 4¾ per cent. to 4⅞ per cent.

At the end of the year prices for Ontario bonds were about as follows:—

Provincial Governments, 4 per cent. to 3.90 per cent.
Large cities and counties, 4⅛ per cent., 4⅜ per cent. to 4½ per cent.
Large towns and townships, 4½ per cent., 4¾ per cent. to 4⅞ per cent.
Village bonds, 4⅞ per cent. to 5 per cent.

1912.

Real estate boom commenced to fail.
Provincial Governments, 4¼ per cent. to 4 per cent.
Large cities and counties, 5 per cent. to 4½ per cent. Counties selling at about 5 per cent. City of Toronto 4½ to 4⅜ per cent.
Large towns and townships, 5¼ per cent. to 5 per cent.
Village bonds, 5½ per cent. to 5⅜ per cent.

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WINNIPEG

PAID-UP CAPITAL $715,500
RESERVE FUND - $200,000

Government and Municipal Bonds

First Mortgage Loans

First Mortgage Bonds

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THE GREAT WEST PERMANENT LOAN COMPANY

HEAD OFFICE: GREAT WEST PERMANENT BUILDING, WINNIPEG, CANADA

OUR RECORD GROWTH

	Paid up Capital.	Reserve.	Assets.
In 1903	$110,295.92	27,767.21	$160,574.29
In 1916	$2,411,862.81	$685,902.02	$7,368,916.10

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HON. A. C. RUTHERFORD — J. H. G. RUSSELL — DR. A. D. CARSCALLEN
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F. H. ALEXANDER, Secretary

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TORONTO, CALGARY, EDMONTON, REGINA, VANCOUVER, VICTORIA

SHORT TERM DEBENTURES ISSUED TO YIELD 5½%

1913.

Real estate boom collapsed. Hard times.

Provincial Government debentures sold as low as a rate to yield 4.40 per cent.

Large cities and counties at 5¾ per cent. to 5 per cent. (Counties selling at about 5¼ per cent., city of Toronto at about 5¼ to 5 per cent.).

Large towns and townships from 6½ to 6 per cent.

Village bonds from 6¾ to 6½ per cent.

1914.

August 1st.—The commencement of the great war. German rush for Paris.

About March to May, 1914, the prices for debentures ranged as follows:—

Provincial Government debentures, 4⅜ per cent. to 4¼ per cent.

City of Toronto, 4¾ per cent to 4⅝ per cent.

Ontario counties, 4⅛ per cent. to 4¾ per cent.

Large Ontario towns and townships, 5¼ per cent. to 5 per cent.

Ontario village bonds, 5½ per cent. to 5⅜ per cent.

Western city bonds, such as Calgary, Edmonton and Regina, 5⅝ per cent. to 5¼ per cent.

Smaller western towns sold from 6 per cent. to 5¾ per cent., and smaller places still from 6¼ to 6 per cent.

School districts and western villages from 7¼ per cent. to 7 per cent.

1915.

Great war and deadlock on west front. German advance against Russia.

From March to about May last year, prices reached their highest level or lowest yield rate. At this time, Ontario provincial bonds were selling to yield about 4.80 per cent.

City of Toronto, 4.95 per cent.

Ontario counties, 5 per cent.

Moderate Ontario cities, 5¼ per cent. to 5⅛ per cent.

Large Ontario towns and townships, 5⅜ per cent. to 5¼ per cent.

Ontario village bonds, 5⅝ per cent. to 5½ per cent.

Western city bonds (Calgary, Edmonton, Regina, etc.), about 6 per cent.

Smaller western towns, 6¼ per cent. to 7 per cent.

School districts and western villages, 7¼ per cent. to 7 per cent.

However, it was not long until these prices were materially changed, so that in the fall of the vear the prices were about as follows:—

Provincial Government bonds (such as Ontario), 5¼ per cent. to 5⅛ per cent.

City of Toronto, 5⅜ per cent.

Small Ontario cities, 5⅝ per cent.

Good Ontario towns, 5¾ per cent.

Western cities (such as Saskatoon, Calgary, Edmonton), 6¼ per cent.

School districts, 7½ per cent.

Villages, 8 per cent.

1916.

Supply of municipals limited; demand from a new market, the United States, large. After marketing of war loan in the fall, prices stiffened.

Dominion government bonds yielding	**5¼% to 5⅛%**
Province of Ontario bonds yielding	**4.80%**
British Columbia and Alberta bonds yielding	**5¼% to 5.30%**
City of Toronto and Montreal bonds yielding	**4.90% to 4.85%**
Saskatchewan, Manitoba and medium-sized Ontario cities bonds yielding	**5.20% to 5.10%**
Ontario towns and townships bonds yielding	**5⅜% to 5¼%**
Ontario village bonds yielding	**5⅝% to 5½%**
Western city bonds (Calgary, Edmonton, Regina, etc.), yielding	**about 5¾%**
Western school districts bonds yielding	**about 6½%**

UNITED STATES LOANS TO ALLIES

More Than $3,883,000,000 Advanced Since Republic Entered War

The total advances made to the Allies by the United States since that country entered the war in April, 1917, were, up to December 10th last, approximately $3,883,900,000. The following figures show the countries to which the loans were made, but up to November last only: Great Britain, $1,860,000,000; France, $820,000,000; Italy, $500,000,000; Russia, $325,000,000; Belgium, $58,400,000; Serbia, $3,000,000; total, $3,556,500,000.

As stated previously, by December 10th, this total had been increased to $3,883,900,000 and is still appreciating at the rate of about $500,000,000 monthly.

Before these loans were advanced, and prior to its entry in the war, the United States had already loaned $2,213,575,000 to belligerents. That makes a grand total of loans by the United States to belligerents, since the war started, of $6,097,475,000. A loan of $100,000,000 was made to Canada in July last by bankers of the United States.

Three Large Credits Last Fall.

The credit of $230,000,000 granted to Italy on October 30th, 1917, followed the military crisis in that country precipitated by the German invasion of Venetia. This credit was utilized in the purchase of coal, foodstuffs, munitions and other necessary supplies. The credit of $435,000,000, made to Great Britain on November 1st, was to cover British expenditures in the United States up to January 1, 1918. This brought the total loans to Great Britain to $1,860,000,000 and total loans to the Allies to $3,566,400,000. The credit of November 1st was the largest ever made to an allied government. The money will be withdrawn from the treasury only as needed to pay for war contracts. Another large credit was that of $310,000,000 in November to France to cover a period up to January 1, 1918.

Britain and United States.

Lord Northcliffe, according to cable dispatches received in November, was reported as saying that the people of the United States must remember that "at the moment we (England) are financing the Allies to a greater extent than you are—a fact little known in the United States." Figures then at hand show that England has, since the war began, loaned $7,123,000,000 to its allies, including $777,000,000 to its own Dominions. The total advanced since April was $1,414,000,000. Some of this, however, was advanced to neutrals, as it is believed that England advanced money to Denmark and to Greece before the latter entered the war.

The United States, during the first seven months after it entered the war, advanced a total of $3,861,400,000 to its allies. This is less than England's total, but it is almost 55 per cent. of the advances made by England in three years and three months of war, and it was made in less than one-fifth the time. Of the United States total, England got $1,860,000,000, France $1,130,000,000, Italy $485,000,000, Russia $325,000,000, Belgium $58,400,000 and Serbia $3,000,000. The United States advances will, in a short time, actually exceed those of England if they continue to make loans at the present rate, which Secretary McAdoo stated at Baltimore to be $500,000,000 monthly.

Rate of Interest.

Of the $3,324,129,750 loans actually made to the Allies by the United States government out of a total of $3,883,900,000 credits extended up to about December 10th last, approximately $1,100,000,000 has been loaned at the rate of 4¼ per cent. per annum. About $2,200,000,000 was loaned at rates varying from 3 to 3½ per cent. per annum.

For a few months following the entrance of the United States into the war, the allied governments were obtaining accommodation at the same rate of interest as the United States government borrowed funds from the American people. The bond issue act of April 24, providing for the first Liberty Loan expressly stipulated that the loans made to the Allies should bear the same rate as the public issue. Under the terms of the act of September 24, the second bond issue measure, the loans made to the Allies were "to bear such rate or rates of interest as might from time to time be determined by the secretary of the treasury."

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How Much Business Should a Company Write

Methods Suggested for Gauging Amount of New Business—To What Extent Should Loading Be Regarded In Fixing Reasonable Expenditure?—Expense Rate is the Main But Not the Only Factor—Participating and Non-Participating Business

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

HOW much new business should an insurance company write? I think insurance managers are agreed that this is one of the most important, and at the same time, one of the most difficult, questions with which they have to contend. It is a question, moreover, that cannot be decided by any fixed rules applicable to all or various companies—although broad boundary lines may be fixed—but rather is one which each company must decide for itself after a consideration of the many factors which govern its own particular case. Mr. Miles M. Dawson, F.I.A., states: "The problem of demonstrating the measure of profitable expenditure for new business in life insurance has tacitly been treated as hopeless, by nearly all actuaries," and Mr. T. E. Young, F.I.A. agrees with this dictum when he says it is "impracticable to indicate any definite proposition as the controlling criterion of the appropriate area of business."

The matter is, therefore, one largely for individual judgment. A too conservative course may prevent the inclusion of the proper proportion of new "blood" necessary for a favorable mortality experience, may hamper the agents of the company in the full scope of their endeavors, may keep the institution a "picayune" concern, may injure the company's reputation for proper progressiveness with both agents and the public, and may prevent its proper diffusion of that goodly product of beneficence—life insurance. Too ambitious a course, on the other hand, may lead to acceptance of substandard risks, too high an expense rate, reduction of surpluses paid to policyholders, and even serious impairment of capital. As in everything else in life, the happy mean seems to be the desired end, a course not too conservative and not too progressive—a course that will preserve the continuity of the surplus returns, build up the company's reserves and surplus, give a regular progression in all departments, and put no hampering restraints on the indispensable fieldman.

Happy Mean for Each Company.

But there may be a wide divergence between conservative and progressive policies and the difficulty is to find that happy mean for each particular company. "Conservative" and "progressive" are pretty general terms, and are defined very differently and have very different significance according to the temperament of the management. Like the terms investor, speculator and gambler, they frequently overlap and merge into one another. The speculator invariably considers himself an investor—somewhat liberally inclined; the gambler rates himself as a cautious speculator—taking an occasional "fling." However, I am not arguing in favor of either conservativeness or progressiveness, but rather the proper combination of the two. Business is like sport. The impetuous dashing player makes brilliant shots, "brings down the gallery" again and again, but he loses almost invariably to the man who keeps his head, avoids sensationalism, and utilizes all his skill.

In this connection Mr. T. E. Young says: "In no commercial undertaking is the principle of commensurate profit forming the criterion of the scale of expenditure so vital and far-reaching as in life assurance by reason of the lengthened duration of its contracts, nor are the consequences, in any sphere of industry, of an ill-advised procedure in this respect more deeply fraught with important and, it may prove, permanent influence upon future stability and success than in the administration of these special business trusts. A poorly equipped actuary of impoverished capacity can readily command a plethora of business if he is prepared (neglectful of the effect upon profits) to subordinate the future to the present. It demands a man of strength of character as well as competence of financial skill and training to forecast the future and weigh the tendency of actions of this kind beyond the boundary of the immediate and proximate period as to restrain judiciously and severely the lavish hand. For our natural desires, even apart from personal reputation, are in favor universally of extensive augmentations and surprising results, and, as we have just observed, it requires fortitude of character equally with clear and steadfast survey over the distant future to remain contented with acquisitions of minor extent though involving a more profoundly auspicious influence upon the prospects of solidity and profit. In this restraint and skill reside the stable and permanent conditions of continued success. An extensive new business constitutes in no degree in itself an index to wisdom of administration or prosperity of result."

Gauging Amount of New Business.

Various attempts have been made to arrive at a general formula for the maximum amount of expenditure that may be made for new business. For example, Mr. Dawson in a paper before the International Congress in 1909, gives the following general formula for new participating business:—

$$L^{oo} F_x = P'_x a_{(x)} - (A'_{(x)} + e'_{(x)} + V_{(x)} + g P_x a'_{(x)} + B'_{(x)})$$

Where $L^{oo} F'_x$ is the symbol for the measure of profitable cost of new business; $P'_x a'_{(x)}$ the present value of the gross premiums allowing for actual rates of interest, survival and persistence; $A'_{(x)}$ the present value of the insurance benefits to be paid; $e'_{(x)}$ the present value of the expenses; $V'_{(x)}$ the present value of the sums to be allowed upon surrender; $g P'_x a_{(x)}$ the present value of the annual profit desired per annual premium P'_x; and $B_{(x)}$ the present value of the bonus or dividend desired.

Mr. Dawson points out that the problem is independent of the method of computing reserves, and that the use of a method of valuation which seems to set free a larger amount for cost of new business, than correctly computed, is likely to be misleading and dangerous.

Several of the States, for example, have provided for minimum reserve laws for the purpose of meeting the excessive cost of new business without giving any consideration to the maximum amount which should be allowed, as indicated by the above-mentioned formula.

Excessive Cost of Business.

During the investigation into the management of the New York companies in 1906 and also during that, into the affairs of the Canadian companies in 1909, the matter of the excessive cost of new business received considerable attention. The New York legislators fixed on the select and ultimate method of valuation as suggested by Mr. Dawson which allows the benefit of mortality selection during the first five years to be utilized in meeting the cost of new business.

The Canadian act allows for this excess cost by a lowered basis of valuation in the early years as follows, the object being to relieve the pressure on the younger companies:—

"In the case of any policy, the net annual premium upon which is not less than the corresponding net annual premium for a whole life insurance with uniform premiums throughout life, the difference between the said whole life premium and the corresponding net premium for a one-year term insurance shall constitute the amount to be deducted in respect of such policy at the date of its issue, such difference, however, to be diminished each year by an equal proportion, so that upon payment of the fifth annual premium, the value of the policy" shall be in accordance with the regular reserve standard.

In its endeavor to restrict too excessive competition for new business with its accompanying high expense the New York law sets a limitation on the amount of new business that shall be written and also on the amount of expense allowable. The clause providing for limitation of expenses reads:—

"No domestic life insurance corporation shall in any calendar year, after the year nineteen hundred and six, expend or become liable for, including any and all amounts which person, firm or corporation is permitted to expend on its behalf or under any agreement with it (1) for commissions on first year's premiums, (2) for compensation, not paid by commission, for services in obtaining new insurance exclusive of salaries paid in good faith for agency subdivision either at the home office or at branch offices, (3) for medical examinations and inspections of proposed risks, and (4) for advances to agents, a total amount exceeding in the aggregate (a) the loadings upon the premiums for the first year of insurance received in said calendar year, (calculated on the basis of the American experience table of mortality with interest at the rate of three and one-half per centum per annum), and (b) the present values of the assumed mortality gains for the first five years of insurance on the policies in force at the end of said calendar year on which the first premium, or instalment thereof, has been received during said calendar year, as ascertained by the select and ultimate method of valuation as provided in section eighty-four of this chapter; and (c) on policies issued and terminated in said calendar year the full gross premiums received, less the net cost of the insurance for the time the insurance was in force, computed by the American experience select and ultimate table, three and one-half per centum. No such corporation shall make or incur any expense or permit any expense to be made or incurred upon its behalf or under any agreement with it, except actual investment expenses (not exceeding one-fourth of one per centum of the mean invested assets), and also except taxes on real estate and other outlays exclusively in connection with real estate, in excess of the aggregate amount of the actual loadings upon premiums received in said year calculated according to the standards adopted by the company under section eighty-four of this chapter, and the present values of the assumed mortality gains hereinbefore mentioned."

Limitation of Expenses.

The Canadian legislators did not think it advisable to follow the New York law in respect to limitation of expenses, but, rather, deemed that this matter could best be left to the judgment of the companies' managers who are forced, by the keen competition to show best actual results, to keep expense rates to moderate proportions. It is a question, indeed, to what extent loading should be regarded in fixing reasonable expenditure. Mr. Papps in his evidence before the Royal Commission, said:—

"But the point is this; if we measure the expenses by the total loading we have to consider two or three points. One point is that young companies cannot get their business in so that the total expenses will be less than the total loadings, owing to the fact that a very large percentage of their business is new business. In the same way an old company rapidly pushing for business may have difficulty in complying with that. They may just succeed whereas another company writing a very much similar volume of new business will have no difficulty whatever. At the same time there is this question; if that company is able to write double the volume of new business without increasing the rate of expense at which that business is obtained, is there any reason why that company should not take all the business it can at that rate of expense, provided only that in keeping track of accounts the expense attaching to the securing of that new business should go solely against those new classes. So that it really resolves itself into this, if the company is getting its business at a proper rate, it does not matter how much new business it should take, provided they have sufficient funds to stand against the temporary impairment of the reserve."

Department Specialization Necessary.

Years ago it was the prevalent opinion that the more business written, the larger would be the profits, and possibly with the low cost then of procuring business, this opinion was not far wrong. But conditions now are radically different. The enormous increase in the cost of living has raised commissions and other expenses for new business in a far greater ratio than premiums have been raised. Liberalized policy contracts, too, call for high surrender values and thus leave little or no profit from lapses. The result has been that there is a point beyond which a company should not go in its rush for new business—i.e., beyond the point where extra exertion for new business beyond the normal requirements bears too heavily on the future. The conduct of an insurance office, if from this reason alone, is a matter, then, calling for much greater skill and acumen than in those days when life insurance was in its childhood. Specialization in the various departments of the business aiming at the utmost efficiency and the utmost economy consistent therewith must be the desideratum. The chief executive must be a man, who not only is himself capable of fulfilling any of the multifarious duties of the various departments, but still more one who can build up an organization in his home office that will perform in the various departments all the ordinary duties in an efficient manner. In the present-day, rapidly growing companies with their many complexing problems, the various executive heads would be of little real service did they hamper their executive capacity of attention to minute details which could best be left to well-trained assistants.

From the standpoint of new business the agency department is of course all important and an office possessing a really "live" expert superintendent of agencies is fortunate.

Qualifications of Superintendent.

I take it that the qualifications of a superintendent of agencies must be: Firstly, a knowledge of men. Secondly, he must be able to attract the best men as salesmen and be able to hold them by his personality as well as by his arguments. Thirdly, he must have an intimate knowledge of his business, knowing the methods and practices of his own and other companies as regards policies, rates, agency contracts and so forth. Fourthly, he must know the conditions of insurance field work as applies to his own company. He must know what kind of a contract is necessary for the best results in the various districts. The superintendent who is always clamoring for the widest form of contract in order to hold his men together, may, in reality, be admitting his own incompetence. A company in good standing can always obtain a goodly share of business without issuing extravagant contracts to its agents.

The post of superintendent of agencies, is, then, one of the utmost importance. All new business that comes to the company, comes from the men whom he has appointed as the company's representatives; and according to the quality of the company's representatives will the company's business be. If they hold a high reputation in their communities, the company in those communities will hold a high reputation and its business in those communities will be of the highest quality whatever the quantity may be. And new business is of little use unless it is well selected and of permanent nature.

Work of Actuarial Department.

For the procuring of new business the actuarial department stands shoulder to shoulder with the agency department. Much of the success of the business depends on the hearty, efficient co-operation of these two departments. The actuarial department must draw up the policy contract and decide on the rates and guarantees. An attractive policy form, with well-worded and clear provisions and privileges and liberal values, etc., goes a long way in helping the fieldman close his business.

The actuary should know, however, where to draw the line in liberality. Too liberal surrender values, for instance, while bringing about a certain immediate increase in a company's normal business, might prove a serious menace to its future prosperity.

The agent of the present day is beset on every side by the difficulties his competitors set in his way, by offering higher guarantees, varying forms of contracts, special policy privileges and so forth. It is the duty of the actuarial department to come to the rescue of the agent in matters of such perplexity, to show him not so much any weaknesses in the offers of his competitors as the advantages of his own company's contract by way of its special provisions, or guarantees, or profits, or otherwise. The "man on the street" in these days usually demands facts and figures. The actuarial department must therefore be ready to supply their representative with the best and most up-to-date of these in a form readily intelligible to the prospect and arranged in such a way as to make the strongest appeal to him. The average agent, like the average prospect, is not a mathematician or an actuary, and a mass of figures relative to some actual result or to the company's standing, arranged in complicated form, may prove so confusing as to do more harm than good. The actuary, then, in co-operating with the field men, must, to be of real assistance to them, be able to unravel the technical kinks in his own mind for the time being and put out all his data in a form both interesting and intelligible to the layman.

The actuary, moreover, must be alive to and ready to grasp any new ideas arising in the business. For example, the disability privilege allowed by the insurance act of 1910 was promptly taken advantage of by some companies and used as a lever in getting much new business before the majority of the companies had even thought of including it in their contracts.

General Rules for New Business.

To return to the question of how much new business a company should write, let us endeavor to fix some general rules which may serve as a guide:—

(1) It is impossible to fix the amount of new business as a percentage of the business in force and apply that figure rigidly to all companies.

For example, it has often been stated that an established company can properly write a new business equal to about 20 per cent. of its total insurance in force. This rule might be roughly applicable to the average Canadian company at the present time, there being so many of them of approximately the same size and rate of progression. The following figures, however, will indicate that the percentage is low for the younger companies and high for the older ones:—

Company began business.	New business written 1916 Old business in force 1915.
	%
1849	12.75
1863	16.62
1869	15.46
1871	15.51
1879	18.12
1887	16.29
1889	22.96
1889	23.84
1893	21.41
1894	24.80
1897	21.46
1899	23.70
1900	37.60
1904	35.00

Case of Young Company.

It is obvious that a comparatively young company may find it necessary to write a considerable volume in proportion to its old business each year for a number of years in order to build up its renewal premium income.

It is a difficult matter indeed to say what amount of the resources of a young company should be used in the development of its business, as it has no general trend of expense in the past to serve as a guide, and to reduce if possible. Its business is in a state of flux, the expenses of its various agencies and departments changing rapidly from time to time, and it requires patience, good luck, time and considerable business judgment before cosmos is brought out of this chaos.

Where a company has become thoroughly established, then, new business should be such that:—

(2) Dividends paid should conform favorably with those of other companies.

This, of course, depends upon other factors than the amount of new business written. Yet the new business of a company which affects its expense rate so markedly, is one of the most important considerations. Endeavor should be made to see that each year finds a gradual reduction in its ratio of expenses to income. The expense rate may in this way be regarded as an index to the proper amount of new business to write.

(3) Dividends from year to year should be uniform or show gradual increases over the previous year's scale.

Expense Rate not Only Factor.

Although the expense rate is the main factor to study in respect to proper amount of new business to write, it would be foolish to consider it the only factor. Surely a company maintaining a high interest rate and a low mortality rate can afford to use some of these gains in the acquirement of profitable new business and increasing the company's prestige due thereto. Size is most desirable so long as it is not at the expense of strength. It reduces the ratio of overhead expense, attracts both the public and the ambitious agent, and gives a company greatly enhanced prestige on every hand. Very few of the large companies have grown large at the sacrifice of strength. Their financial reports and dividend payments prove otherwise, and a careful study of their methods of rapid progression will repay study to the too conservative manager. A study of the large companies will show that bigness in life insurance is almost always allied with strength. It is rare, indeed, that a directorate that have the brains and energy to build up a tremendous business, haven't the faculties to do so at a reasonable expense and with a retention of a large percentage of the amount written which rapidly becomes self-supporting and profitable.

(4) From what has been said above it will appear that the problem of new business should not be approached from the standpoint of expense alone, but rather from that of surplus. The surplus earned on the ledger assets is one of the most important ratios connected with the company as it focalizes into one significant figure the results of all the important earnings of the company from expense, mortality, interest and miscellaneous savings. New business written, then, should be of such quantity and quality as to lead to the maintenance in the value of this ratio, and its gradual increase, if possible, so that dividends to policyholders may not only be maintained and increased, but also the contingent or free surplus gradually increased to the benefit of the company's financial position.

Matter of Wise Expenses.

(5) Eliminate "penny-wise, pound-foolish" policy. It is possible to hold a quarter so close to the eye that it shuts out the view of the heavens. It is possible to watch minor expenditures so closely that one is oblivious to broader considerations. In scanning expenses for new business, surely a management should study whether those expenses are of a productive or unproductive nature and should not have a tendency to regard all expenses in the same category, to be pared down to the lowest possible cent. An expenditure that will ultimately result in a profitable new business is an investment of the company's funds, even though it may show no immediate return. Reasonable and judicious advertising, for example, must bring returns by way of new business, even though its effects cannot be accurately reckoned.

In working on the company's expense rate there are two factors to be used, the expense and the income, the numerator and the denominator. While the rate can be reduced by lowering the gross expenses, the numerator, it can also be reduced by increasing the income, the denominator. Possibly it takes greater skill to bring the latter up to correct proportions than it does to keep the former within due limits. Do not keep your eye on the numerator alone.

Present Results and Future.

(6) An eye to the future. Too much stress should not, of course, be put on present results, but a vigilant eye should be kept for the future welfare of the company. An insurance company is "not for an age but for all time." Were the present only to be regarded then a total cessation of new business would bring about the best results, as in that way a company's expense rate would drop rapidly and its surplus bound upwards. However, without the new business it would soon be in a moribund condition. New business is essential to the life of the company as a growing concern and it is the problem of the management to strike the happy mean between no new business at all and too great an access thereof. Having an eye to the future, it would seem that the quality of the business is of prime importance, firstly with regard to medical selection of the newly-examined lives, where it has been said: "This side of the management of a life insurance company is of the first importance. A half million dollars in the death claims for one year in one of the largest companies may be saved by the application of wisely directed attention with far greater ease than one hundred thousand dollars can be saved in expenses." Secondly, with regard to the permanency of the business. A company can afford to write a much larger proportion of new business if that business is of substantial character than would be the case if each access of new business were followed by a heavy lapse and not taken and surrender fate in respect thereto. In the former case, the business would soon pay its own way and contribute to the reduction in the gross expense rate; in the latter case, the business would participate in the raising of the expense rate without exerting sufficient compensating influence thereafter.

(7) How it is obtained. The volume should be influenced to some extent by the nature of the commissions granted. A company paying a heavy first-year commission and low renewals could not afford to write the amount it could write

were the cost spread more over the duration of the policy. There seems to be a tendency with well-established companies to work towards this end—to reduce substantially first-year commissions and give higher rates to the agent during the early renewals. A young company in this respect works under heavy handicaps in its early years. It has a comparatively small renewal business to compensate its salesmen for taking a small first-year commission. It has, too, as yet, failed to obtain the reputation with the public so essential for widespread success.

Consequently, to attract the best men as its salesmen, it must pay a heavy first-year commission, which throws a heavy strain on its successful progress. The path of a young company is certainly not paved with roses. Was Mr. Ferguson not justified in his paper before the Life Underwriters' Association annual convention last August, in his representation of the poor outlook for shareholders of these companies?

Nature of Business.

(8) The nature of the business. The quantity of business to be written certainly depends too on the distribution of the plans, ages and methods of surplus distribution. Certainly the high premiums of the endowments or of old lives on any of the plans can bear the strain in the early years with far greater ease than the low premiums on life and term policies. Again, a company doing a large proportion of deferred dividend business can afford to write more new business than would be the case were it paying out all its earnings in annual dividends, or as would appear to be the case with some companies, paying arbitrary unearned annual dividends in the early years. A company, too, that has been conservative in its dividend payments and has been accumulating a substantial contingency reserve would be in a position to aim at liberal expansion of business, without danger of disturbing its dividend scale, since such contingency reserve could to some extent be utilized to meet the costs of any super-normal production.

(9) Regularity. One test of strength in an insurance company is the showing of regular and substantial improvements in all departments of the business, not spasmodic irregular growth. A company should, then, aim year by year at a new business which will show gradual increases over the new business of each preceding year. It would obviously affect the continuity of surplus results, if violent efforts were made at irregular intervals to obtain new business without regard to what the company had been doing in the past or could expect to do in the future.

(10) Participating and non-participating. During the last few years great care has been employed by the companies in keeping their participating and non-participating accounts separate, so that each section may be charged and credited with its true expenditure and true revenue respectively.

How much of the profit on non-participating business may be used in the acquisition of new business is a point to be settled by the company's directors after a consideration of the amounts of dividends required for stockholders. In fairness to the participating branch, however, an amount should be expended therefor which shall bear at least an equal proportion to the amount expended in the participating branch for the purpose, that the non-participating fund bears to the participating fund.

Nature of Participating Business.

In considering how much of the participating profit should be expended for new business, we must bear in mind the nature of participating business. In the early days of life insurance, premiums were based on insufficient and inadequate data, and for the sake of safety put far in excess of actual requirements. To compensate participating policyholders for their excess payments, returns were made to them by way of surplus distributions. They, in a sense, therefore, received these distributions of bonuses in return for guaranteeing the safety of the company. The same principle exists at the present day, although to a much less degree owing to the more scientific mortality tables now in use. Still it seems clear that the participating policyholder expects to and should obtain, in addition to his insurance, something more than his overpayment with interest. The responsibility would seem to be on the management, therefore, to see that any part of the participating policy-holders' overpayments and profits expended in new business should be expended therein in such a way and to such an extent that proper returns therefrom are assured to the participating policyholders within reasonable time. In other words, the participating loading cannot be looked upon as an additional "expense fund" to be thrown haphazardly after new business without due thought of returns, but as a "trust" fund which must be used with the utmost care and discretion. However, the question might be asked: "Have not the companies as much right to spend arbitrary, unearned amounts in building up the business as they have to pay arbitrary, unearned dividends to policyholders in the initial policy years?"

But, as a matter of fact, do not many of the companies regard such payments of dividends in the light of indirect expenditures for new business, rather than actual bona fide dividends?

In this connection we may point out that there is a radical difference of opinion among actuaries as to the equity of charging the cost of new business partially against old policyholders in the assessment of expenses for the purpose of arriving at the surplus allotments. One view held is, that, whatever the cost of new busines may be, its value is mainly to those insuring or to their beneficiaries, not to those previously insured. As Zartman says: "A new entrant cannot in fairness ask that the special expense involved in bringing the benefits of the company to him should be shared by the existing membership on the plea that his incoming broadens the field, when the existing membership constitute the field to which he only adds his mite; when the benefits to him from the existence of such a membership are a hundred thousand times any benefit he can confer upon them. It is certainly sufficient that he be admitted to the common advantages of a more stable experience and a decreased expense ratio, if such result, without requiring that others be taxed to pay the cost of giving him these advantages. The assessing upon the old business of the expense procuring new business cannot then be justified either upon the ground that the expense is due to, or is for the benefit of, the old business."

Judgment of Own Experience.

Other writers on the other hand, point out that the new entrants being newly-examined lives tend greatly to reduce the average mortality experienced by the company; that the weight of the expenditure of new business is not due to voluntary action of the fresh entrants, but to the efforts of the company acting in the presumed interests of its existent members, and if those members consider the business to be worth acquiring upon the terms that prevail, they should share fully in the general burden of the cost.

To sum up, it seems to me, bearing in mind the main principles outlined above, that a company that has been in existence for a few years, can determine sensibly and for all practical purposes the amounts it should expend in the acquisition of new business. It has then its own experience upon which to base a judgment, and this, together with a careful study of its annual statement and gain and loss exhibit, should be of more service than any amount of theoretical reasoning. By tabulating each year the figures relating to the company's growth and surplus earnings, and watching the effect of one upon the other, it should not be a matter of extreme difficulty to fix limits between which the expenditures for new business should fall.

TORONTO'S SOLDIERS' INSURANCE

The amounts which Toronto city paid out on account of soldiers' insurance up to September 20th, 1917, are as follow:—

Paid by city directly, prior to 1917, $398,000; during 1917, $1,003,000; paid to companies as premiums previous to 1917, $741,038; premiums during 1917, $105,685; total cost to city, $2.247,723. This large sum, practically two and one-quarter millions of dollars, will be largely increased before the end of the year. Here are the details in connection with soldiers' insurance to date:—

Premiums paid to companies during 1917: Metropolitan Life, $63.643; Aetna Life, $42,042.

Premiums paid to companies previous to 1917: Metropolitan Life, $610,884; Aetna Life, $91,646; State Life, $38,506.

Claims paid during 1917: Metropolitan Life, 195, $195,000; Aetna Life, 55, $55,000; State Life, 15, $15,000; City of Toronto, 1,003, $1,003,000.

Claims paid previous to 1917: Metropolitan Life, 538, $538,000; Aetna Life, 58, $58,000; State Life, 4, $4,000; City of Toronto, 398, $398,000.

FIRE UNDERWRITING RESULTS

With Canada's Development Risks Have Largely Increased and Total $3,720,058,236

Less than $2,000,000 was the first year's fire insurance premiums in Canada, of which there is a government record. Total premiums collected by 87 companies during 1916 were $27,783,852, and losses paid $15,114,063, the loss ratio being 54.40 as compared with 53.49 in 1915, and is 6.00 below the average for the forty-eight years. In the decade 1896-1906 the average annual loss paid by the companies transacting business in Canada was $6,000,000, a sum which was nearly doubled in the past decade, 1907-1916, for the average loss then recorded was $11,700,000.

British companies have received more than 50 per cent. of the premiums collected in Canada and paid more than 50 per cent. of the losses during the 48 years recorded. The aggregate totals of the fire insurance business in Canada are as follows:—

Companies	Premiums.	Losses.	Ratio %.
British	$267,308,817	$163,371,003	61.12
Canadian	96,048,484	59,795,734	62.26
United States and other	87,382,969	49,075,208	56.16
	$450,739,560	$272,241,945	

The expansion in fire underwriting in Canada during the last 26 years of the period is shown in the following figures:—

Companies.	Premiums. 1890.	1916.
Canadian	$ 1,249,884	$ 4,817,876
British	4,072,133	14,294,803
United States	514,054	8,671,173
Companies.	**Risks. 1890.**	**1916.**
Canadian	$135,145,294	$ 742,805,919
British	427,931,692	1,606,346,835
United States	57,646,959	1,069,085,926

The rate per cent. of premiums charged upon risks taken is shown in the following table:—

Companies.	Gross amount of risks taken during the year.	Premiums charged thereon.	Rate of premiums charged per cent. of risks taken.
British	$1,606,346,835	$17,278,033	1.08
United States and other	1,069,085,926	11,146,042	1.04
Canadian	742,805,919	8,807,615	1.19

The increase in the amounts taken in 1916 as compared with the previous year by Canadian companies is $69,561,788. For British companies there is an increase of $168,309,114, and for United States and other companies there is an increase of $68,814,875.

LIFE UNDERWRITING RESULTS

The field men of forty-four life insurance companies, Canadian, British and Colonial, and those of the United States, were actively engaged last year in converting Canadian "prospects" into "policyholders." The results of their work in 1916 is compared with that of the pioneers of 1875 in the following figures which give the amount of insurance effected during the respective years:—

	1875.	1916.
Canadian	$ 5,077,601	$138,201,281
British and Colonial	1,689,833	5,250,633
United States	8,306,824	87,649,711
	$15,074,258	$231,101,625

The 1916 work of the agents brought the net amount in force from $1,311,616,677 of 1915 to $1,422,179,632.

Lapsation is a problem for the underwriters, its causes are often discussed, remedies noted and sometimes tried, but the disease persists, to the extent of $104,172,247, as shown in the surrender and lapse column of the Canadian government return. This, however, was a decrease of about $32,000,000, compared with the preceding return.

Premiums collected from policyholders in 1916 totalled $48,093,105, while payments made to policyholders were $35,685,560.

The year's income and expenditure of Canadian insurance companies can be placed as in the following columns:—

Income:	
Premiums and annuity sales	$43,958,826
Interest, dividends, rents	16,004,312
Sundry	287,869
	$60,251,007
Expenditure:	
Paid to policyholders and annuitants	$24,147,117
General expenses	11,574,054
Taxes	679,429
Dividends to stockholders	510,815
	$36,911,417

The following table shows the assets of Canadian, British and United States companies in Canada:—

	Canadian.	British.	United States.
Real estate	$ 15,052,552	$ 968,794	$ 79,840
Loans on real estate	95,921,380	16,942,175	11,087,153
Loans on collaterals	2,501,710	156,942	.....
Cash loans and premium obligations on policies in force	41,134,377	2,655,840	10,777,910
Bonds and debentures	108,353,964	15,998,790	55,146,616
Stocks	17,332,464	160	.....
Cash	3,678,528	788,602	2,537,267
Interest and rents due and accrued	7,191,936	432,307	1,151,210
Outstanding and deferred premiums	6,611,938	344,214	1,352,316
Other assets	299,405	18,039	9,844
	$298,078,258	$38,305,866	$82,142,159

LIFE COMPANIES AND WAR MORTALITY

That life insurance companies in Canada were affected by war mortality to a much greater extent than previously is shown in the annual report of the superintendent of insurance, issued last fall. Up to the end of 1916, Canadian life companies and fraternals, Dominion and provincially licensed, had incurred $7,139,541 claims arising out of the war. In addition, Canadian companies had incurred war claims under policies held by British and foreign policyholders to an amount of $524,935. The insurance department at Ottawa states that returns have been secured from all companies and societies with the exception of a few small provincial fraternals, the returns from which would not materially affect the figures shown. Information was asked for as to claims incurred under the following headings:—

(a) Enlisted soldiers killed in action or dying from wounds.

(b) Enlisted soldiers dying from other cause.

(c) Other persons engaged in war service, or civilians dying as a result of military operations.

The returns made show the following results:—

	Dominion licensees.	Provincial licensees.
1914.		
(a)	$ 15,793	$ 1,000
(b)	1,622	1,000
(c)	.....	.....
	$ 17,415	$ 2,000
1915.		
(a)	$1,607,342	$114,746
(b)	190,684	18,500
(c)	141,709	7,585
	$1,939,735	$140,831
1916.		
(a)	$4,318,839	$426,711
(b)	226,987	50,411
(c)	15,112	1,500
	$4,560,938	$478,622
Total	$6,518,088	$621,453

Life Insurance As Sold by the Regular Companies

Why They Are Able To Increase Their Business at a Remarkable Rate While the Assessment Societies Are Losing Ground—New Features in Modern Policies Cannot Be Given by the Assessment System—An Instructive Analysis and Some Interesting Examples

By W. H. ORR

EVERYBODY knows that life insurance has been in operation, as a business, for a great many years past, in Europe, in the United States, in Canada and in other countries. Of late years, a strong effort has been made, by means of fraternal societies, to give the public all the benefits of what is called "whole life" insurance at a much lower cost than it is afforded by what may be termed the "regular" system, as practised by the life insurance companies, in this and other lands.

The object of this article is to call attention to, and briefly explain, the different methods of operation and the widely different results, of the two systems—the permanent and the evanescent—in contrast with each other.

Plan has been Time Tested.

The regular, or old-fashioned plan, so successfully followed by the regular companies, recognizes the fact that, though the insured party *may* drop out, either by lapse or by death, at an early date, yet provision must be made for the payment of the full sum insured at death, whether that be early or late in life. In other words, the last man to die, of all those insured in the company, must have provision made for his widow and children, just as faithfully and surely as those of the first or earlier deaths. This is made a certainty by a premium per $1,000 being charged—whether paid yearly, half-yearly or quarterly—which has in it a small sum, or portion, which being accumulated at compound interest, will provide $1,000 for the wife and children of the last man to die, just as surely as for those of the first man who drops out by death. In other words, all regular societies doing life insurance business, are compelled by the laws of the countries in which they operate, as well as by the law of commonsense, to provide a scientific re-insurance fund. That re-insurance fund must be sufficient to pay another company for taking over its contracts and carrying them out to the last item of liability, assuming that anything should happen to the original company to put it out of business. Suppose, for instance, that any company should desire to close its business in any country or state, after operating therein for many years: it must leave in the hands of the government of that country or state, or pay to another solvent company, a sum sufficient to re-insure all its contracts in another company.

Provides for Total Indebtedness.

For instance, if either one of the following five well-known Canadian companies should decide to retire from the business of furnishing life insurance, it would have to hand over to some company approved by the government, the large sum set forth in the last column of the following table, that being found, according to the latest blue-book, to be sufficient to provide for its total indebtedness, as that indebtedness stood on December 31st, 1916:—

Company.	Ins. in force.	Assets.	Liabilities.
Sun Life	$281,434,700	$ 82,948,996	$ 74,089,130
Canada Life	165,366,127	59,264,183	52,245,329
Manufacturers'	87,527,995	28,971,253	19,866,600
Confederation	74,750,841	21,559,159	19,097,788
North American	58,486,367	16,485,987	13,768,881
Totals	$667,566,030	$209,229,579	$179,067,728

About one-half the amounts mentioned in the first and third columns is on account of policies payable at death only, and the other half represents endowments, which are payable either at death, or to the insured himself if he lives the ten, fifteen or more years constituting the endowment period for which the insurance contract was made.

Having now set forth the permanent basis upon which the business of the regular companies rests, the reader will desire to know how successfully that business has been carried on in Canada, during a period of 40 years past, and how much more rapidly in recent years, than formerly, has been its growth. The field in Canada has been cultivated by foreign as well as native companies, and all alike have prospered of late years. From the latest insurance blue-book from Ottawa, we take the following figures:—

Year of record.	One year's new ins. taken.	Total ins. in force.	Increase in ten years.
1876 ...	$ 13,890,127	$ 84,250,918	.....
1886 ...	35,171,348	171,315,696	$ 87,064,778
1896 ...	42,624,570	327,800,499	156,484,803
1906 ...	95,013,205	656,250,900	328,460,401
1916 ...	231,101,625	1,422,179,632	765,918,732

Cannot Offer Attractions.

This table shows that in 1876 not quite $14,000,000 of life insurance was applied for and issued. Ten years later, nearly three times as much was issued. In 1916, the new insurance issued and paid for was almost twenty times as much as in 1876. It was nearly three times as great as in 1906. During the ten years there has been an amazing increase, of $765,-918,732, in the amount of life insurance in force in Canada. This does not indicate any "old age infirmity" in the business. The older the companies grow, the more attractive is the article they have to sell. Much of this success is due to the introduction of new features in the modern policies, such as could not be operated under any assessment system. Among the attractive features are: (a) paying double the amount in case of death from accident; (b) making common life policies payable as endowments in old age; (c) granting surrender cash and loan values at all ages after a policy has been two or three years in force; and (d) cancelling future premiums in case of total disability. And quite recently, several companies have introduced "monthly income" insurance; also one-year term rates.

Premiums Usually Charged.

Here is a table of premiums usually charged for different forms of life and endowment insurance by a regular company at present:—

Annual Premiums per $1,000 on Six Different Ages.

Age	16	25	30	35	40	50
One-year term ..	$ 7.79	$ 8.22	$ 8.61	$ 9.23	$10.17	$14.79
Five-year term ..	9.14	10.01	10.93	12.11	13.67	22.40
Seven-year term .	9.18	9.74	10.27	11.08	12.43	19.80
Life	13.44	16.32	18.57	21.52	25.41	37.92
Twenty payment	20.97	24.32	26.68	29.59	33.21	44.19
End. 20 years	41.02	41.55	42.07	42.89	44.25	50.44

Companies with Evanescent System.

Having shown that the old and well-established system of life insurance, charging rates of yearly premiums sufficient to provide complete security not only for the present but to the "last man," whoever he happens to be, down to the end of this and the coming centuries, let us take a look at a cheap substitute that has arisen in the United States and Canada during the past 50 years, and which is already largely on the wane. In so far as it is in competition with the insurance companies, it is so only in relation to the term, or the all-life plans. It does not attempt the 20-payment or any endowment plan.

This modern life insurance idea was evidently born in the brain of an individual here and there in this western continent, whose education had not progressed very far into the higher mathematics, but who was carried away with enthusiasm as to the power for good of the principle of co-operation in fraternalism. Instead of the life insurance of the

A GUARANTEED INCOME
THAT NEVER FAILS

THE ABSOLUTE SAFETY

of the Monthly Income Plan appeals to every thinking man. It will appeal to you. It furnishes your wife, your child or other dependent relatives with a

CONTINUOUS CHAIN OF MONTHLY CHEQUES THAT CANNOT BE OUTLIVED

You may have already made provision for your family, but

CONSIDER THIS—

There is danger of leaving plenty of property interests and too little income. Property must be producing income in order to be of immediate benefit to a bereaved family.

Financial problems should not be thrust upon a woman at a critical time.

The hands of unscrupulous men are always outstretched for money held by the unwary.

Large sums of money on hand invite extravagance or unwise expenditure.

Assuming enough left in cash to pay the immediate obligations of an estate, even a $25.00 monthly income will pay the rent if necessary, leaving a woman's mind free on that score, at least.

The Monthly Income Policy surpasses all other sources of income. Most people have been taught a monthly system of financing. It is the customary and most convenient way of receiving an income, and of settling accounts, particularly for anyone unaccustomed to handling funds.

YOU CAN COMMAND

this Modern Monthly Service by a moderate investment out of your current earnings. The income is certain, inalienable, free from administration expense and not exposed to loss through misjudgment or inexperience.

Any income from $10.00 to $200.00, or more, a month will be guaranteed.

Ask for our "Private Inventory Form." It will help you to take stock of your affairs.

CANADA LIFE ASSURANCE COMPANY

Canada Life Assurance Company, Toronto:
Dear Sirs,—
Without obligation on my part, please send me, free of charge, your "Private Inventory Form."
Name .....
Address .....

future being based upon the steady accumulation of a reserve, or safety fund, laid aside year by year, as is done by all the companies, why not let that safety fund remain in the pockets of the members until needed? Again, instead of having so much consideration for the "last man," and collecting annually from everybody on his account, why have any last man to provide for? Why not, by keeping the brotherly co-operative fraternal principle in perpetual operation, have no "last man" in the case, in so far as plain, common life insurance is concerned? In other words, why not "pass around the hat" as each death occurs, and expect every member to drop therein the right sum, as called for, to meet the claim of the widow and orphan as it occurs—the penalty for not paying promptly being the loss of his own membership in the new and beneficient eldorado?

New Ones Every Day.

These and kindred fraternal ideas, seemed attractive when presented in the lodges and courts and temples, fifty years ago, especially when the more highly educated members did not happen to be present. In a few years the ideas became so prevalent in the United States, that not only were they approved and adopted by some already established fraternal organizations, such as the Knights of Pythias, and Masonic and other fellowships, but new ones sprang up in all directions, almost every day, whose sole object was the affording of the benefits of a small amount of life insurance to every healthy married man who was not over 45 or 50 years of age, at half the cost at which it was afforded by the companies. In many cases, no difference in the monthly assessment was made for a $2,000 certificate, whether the member's age was 20 or 40, and in no case were any allowed to join if over 45 or 50. In the case of very few of the societies, was any one allowed to have more than one or two thousand dollars on his life. Heavy drinkers were tabooed, generally, as a matter of course. The management of those associations was in the hands of persons elected by ballot at the annual conventions. These paid no attention whatever, for many years, to any of the difficult problems for the solution of which actuaries and skilled accountants are always found on the pay-rolls of the regular companies.

Heavy Death Losses.

Hence there soon arose heavy death losses and double assessments, followed by the early disappearance of a great many of those briefly prosperous societies. The following are a few of the hundreds which operated in Canada for a brief spell, and have long since gone: (1) Canadian Relief Society, 1886 to 1894; (2) Colonial Mutual Life Association, 1884 to 1898; (3) Masonic Mutual Benefit, London, 1878 to 1894; (4) Massachusetts Benefit Life Association, 1878 to 1897; (5) Mutual Reserve Fund Association, N.Y., 1875 to 1903; (6) Covenant Mutual Benefit Association of Illinois, 1871 to 1899; (7) Provincial Provident, St. Thomas, Ont., 1884 to 1896; (8) Select Knights, St, Catharines, Ont., 1883 to 1898.

Lesson of the Failures.

The lesson of these hundreds of failures gave warning to others. By profiting thereby, about two hundred of them are alive to-day. Most of them have greatly increased their rates and improved their plans. Some of them, such as the Royal Templars, of Hamilton, the Canadian Order of Foresters and the Independent Order of Foresters, of Toronto, have become, in operation, regular old line companies, at much higher rates than formerly. Where this is the case, the membership, as a rule, has greatly decreased, and none of the societies accept any large amount on any one life, or offer the attractive endowment lines on which the regular companies do so large a part of their business.

Waning Enthusiasm of Fraternals.

To illustrate the high and low water marks of some of the fraternal societies, the cases of eight of them are here cited, They are headed by two Toronto societies—the Ancient Order of United Workmen and the Independent Order of Foresters. The Foresters are the owners of the handsome temple building, standing near the city hall, Toronto, and in it several of their lodge or court meetings are held, as well as their annual Supreme and High Court gatherings for the election of officers and other business, including change in rates and investment of funds.

The figures in column No. 1 show the highest amount of insurance the society had five or ten years ago, while those of No. 2 are the figures for the year ended December 31st, 1916. Similarly, the amounts stated under No. 3 represent the new insurance taken, in some one previous year, when everything was going well, at the former low rates of assessment. Finally, No. 4 column shows what a small corresponding amount of new certificates, in dollars, were obtained during the year 1916:—

Leading Assessment Societies.

Name of Society.	(1) Formerly in force.	(2) In force Dec. 31, 1916.	(3) New insurance formerly.	(4) New taken in year 1916.
I.O.F., Toronto	$ 264,960,140	$ 182,012,224	$ 31,145,785	$ 12,209,005
A.O.U.W., Toronto ..	58,666,500	15,206,047	7,361,000	324,000
Heptasophs	103,880,500	39,627,752	7,716,000	678,000
Knights of Pythias..	120,544,500	96,398,817	18,267,000	8,488,960
Pilgrim Fathers	25,243,000	2,572,718	475,250	11,250
Woodmen, Canada ..	13,942,660	5,785,750	2,285,100	381,500
Modern Woodmen ..	1,863,194,000	1,588,098,500	204,956,000	152,003,000
Royal Arcanum	497,018,340	338,500,000	26,002,500	6,986,000
Totals	$2,947,449,640	$2,268,201,808	$298,208,635	$181,081,715
Decrease	$679,247,832	and	$117,126,920	

Some Striking Comparisons.

Looking back to the second table in this article, it will be seen that the regular life insurance companies increased their total insurance in force, in Canada alone, during the past ten years, by the large sum of $765,918,732, but the above eight fraternals show a decrease of $679,247,832. This is in spite of all they could do to lessen the slump by the new amount of certificates issued each year.

It is a pretty bad outlook for a society when its new business coming on the books does not equal what is going off by death alone, to say nothing of the numerous lapses of certificates which are now constantly occurring in all such societies. The United Workmen of Toronto is thirty-eight years old: hence it is getting what all such societies will get when they come to about that age—viz., the old members dying off rapidly, and the income thereby decreasing, year by year, until the assets become so depleted that total collapse threatens. Five years ago this Order had $1,597,023 of apparently well-invested assets. On December 31st last these had fallen to $801,079, after defraying a heavy year's death loss of $749,741. Seven years ago, the new members coming in during the year numbered 3,106; but last year the entrants numbered only 564, while the certificates terminated numbered 10,648.

Many lodges have been suspended of late for want of their assessments coming forward, and many more appear to be in imminent danger, having less than ten members. For example:—Lakeview, 6; Little Britain, 7; Sutton, Sturgeon Falls, Niagara, Finch, Parkhill and Collins Bay, each 8; Carluke, Osgoode Mountain, Kenmore and Enterprise, each 5; Plattsville, Ayr and Wexford, each 4; Exeter and Teeswater, 3; and Eau Claire and Alexandria, only 2 each. Instead of paying the full $2,000 or $1,000 each, promised to the older members when they joined many years ago, it has adopted the practice of charging up an ascertained deficiency, according to a resolution of the Grand Lodge. Hence we find in the September, 1917, list of death payments, such figures as the following, opposite the names of deceased brethren: C. W. Bradley, $1,028; W. E. Beamish, $1,170; Andrew Percy, $1,101; John Mustard, $950; S. S. M'Elary, $657.80; J. Robertson, $812; Hugh Rose, $684; J. H. Wigle, $700; W. Wickens, $904; J. B. Johnson, $904; Henry Kerr, $1,180; A. R. Dow, $806; J. W. Ross, $939, etc.

Independent Order of Foresters.

The Independent Order of Foresters, Toronto—a much larger representative of fraternal life insurance—seems traveling in the same direction, and has resorted to a similar method of cutting down the amounts its members were led to expect when they joined, many years ago. Dr. Oronhyatekha, the founder, and many other of the original enthusiastic pushers of the Independent Order of Foresters, have passed away, and the bottom of the enterprise seems to have largely fallen out of late. In 1902, at a crowded meeting in the temple, the Doctor boasted that the Foresters had more millions of insurance on its books than all five of the Canadian companies mentioned in the first table given in this article. They had $228 405,945, and the Foresters alone, then, had no less than $230.197.000. What has occurred since then? The 1917 blue-book shows that the five companies have nearly trebled their millions, and have grown to $667,566,030, while the Independent Order of Foresters, in all countries the world over, have dropped to $182,012,224. Of this $72,-

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IN

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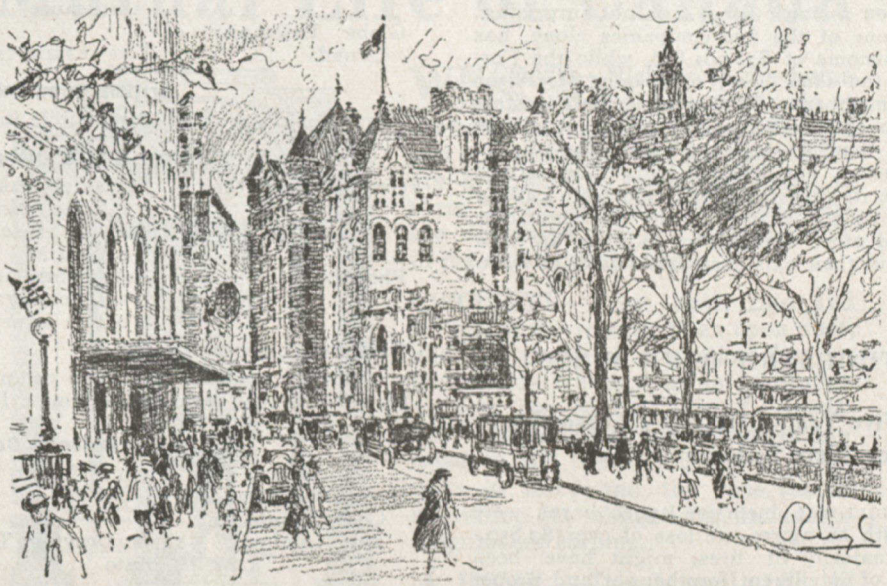

View of Prudential Buildings from Military Park, Newark, N.J.

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Millions of Dollars of Prudential Life Insurance are held by Canadians and a large force of Prudential Agents are busy every day paying death claims.

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INCORPORATED UNDER THE LAWS OF THE STATE OF NEW JERSEY

AGENTS WANTED

701,665 is on Canadian lives, and $109,310,559 is held by people in other countries. The Doctor made a strong point, also, amid great applause, that during that previous year, 1902, those five companies had secured only 23,585 new members, while the Foresters, founded by him thirty years previously, had booked no less than 34,311. How do they now stand, comparatively? The blue-book credits the companies with 26,950 and the Foresters with the small number of 10,964, only 3,043 of whom were from its Canadian courts, and 7,921 from abroad.

Losses Heavier Now than Assessments.

It must be borne in mind that the Foresters now issue the cheapest sort of certificate, payable at death only, and for from only $1,000 to $5,000 on any one life. The companies, on the other hand, issue nearly as many endowments and twenty-payments, as they do of ordinary lifes, and they write as much as $100,000 upon a single life. It is not surprising, therefore, to find that one of the five companies alone, has now a yearly premium income of $14,001,836, while the Foresters received, during the same year, 1916, only $3,328,599 in assessments from its members. Furthermore, the Foresters met with death losses in 1916 of $3,605,088. This, it will be seen, is $276,489 more than its entire membership paid in assessments for that year. The balance had to be derived from interest received on its invested funds, and from cutting down the face value of its certificates, as the Ancient Order of United Workmen and other assessment societies are now doing, in order to eke out their existence for a time, at least.

OVER FIVE THOUSAND BARN FIRES

These Occurred in Five Years—Ontario's Losses Last Year Were Serious

During the years 1912-1916 inclusive, 5,200 barns were destroyed in Canada, with an aggregate loss of over $7,850,000. These, like the majority of fires, might have been avoided by the exercise of intelligent forethought and proper care. Investigation shows that the most prolific sources of barn fires are lightning and spontaneous combustion. Evidence gathered from all parts of Canada and the United States proves that rodded buildings are practically immune from lightning damage. The cost being a fraction of the possible loss in case of fire, it is of economic importance to the farmer that every barn should be efficiently protected by lightning rods.

Many Fires in Ontario.

In August last year, for example, there were 234 barn fires in Ontario, according to the statistics of the Ontario fire marshal, Mr. E. P. Heaton. These fires involved a loss of $250,000. Lightning was the primary cause and in no case was a barn equipped with lightning rods. Mr. Heaton said at the time:—"The period for barn fires from unknown causes commenced about August 15th, and for the next three months we expect to be called upon to make many investigations. We fear conditions, as we have so far found them, indicate a continuance of heavy losses on barns. We hope this anticipation may fail of realization, but we have great apprehension that we shall not be found mistaken. We are prepared to promptly investigate barn fires of unknown origin, and when the season is over, we must squarely face the issue as to the means to be taken to avoid the terrible and inexcusable waste, even if it be found to be necessary to appeal to the legislature for definite action."

May Be Legislation.

In a statement issued a year ago by Ontario's fire marshal, Mr. Heaton, it was pointed out that the remedy for these barn fires was in the hands of the fire insurance companies themselves, "but," he added, "if they do not take it up it may be necessary to resort to legislation—the loss is entirely too serious to be overlooked. From information received I believe that the average barn to-day is not adequately ventilated, and when there is an exceptionally heavy hay crop like that of this year and labor conditions compel the farmers to put it in the barns before it is thoroughly cured, heating, leading to spontaneous combustion, it bound to occur. If the companies in issuing policies enforce certain requirements as to ventilation then the danger can be largely guarded against."

MOVEMENT OF INSURANCE COMPANIES

Several Newcomers Here Last Year — Additional Licenses Issued

The following companies received licenses last year from the Dominion Insurance Department for the class or classes of business shown below in addition to the classes for which they were already licensed:—

Canadian Companies.

Company.	Additional Class or Classes.
British America.....	Inland transportation insurance.
Canada Accident	Automobile insurance.
Canadian Surety	Burglary, plate glass and automobile insurance.
Globe Indemnity of Canada	Fire insurance

British Companies.

Royal Exchange	Automobile insurance.

United States Companies.

German American ...	Sprinkler leakage and automobile insurance (excluding insurance against loss by reason of bodily injury to the person).
Phoenix	Automobile insurance (excluding insurance against loss by reason of bodily injury to the person).

Dominion Licenses Issued.

During 1917 the following companies received a license for the first time from the Dominion Insurance Department:—

British and Colonial Companies.

Company.	Chief Agent.	Class of Business.
Union Insurance Company of Canton, Limited....	C. R. Drayton, Toronto	Fire and automobile insurance.

United States Companies.

Company.	Chief Agent.	Class of Business.
Alliance Insurance Company of Philadelphia	Robt. Hampson & Son, Limited, Montreal	Fire and automobile insurance.
Columbia Insurance Company..	R. MacD. Paterson, Montreal ..	Fire and automobile insurance (excluding insurance against loss by reason of bodily injury to the person).

Both the Alliance Insurance Company of Philadelphia and the Columbia Insurance Company formerly operated in one or more provinces of Canada under provincial licenses.

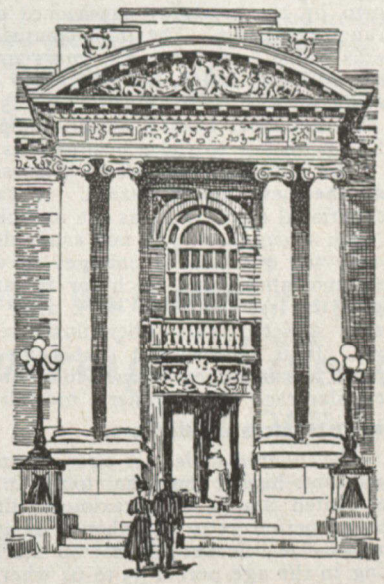
Dominion Insurance Licenses Cancelled.

The Factories Insurance Company by a reinsurance agreement dated December 2nd, 1916, reinsured its business in the Western Assurance Company, Toronto. The deposit of the company to the accepted value of $51,537 is still in the hands of the Receiver General, but the company has given notice as required by the Insurance Act of its intention to apply for its release.

New Companies in Ontario and Manitoba.

The following insurance companies were admitted to transact business in the province of Ontario during 1917:—Pacific Marine Insurance Company, Tokio Marine Insurance Company, Limited, Stuyvesant Insurance Company, Provident, Accident and Guarantee Company, Union Insurance Society of Canton, Limited, and Thunder Bay Mutual Fire Insurance Company.

The Open Door of the Mutual Life of Canada



WELCOME.—Visitors to the home of The Mutual Life of Canada at Waterloo are always made welcome, and acquaintances and strangers alike are ever sure of having extended to them "the glad hand." New members are welcomed into the Mutual family in the same cordial spirit.

SECURITY.—From heat, cold and storm we retreat to an open door, and for financial protection for our households we turn to an institution such as The Mutual Life of Canada. This Company has approximately one hundred and twenty millions of business in force and the reserves to guarantee its obligations include a magnificent surplus.

A HOME.—The Mutual Life of Canada is more like a family or a fraternity than an insurance company organized on another system. No favored class controls The Mutual; its assets are the sole possession of the policyholders of the Company. The Mutual of Canada is truly "a family affair," but the family includes every policyholder, and they now number nearly fifty-five thousand.

INSURANCE AT "COST PRICE."—From the time of its inception in 1869, The Mutual Life of Canada has adopted as its aim the giving of the largest amount of protection for the least possible outlay, and this aim has been fully achieved as our wonderful dividend records prove.

"SAFETY FIRST."—Cheapness in itself is not, however, the most important thing in life insurance, safety comes first. The Mutual Life of Canada has, therefore, been conducted as an old-line, legal reserve company—in other words, The Mutual has every advantage inherent in other companies, with mutuality added.

Is there a Mutual Policy in your Home?

The Mutual Life
Assurance Company of Canada
Waterloo, Ontario

168

The following changes took place during the past year in Manitoba:—

Companies (Dominion licensees) registered to do business in Manitoba during 1917:—Casualty Company of Canada, plate glass; Hamilton Fire Insurance Company, fire; American Surety Company of New York, guarantee.

Companies licensed by Manitoba province in 1917:—Security Mutual Casualty Company, employers' liability and workmen's compensation; and Merchants' Casualty Company, accident, automobile, guarantee, burglary, and theft.

Companies ceasing to do business in Manitoba:—Canada Weather Insurance Company, Factories Insurance Company, Capital Life Assurance Company, La Savegarde Life Insurance Company, and State Farmers Mutual Hail Insurance Company.

Companies transferred to Dominion licensees:—Columbia Insurance Company, and Stuyvesant Insurance Company.

Underwriters' agencies ceasing to do business in Manitoba:—Factories Underwriters, and Security National Underwriters.

In British Columbia.

The following companies were licensed under the British Columbia Fire Insurance Act to transact the business of fire insurance during 1917:—Guardian Fire Insurance Company (Salt Lake City, Utah), and Union Insurance Society of Canton, Limited.

The following companies were licensed under the Insurance Act of British Columbia during 1917:—Western Life Assurance Company (Winnipeg, Man.), to transact life insurance, and Union Insurance Society of Canton, Limited, to transact marine and automobile insurance.

The following companies obtained supplementary licenses in British Columbia during 1917:—Alliance Assurance Company, Limited, British Crown Assurance Corporation, Limited, Canadian Surety Company, Ocean Accident and Guarantee Corporation, Limited, General Accident Assurance Company of Canada.

The following companies ceased to transact business in British Columbia during 1917:—Factories Insurance Company, Franklin Fire Insurance Company of Philadelphia, German Alliance Insurance Company, Michigan Commercial Insurance Company, and New Zealand Insurance Company.

Changes in Alberta.

The following companies holding Dominion licenses retired from Alberta last year:—The Canadian Casualty & Boiler Insurance Company; amalgamated with the General Accident Assurance Company of Canada. Western Insurance Company; withdrawn. The Factories Insurance Company; policies reinsured by the Western Assurance Company of Toronto. Gresham Life Insurance Company; withdrawn.

The following companies holding Dominion licenses were admitted for registration in Alberta last year:—Hamilton Fire Insurance Company, and Saskatchewan Life Insurance Company.

Since January 1st, 1917, the following underwriters' agencies have been registered in Alberta:—The Britannic Underwriters of the Employers' Liability Assurance Corporation, British Empire Underwriters of the British-America Assurance Company, the Minnesota Underwriters of the St. Paul Fire and Marine Insurance Company, and the Northwestern Underwriters of the North-Western National Insurance Company.

The companies registered to transact business in the province of Quebec since January 1st, 1917, were as follow:—Provincial licenses.—Funeral insurance companies:—La Société Co-Opérative de Frais Funéraires, Montréal; Compagnie Bonnier & Frères Assurance Funéraire, Montréal; Compagnie Générale de Frais Funéraires, Limitée, Montréal; Compagnie de Frais Funéraires des Cantons de l'Est., Sherbrooke; La Compagnie d'Assurance Funéraire Urgel Bourgie, Montréal.

Mutual fire insurance companies formed by municipal councils:—St. Mathias, and St. Barnabé.

Parish mutual fire insurance companies:—St. Thomas de Montmagny, L'Epiphanie, St. Ambroise de Kildare, Roberval, St. Sylvestre, and St. Jean Paptiste d'Ile Verte.

Dominion licenses registered to transact business in the province:—The Hamilton Fire Insurance Company, registered to transact fire insurance, Hamilton; Stuyvesant Insurance Company of New York, registered to transact fire insurance, New York; the Insurance Company of the State of Pennsylvania, registered to transact fire insurance, Philadelphia; Tokio Marine Insurance Company, Limited, registered to transact inland and ocean insurance.

This company ceased to do business last year:—Provincial Fire Insurance Company of Montreal, re-insured on May 3rd, 1917, with the Strathcona Fire Insurance Company, Montreal.

CAUSES OF DEATH, BY OCCUPATION

Definite Conclusions Drawn from an Analysis of the Available Figures

By J. P. MOORE, A.I.A.

The United States Department of Labor has published an interesting bulletin of the causes of death by occupation as shown by the mortality experience of a large industrial insurance company. The data comprise the records of 94,269 deaths which occurred in the years 1911, 1912 and 1913 among occupied white males, and of 102,467 deaths in the same three years among white females, at age 15 years and over, insured in the industrial branch of the company. Attention was directed primarily to those occupations which were represented in large numbers, or which possessed exceptional interest from the viewpoint of hazard. It was impossible to compile occupational death rates as the number of living policyholders in each occupation was not available, and, of course, there is also the question of changes of occupations which affect these mortality rates, such for instance as a blacksmith engaging in less laborious work after his strength is lost, or a man afflicted with tuberculosis securing outdoor employment. It is pointed out that some occupations are handicapped because they attract men of poor physique or of a particular race whose general mortality is high.

Special Hazards of Workers.

The insured males, at ages 15 and over, give a mortality 5 per cent. higher than that found in the registration area of the United States, the maximum difference being found in the age period 35 to 44, when it is 47 per cent. higher. For females the difference is not so marked, the maximum here being in the age period 55 to 64 where the excess is nearly 12 per cent. The higher rates for the insured persons may be expected in view of the general and special hazards to which the working men and women are exposed.

The table at the end of the article establishes some interesting relations. In all age periods, typhoid fever shows a higher proportion of deaths in the general population than amongst the insured. This is explained by the fact that the industrial policyholders are located mostly in urban centres, where typhoid fever rates are lower. On the other hand, tuberculosis of the lungs has a uniformly higher representation amongst insured males; so have cirrhosis of the liver and Bright's disease. Cancer and suicide show higher proportions in the general population.

Mortality by Occupation (Males).

The occupations selected for consideration are those which satisfy three conditions. First, to permit definiteness of statement; second to embrace a sufficiently large number of cases; third, to indicate the presence of some element of hazard. Such titles as "policemen," "watchmen" failed to satisfy the first condition, "electric linemen" the second, "carpenters," "storekeepers," "canvassers," the third.

Bakers.—The principal causes of death are pulmonary tuberculosis, organic diseases of the heart and Bright's disease. In the age period 25-34, pulmonary tuberculosis causes 51.7 per cent. of all deaths amongst bakers as against 40.9 per cent. in all occupations. At ages 35-44 there is again an excess, but not so great, 37.4 against 32.9. At other periods the proportion is lower than that of all occupations. Except in the age period 35 to 44 the proportion of pneumonia is uniformly lower among bakers than in all occupations. The mortality from suicide is strikingly high, being 5.4 for all ages against 2.3 for all occupations. Other forms of violence are found to be lower. There were 654 deaths among bakers.

Blacksmiths.—Tuberculosis of the lungs shows a lower index of mortality than in the general group at all age periods, except at 35-44 years (35.8 per cent) and 65 years and over (3 per cent.). For all ages together the relative index is low. Cancer on the other hand shows a uniformly high index of

THE SOVEREIGN LIFE ASSURANCE COMPANY OF CANADA WINNIPEG, MAN.

The Lesson of War-Time

Life insurance was in greater demand among the public in 1917 than ever before. The amount of business written and the gain in force were the largest in the history of the business. Why? Because in these war times, when so many securities have shrunk in value or have proved unsaleable, the absolute security of life insurance is recognized and appreciated. The figures show that the people of Canada, by the tens of thousands have seen the point.

In this increased business of 1917, The Sovereign Life Assurance Company has fully shared. All departments of the Company's business have shown striking gains. Our surplus to policyholders was largely increased and, in proportion to insurance in force, will compare favorably with that of much older companies.

A life insurance policy enables you immediately to create or increase an estate for the protection of dependent ones. At the same time, you make provision for your own future.

Write for copy of our Annual Report for 1917.

We have Worth-While Positions as District Agents to offer Producers

The Sovereign Life Assurance Co. of Canada

Head Office, Winnipeg, Canada

The MONARCH LIFE ASSURANCE COMPANY

Head Office, WINNIPEG

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President, J. T. GORDON, Winnipeg. 1st Vice-President, W. A. MATHESON, Winnipeg.

2nd Vice-President, F. W. ADAMS, Winnipeg.

Managing Director, J. W. W. STEWART. Sec. and Actuary, J. A. MACFARLANE, A.I.A.

A RECORD OF GROWTH

Year	New Business	Business in Force
1908	$862,500	$1,334,000
1911	$1,354,804	$4,006,145
1914	$2,241,107	$7,427,697
1917	$4,200,000	$11,500,000

mortality from age 45 onward. Organic diseases of the heart show slight variation from the conditions in all occupations. Suicide is relatively prominent in all age periods up to age 55, while other accidental violence is distinctly lower after age 34. There were 1,273 deaths among blacksmiths.

Cigar makers and tobacco workers.—The dusty character of this occupation suggests a high proportionate mortality from tuberculosis of the lungs, which is borne out by the facts. Pneumonia is low in every age period. Suicide is high and accidental violence low. Bright's diseases is very low at ages 35-44, but is strikingly high in the age period 65 and over, where it figures as the principal cause of death. There were 693 deaths in these occupations.

Clerks, bookkeepers and office assistants.—There is a heavy preponderance of deaths in the early age periods due mainly to tuberculosis of the lungs, which causes 46.3 per cent. of all deaths in the period 15-24 and 51.2 per cent. from 25 to 34. For all ages combined, clerks, bookkeepers and office assistants lead all the occupations listed in the high index of mortality from this cause. Bright's disease exhibits a high proportionate mortality at ages 25 to 44, and heart disease for all ages below 44. Accidental violence is uniformly very low. The number of deaths was 4,139.

Mortality is High.

Compositors and printers.—For every age division tuberculosis of the lungs shows a higher proportionate mortality than in the general group. The index is highest in the age period 55 to 64. Organic diseases of the heart also show a higher proportionate mortality at all ages. Accidental violence and pneumonia are lower throughout. The number of deaths was 1,056.

Railway enginemen and trainmen.—This title includes ticket collectors, conductors, brakemen, dining car employees and railway mail and express employees. There were 947 deaths. The mortality from accidental violence is so high that it may be considered frightful. For all ages it constitutes 42.3 per cent. of the total deaths, for ages 15 to 24 it actually represents 66.5 per cent. and for ages 25 to 34, 57.7 per cent. Where lowest, at age period 65 and over, it is still more than 200 per cent. of the normal. Typhoid fever is also high, due no doubt to the questionable water supplies used by the men in this occupation. There is a great preponderance of deaths in the early age divisions, and the average age at death is low (37.4 years).

Farmers and farm laborers.—This class was chosen with a view to demonstrating the absence, rather than the presence of any one outstanding cause of death. The number of deaths was 3,890. A surprising feature is the high proportionate mortality from suicide at most ages. Typhoid fever is high below age 44, and cancer is high throughout. On the other hand, tuberculosis of the lungs is low for every age period. Pneumonia is lower than in the general group except from ages 15 to 24. The average age at death is high (58.5 years). Gardeners, orchardists and nurserymen are included in this heading.

Iron moulders.—Typhoid fever is high below age 44. Tuberculosis of the lungs shows little variation from the normal. Organic diseases of the heart are high, particularly after age 44, being developed, no doubt, by the hard work required. From pneumonia, iron moulders show the highest percentage of deaths of all occupations, in each age period. Suicide is high for all ages and there would appear to be indications of an excessive use of alcohol. There were 1,646 deaths.

Laborers.—This title includes simply laborers of undefined classification. There were 10,748 deaths. The fact that laborers are exposed to wind, rain and cold leads to a high proportionate mortality from the respiratory diseases, the excess being about 28 per cent. Tuberculosis, on the other hand, is below the normal; suicide is markedly low, and accidental violence almost normal. Typhoid fever is more frequent than in the general group. Alcoholism is higher than normal from age 25 to 54.

Longshoremen and stevedores.—This title includes dock laborers and ship laborers. There were 651 deaths. Tuberculosis of the lungs is distinctly high. Pneumonia is also high, particularly between the ages 25 and 34. Accidental violence is one of the principal causes of death, being very high at ages 45 to 54. Bright's disease and cancer are high at the older ages.

Machinists.—This title includes die makers, tool makers, machine hands and repair men in automobile, car, railroad, machine and other establishments where iron and steel are made into finished products. The number of deaths was 3,152. Pulmonary tuberculosis has a higher proportion of deaths than for all occupations. Typhoid fever is high for all ages, cancer between 35 and 64, heart disease between 25 and 64, and Bright's disease for the later age periods. Suicide is high for all ages.

Masons and bricklayers.—The tuberculosis proportion is low up to age 24, after which it steadily rises, suggesting that the work slowly exhausts those engaged in it. Pneumonia is much above the normal at the younger ages, from 25 to 44 below, and afterwards somewhat above. Suicide and accidental violence are low, cancer is high from age 55 onward, and alcoholism from age 25 to 34. There were 1,748 deaths among masons and bricklayers.

Painters, paperhangers, varnishers, sign writers.—The number of deaths was 2,722. The mortality from lead poisoning is excessive; alcoholism shows a high relative index, cerebral hemorrhage, apoplexy and paralysis also exhibit high relative indexes. Pneumonia and bronchitis are low; tuberculosis about normal. Bright's disease and cirrhosis of the liver are high.

Plumbers.—As in the case of masons the hazard from tuberculosis appears to increase with the duration of service. Pneumonia and cancer are below the normal. There is a very high proportion of deaths from cerebral hemorrhage, apoplexy and paralysis at ages below 44; the mortality is high for the same periods from Bright's disease. Number of deaths 1,153.

Railway track and yard workers.—This title includes switchmen, air-brake inspectors and repairers, section laborers, crossing watchmen and flagmen. There were 1,932 deaths. Tuberculosis of the lungs is consistently low and accidental violence consistently very high. There may be a connection here as the percentages of deaths attributed to accidents decrease steadily with every age period, and it is generally at the earlier ages that the effects of tuberculosis are most marked.

Saloon keepers and bar tenders.—There is a great preponderance of deaths in the middle period of life. Between the ages of 25 and 54 over 82 per cent. of all deaths occur among saloon keepers and bar tenders as against 47 per cent. in all occupations. It is between these ages that tuberculosis of the lungs is below the average, but on the other hand, deaths from cerebral hemorrhage, apoplexy, paralysis, heart diseases and pneumonia are relatively most numerous. Cirrhosis of the liver is high at all ages. Bright's disease increases steadily up to age 64, after which it drops slightly. Suicide is high and accidental violence low. There were 2,190 deaths.

Teamsters, drivers and chauffeurs.—There were 6,471 deaths in this class. Accidental violence, alcoholism and pneumonia all show relatively high figures. Tuberculosis of the lungs is slightly higher than the normal. Organic diseases of the heart, cerebral hemorrhage, apoplexy and paralysis are fairly low; 65 per cent. of the deaths occur between ages 25 and 54 as against 47 per cent. for all occupations.

Textile-mill workers.—This title includes operatives in the minor textile industries such as carpet, tent, sack, mat, veil making. The number of deaths was 2,390. Typhoid fever exhibits high indexes throughout. Other causes are near the normal, and, in fact, the average age at death in this occupation is very close to the average for all male occupations.

Mortality Among Females.

Whereas tuberculosis of the lungs claims the largest proportion of deaths amongst occupied males, the chief cause amongst females is organic diseases of the heart, which are responsible for 14.8 per cent. of the deaths. The proportion increases constantly with advancing years, and at all age periods it is higher than among males. Tuberculosis takes second place and cancer is third with 9.9 per cent. of all the deaths—a figure almost twice as high as that of the men. Cerebral hemorrhage, apoplexy and paralysis also show a higher percentage in comparison with males. Bright's disease is about equal, and pneumonia, suicide, accidents and cirrhosis of the liver are lower; 86 per cent. of all the deaths occurred among housewives and housekeepers, the percentage being greater at the higher ages and less at the lower.

Housewives and housekeepers.—There were 88,151 deaths in this class, the average age at death being high—53.3 years. The causes of death correspond closely with those of the general group just referred to.

Domestic servants.—Includes nurse girls, companions and home laundresses, the number of deaths being 4,235. The proportionate mortality from suicide is high throughout and below age 34 is considerably higher than for males of the same ages. Accidental violence also accounts for a high percentage

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Preliminary Announcement of the Results of 1917

Income:
Over One Million Dollars

New Business:
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N. B. — During the past twenty years the Excelsior has earned on its mean invested assets an average annual rate of over six and ne-half per cent.

Particulars of our new Protection and Savings Policy will be sent on request.

of deaths in each period. Tuberculosis of the lungs and cancer are somewhat above the normal; organic diseases of the heart, cerebral hemorrhage, apoplexy and paralysis lower.

Dressmakers and garment workers.—Tuberculosis of the lungs is much above the average at every age period, cancer becomes important at the higher ages. There were 2,172 deaths.

Textile-mill workers.—The number of deaths among female textile-mill workers was 1,742, as against 2,390 among male workers in similar occupations. Typhoid fever again shows a high proportional figure. From tuberculosis of the lungs the deaths, particularly at the lower ages, show a much greater mortality than among male textile workers, while the deaths are lower from heart diseases, Bright's disease, accidents and pneumonia.

Clerks and office assistants.—This title includes stenographers, proof readers, copy-holders, bookkeepers and post-office clerks. The number of deaths was 1,235. The death rate is very high between ages 15 and 34 as 85 per cent. of all deaths occurred within these limits, while the corresponding percentage for all female occupations was only 22, and for males engaged in somewhat similar occupations 53 per cent. Typhoid fever is also high at these ages. Cancer and Bright's disease are low throughout, pneumonia about normal. Pulmonary tuberculosis accounts for a large proportion of the early deaths.

Store clerks and saleswomen.—Includes cashiers, buyers and messengers. Suicide and accidental violence are above the average; tuberculosis of the lungs is very prominent before age 44, and in consequence the average age at death is low. The number of deaths was 794.

Average Age at Death.

In considering the average age at death it is necessary to bear in mind that some occupations are, in general, composed of large proportions of young people. This would be the case particularly with non-domestic female workers. The distribution of the ages of the living in each occupation is not known.

Males.	Average age at death. Years.
Clerks and office assistants	36.5
Enginemen and trainmen (railway)	37.4
Plumbers	39.8
Compositors and printers	40.2
Teamsters, drivers, chauffeurs	42.2
Saloon keepers and bar tenders	42.6
Machinists	43.9
Longshoremen and stevedores	47.0
Textile-mill workers	47.6
Iron molders	48.0
Painters, paperhangers, sign writers	48.6
Cigar makers and tobacco workers	49.5
Bakers	50.6
Railway track and yard workers	50.7
Coal miners	51.3
Laborers	52.8
Masons and bricklayers	55.0
Blacksmiths	55.4
Farmers and farm laborers	58.5
All occupations	47.9
Females.	
Clerks and office assistants	26.1
Store clerks and saleswomen	28.0
Textile-mill workers	33.9
Dressmakers and garment workers	42.0
Domestic servants	49.1
Housewives and housekeepers	53.3
All occupations	51.1

Certain definite conclusions are drawn. First there is noted an obvious relation between exposure to moving machines and a high mortality from accidents; between the sale of distilled liquors and a high mortality from alcoholism; between the employment of lead in certain industries, and a high mortality from lead poisoning.

A second group shows relationships of a more insidious character. Thus where there is a high proportionate mortality from tuberculosis, one can find the presence of dust as a frequent concomitant to the industrial process. The dust may be mineral, metallic or vegetable. The influence of sedentary employment and posture is also found to be important as a factor in a high tuberculosis rate; this is exemplified by certain occupations such as clerks, compositors and garment workers.

The occurrence of an undue amount of alcoholism is associated with an excess of cirrhosis of the liver, Bright's disease and suicide. Where lead is in constant use, the mortality from cerebral hemorrhage, apoplexy and paralysis is high.

Respiratory diseases are prominent where the worker is exposed to cold, dampness, or violent changes in temperature. Organic diseases of the heart are frequent where the work is heavy as among iron molders, and typhoid fever where water supplies are questionable. Accidents decrease as the duration of service and experience increases.

As men suffer from numerous occupational diseases which do not directly cause death, it is considered of the greatest importance that living workers be examined, and that the diseases from which they suffer be accurately recorded.

Comparison with Census Figures.

In the following table the percentages of deaths in the insurance experience are indicated by the letter (a) and those taken from the United States census by the letter (b).

Percentage of deaths from principal causes in all specified occupations for white males age 15 years and over:—

Cause of death.	Age 15 and over.		Age periods (years). 15-24		25-34		35-44		45-54		55-64		65 & over	
	a	b	a	b	a	b	a	b	a	b	a	b	a	b
Typhoid fever	1.5	2.3	5.2	8.1	2.7	5.0	1.4	2.7	.8	1.5	.4	.7	.2	.2
Tuberculosis of the lungs	20.5	15.2	33.8	29.0	40.9	31.0	32.9	23.6	18.5	14.4	8.6	7.5	2.9	2.8
Cancer	4.9	5.6	.7	.8	.8	1.3	2.3	3.3	5.9	6.8	8.7	9.4	7.3	7.3
Rheumatism (1)	.5	.5	.9	.6	.4	.5	.3	.5	.5	.5	.4	.5	.4	.5
Diabetes	1.0	1.2	1.0	.6	.7	.8	.7	.8	1.0	1.3	1.3	1.7	1.0	1.2
Alcoholism	.9	.9	.2	.3	1.4	1.1	2.1	1.9	1.4	1.5	.6	.8	.2	.3
Chronic lead-poisoning (2)	.1				.1		.2	.1	.1	.1	.1	.1		
Other occupational and chronic poisonings (2)		.1		.1		.1		.1				.1		
Cerebral hemorrhage, apoplexy and paralysis	6.2	7.2	.5	.6	1.2	1.2	2.3	2.7	5.2	5.9	9.6	10.1	13.4	14.1
Organic diseases of the heart	12.0	11.9	5.8	3.6	5.4	4.8	7.7	7.7	11.1	11.3	15.9	15.4	20.4	18.7
Acute and chronic bronchitis	.9	.7	.3	.2	.3	.3	.3	.4	.6	.5	1.1	.8	1.9	1.6
Penumonia (3)	7.2	8.1	5.4	6.5	7.3	7.4	8.1	9.5	8.2	9.0	7.5	8.3	6.3	7.4
Pleurisy	.3	.4	.4	.4	.2	.5	.3	.4	.4	.5	.3	.4	.2	.3
Cirrhosis of the liver	2.3	1.9	.2	.3	1.2	.9	2.6	2.1	3.8	3.0	3.1	2.7	1.8	1.5
Bright's disease	9.6	8.5	2.5	1.9	4.5	4.0	7.8	6.6	11.1	9.7	13.3	11.7	13.7	11.4
Suicide	2.3	2.6	2.8	3.0	3.1	3.7	2.9	3.7	2.6	3.5	2.0	2.3	1.0	.9
Accidents and injuries (4)	9.3	10.7	19.2	23.1	12.5	18.4	9.9	14.4	8.5	10.2	6.5	6.3	4.4	3.6
Other causes	20.5	22.2	21.1	20.9	17.3	19.0	18.2	19.5	20.3	20.3	20.6	21.2	24.9	28.2

(1) Includes "gout" in insurance experience.
(2) Where not shown the percentage is less than one-tenth of 1 per cent.
(3) Includes "broncho-pneumonia" in census experience, excludes it in insurance experience.
(4) Includes "homicides" in census experience, excludes it in insurance experience.

1564 In this year Queen Elizabeth granted two Charters giving License to search for minerals in "The Mines Royal" and "The Mineral and Battery Works," and in

1710 these Societies amalgamated under the name of the "Court of Assistants of the Mines Royal, Mineral and Battery Works." In

1717 these Charters were purchased by the Mercers' Hall Marine Company which carried on Marine Underwriting until

1720 when, on receiving a Royal Charter from His Majesty King George I., it changed its name to the

ROYAL EXCHANGE ASSURANCE

whose head offices ever since have been at the Royal Exchange, London, England.

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Claims paid $275,000,000

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THOSE insuring with the corporation have the benefit of an experience of nearly 200 years. In Canada the company transacts general Fire, Casualty and Automobile Insurance.

Correspondence re fire and casualty agencies is invited from responsible gentlemen in districts not already represented.

ROYAL EXCHANGE BUILDING
MONTREAL, P.Q.

BENEFITS OF GOVERNMENT ANNUITIES

They are Guaranteed by State—No Forfeiture—Immunity from Law Courts

BY S. T. BASTEDO.

At a time when the attention of Canadians is turning in the direction of thrift, and when insurance companies and financial institutions are following the lead of the Canadian government in popularizing the annuity idea, readers of *The Monetary Times* may possibly be interested in a brief résumé of the salient features of the Canadian government annuities act, which was passed in order that habits of thrift might be promoted among the people of Canada, and that they might be encouraged and aided to make provision for their old age by the purchase of annuities from the government.

The main principles which underly government annuities are, that they are guaranteed by the state; that there is no forfeiture in case premiums are interrupted or should cease altogether; that they cannot be seized or levied upon by or under the process of any court; that they cannot be alienated or anticipated; that they are not transferable; and that they are exempt from taxation under the Dominion income tax act.

Under the act the government may contract for the sale to any person domiciled in Canada of an annuity of from $50 to $1,000, to be paid for life; or for a term of years certain, not exceeding 20 years, provided the annuitant shall so long live; or for a term of years certain, not exceeding 20 years, or for the life of the annuitant, which ever period shall be the longer. An annuity may also be purchased on the joint lives of any two persons; any society or association of persons, being a body corporate for fraternal, benevolent, religious or other lawful purpose, may purchase annuities for its members; and employers of labor may enter into an agreement with their employees for the purchase of annuities otherwise purchasable by such employees as individuals.

Annuities Either Deferred or Immediate.

Annuities may be either deferred or immediate. A deferred annuity is one that may be contracted for at the age of 5 or any later age; and there are three plans on which it may be purchased, namely, plan "A," plan "B," and the guaranteed plan. Under plan "A" and the guaranteed plan if the annuitant dies before the age fixed for the annuity to begin all his payments with 3 per cent. compound interest up to the date of his death will be returned to the legal representatives of the purchaser.

Under plan "B" the rate is lower for the same annuity than on either of the other plans, and in consideration of that fact no portion of the purchase money is returnable should the annuitant die before attaining the annuity age. Under all the plans the annuity is payable quarterly for life, unless otherwise arranged. Under plans "A" and "B" the contract ends with death after the annuity begins.

Under the guaranteed plan, which may be for a period not exceeding 20 years, the annuity would in any event be paid for the period guaranteed. For example, if the annuitant should purchase an annuity payable for life or for 20 years in any event, and should die, say, at the end of 5 years, 60 quarterly instalments would be continued to his legal representatives.

The earliest age at which annuities may become payable is 55, with the sole exception that should a person purchasing a deferred annuity become through invalidity or disablement unable to complete the purchase, and the sum at his credit will buy him an annuity of not less than $50, the annuity may begin at his then age, though he be under 55. An annuity may, of course, be arranged to begin at any later age than 55, and the longer it is deferred the smaller will be the payment to be made, the rate for an annuity to begin at 65 being on plan "A" less than two-fifths of what the rate would be for the same annuity to begin at 55; and on plan "B" it would be less than one-third as much.

No Fixed Rule for Purchases.

The purchase may be made, at the discretion of the purchaser, by a single payment in advance; by payments of amounts at irregular intervals; by annual premiums, which may be split up into weekly, monthly, quarterly or half-yearly instalments; or in any other manner that may best suit the purchaser's convenience. Should the payments be not made strictly in accordance with the terms of the contract there is no penalty; and the purchaser will in any event receive at the age fixed for the annuity to begin whatever annuity his payments will purchase. If, however, these should not be sufficient to secure the minimum annuity of $50 the amounts paid with 3 per cent. compound interest will be returned to him.

The purchase money may be paid to the postmaster of any postal money order office; or it may be remitted, free of postage, by any of the usual methods of remission direct to the department. The first instalment of annuity becomes payable an even number of years from the date on which the first payment on account of the purchase was made.

Immediate annuities are purchasable by a single payment in cash in advance by any person who has attained the age of 55, or any older age, a man of 60 paying less for the same annuity than a man of 55, a man of 70 less than a man of 60, the rate decreasing in like manner until the age of 85, when it becomes stationary. They may be purchased on the ordinary life plan or on the guaranteed plan, and the first quarterly instalment of annuity becomes payable three months from the date of purchase. The purchase money may be remitted by marked cheque or bank draft made payable to the credit of the postmaster-general.

When the details of the purchase have been arranged a contract or policy setting forth the conditions of the purchase is issued to the annuitant. No medical examination is required. No deductions are made from the purchase money for administration expenses of any kind, every dollar the annuitant pays being credited to him on annuities' account.

The cost of an annuity varies according to the nature of the contract, the age at which payments are commenced, and the age at which the annuity becomes payable. The rates for females are somewhat higher than the rates for males in consequence of the superior longevity of the former. The greater the obligation of the government to the annuitant the larger, of course, is the premium to be paid.

The rate of interest allowed on payments made is 4 per cent., but as the annuity benefits are calculated on the aver-

LIFE INSURANCE TRANSACTED IN CANADA

CALENDAR YEAR, 1916 (Latest official figures)	Premiums for Year.	Number of Policies New and Taken up.	Amount of Policies New and Taken up.	Number of Policies in Force at Date	Net Amount in Force.	Number of Policies become Claims	Net Amount of Policies become Claims.	Claims Paid (including Matured Endowments,)	Unsettled Claims.	
									Not Resisted.	Resisted
	$		$		$		$	$	$	$
Canadian companies	30,296,416	120,759	138,201,281	675,634	895,528,435	9,912	11,763,328	10,537,141	2,394,825	114,972
British and Colonial companies	1,903,590	6,901	5,250,633	33,293	59,151,931	821	1,801,122	1,693,628	408,571	50,594
United States companies	15,893,099	330,008	87,649,711	1,474,455	467,499,266	16,708	6,695,184	6,488,908	669,138	122,597
Totals for 1916	48,093,105	457,668	231,101,625	2,183,382	1,422,179,632	27,441	20,259,634	18,719,677	3,372,534	288,163
Totals for 1915	45,106,678	482,596	221,119,558	1,948,952	1,311,616,677	23,183	17,560,164	17,170,020	2,129,436	285,290
Inrease, *i*; decrease, *d*	*i* 2,986,427	*d* 24,928	*i* 9,982,067	*i* 234,430	*i* 110,562,955	*i* 4,258	*i* 2,099,470	*i* 1,549,657	*i* 1243,098	*i* 2,873

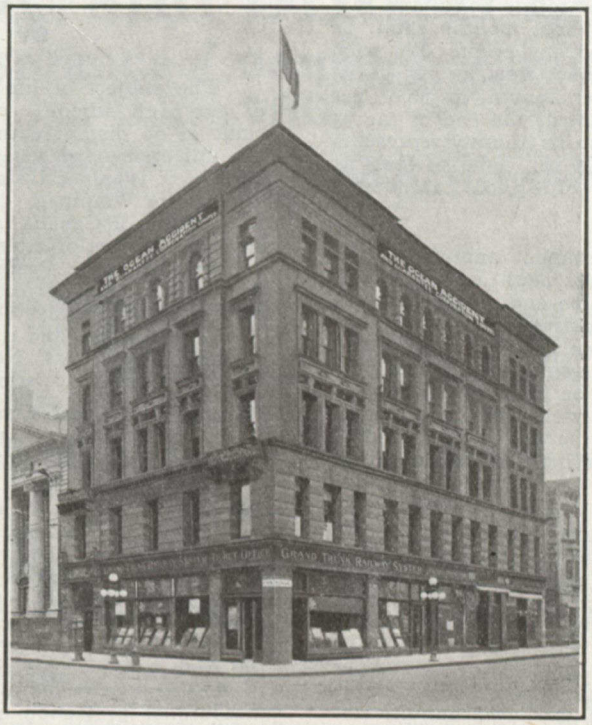

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Plate Glass, Guarantee, Burglary,
and FIRE Insurance

ASSETS, December 31st, 1916 $20,639,365.14
CLAIMS PAID EXCEED - $60,000,000.00

Our Motto :—Service, Up-to-date Policies, Prompt and Equitable Adjustments.

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age expectation of life they represent a very much larger return on the investment than 4 per cent. Take, for example, the case of a young man of 25 buying a life annuity of $500 to begin at 60, with the proviso that should he die before 60 all his payments with compound interest at 3 per cent. up to the date of his death shall be returned to his heirs, and that from 60 the payment of $125 every three months shall be guaranteed for a period of 10 years in any event. For such an annuity he will pay to the government from age 25 to 60, or for 35 years, the sum of $72.85 per annum, or $6.08 per month, which with interest will amount at the end of the 35 years to $5,580. So it will be seen that his annuity represents a return on his investment equal to 9 per cent. so long as he may live, with a positive return of $5,000 guaranteed.

Benefits of Immediate Annuity.

If instead of purchasing a government annuity he deposited the same amounts in a savings bank at 3 per cent. compound interest, he would have at the end of 35 years the sum of $4,500, and if, by way of illustration, he were then able to invest his $4,500 at 5 per cent., and were to spend $500 a year, both capital and interest would be exhausted before he was 73. A better plan would be to invest his $4,500 in an immediate annuity, which would yield him an income of $432.69 payable quarterly so long as he might live, or over three times the return he would secure if the money were left in the bank.

Where the investment is in an immediate annuity the benefits, though calculated on the same interest basis, are still more striking. For example, an investment in a life annuity by a man of 60 will yield him so long as he may live, the contract to end with his death, a return equal to over 9½ per cent. on the sum invested; a man of 65, over 11 per. cent.; a man of 70, over 13½ per cent.; a man of 75, over 16½ per cent.; a man of 80, over 21 per cent.; and a man of 85 over 27 per cent. A considerable number of persons of both sexes have purchased annuities at these and even at greater ages. One man purchased at 87 and lived to be 92, receiving back in annuity payments $500 more than he had paid for his annuity.

As a means of making provision for old age, there is no other plan of investment which can be made with the same facility, or with the same security, and there is positively no other plan under which anything like the same return may be obtained, for it will enable the purchaser to spend of his capital as well as the interest, and without his income becoming smaller no matter how long he may live.

An eminent actuary and manager of one of Canada's leading insurance companies in writing to the superintendent a few years ago, said: "In discussing the system of government annuities with my friends from time to time I have always frankly stated that in my opinion the benefits offered for the rates charged are exceedingly liberal, and that I do not know of any institution which could possibly afford to offer terms so advantageous. If the general working population of Canada were able to realize the favorable basis on which annuities could be secured from the government, there would be very few among the thrifty and thoughtful who would not take advantage thereof;" and, of course, the "working population" includes men, women and children of all classes who must earn their own livelihood, and provide for their own future.

INSURANCE AND EDUCATIONAL INSTITUTIONS

It Should Be Part of Curricula of High Schools, Colleges and Universities

BY J. T. WILSON.

The subject of life insurance as part of the curricula of our high schools, colleges and universities is bound to come at no distant date. In the United States a number of the universities give a place to the study, and the importance of it is generally recognized.

At the Winnipeg convention of the Life Underwriters' Association of Canada last year, the question received a considerable degree of attention, and an interesting address was delivered there by Professor Theodore Boggs, of Vancouver. This address was a real contribution, and will repay careful reading. A lengthy summary appeared in *The Monetary Times* in August, and it will appear in the convention number of the Underwriters' News, the official organ of the Life Underwriters' Association of Canada.

Advanced by Local Associations.

This question of educational publicity on the vitally important subject of life insurance is being also advanced by a number of the local associations of life underwriters in addresses by some of their members before the student body in high schools and academies.

Even an elementary acquaintance with the basic principles of life insurance by the students in the high schools and academies would serve to make the business much better understood in the homes by the parents and older members of the family. The work of the field man would be easier, the cash value of his time greatly increased, the benefit of the business extended to many new beneficiaries, and a larger measure of protection enjoyed by those who at present are inadequately protected.

Benefits to Public.

The Life Underwriters' Association of Canada and the National Association of Life Underwriters of the United States both realize what it would mean to the public if the knowledge of life insurance, both as to its principles and benefits, was more widely diffused, and a campaign of educational publicity, including not only the institutions of learning, but the people generally, is now and will be part of their policy. The motto, "Better and Increased Service to the Public," is the slogan of the members of the Life Underwriters' Association of Canada.

HALIFAX EXPLOSION

The estimated value of property burned in the Halifax disaster on December 6th, 1917, was $2,000,000 with losses to fire insurance companies of $1,000,000. The plate glass insurance companies lost approximately $150,000 which is relatively greater than the fire insurance companies losses, when one considers the premium income. The Halifax fire was caused by the ramming of a munition ship in the harbor by a Belgian relief ship, and was the only conflagration of the past year.

FIRE INSURANCE TRANSACTED IN CANADA

CALENDAR YEAR, 1916 (Latest official figures)	Net Cash received for Premiums	Re-insurance and return Premiums	Gross Cash received for Premiums	Gross amount of policies new and renewed	Net amount at risk at date	Net amount of losses incurred during the year	Net amount paid for losses	Unsettled Claims	
								Not resisted	Resisted
	$	$	$	$	$	$	$	$	$
Canadian Companies	4,817,876	3,560,167	8,378,043	742,805,919	662,129,297	2,714,176	2,595,578	438,256	15,639
British Companies	14,294,803	2,872,331	17,167,134	1,606,346,835	1,958,789,616	8,583,652	7,926,463	1,322,864	66,749
United States and other Companies	8,671,173	2,457,177	11,128,350	1,069,085,926	1,099,139,323	5,010,442	4,592,022	1,110,414	27,189
Totals for 1916	27,783,852	8,889,675	36,673,527	3,418,238,680	3,720,058,236	16,308,270	15,114,063	2,871,534	109,577
Totals for 1915	26,474,833	8,848,078	35,322,911	3,111,552,903	3,531,620,802	13,654,463	14,161,949	1,573,579	124,837

The Eagle and British Dominions
Insurance Company, Limited
1807

HEAD OFFICE, - LONDON, ENGLAND

Total Assets			$18,037,574
Paid-up Capital			2,631,168
Net Premiums			8,803,862
RESERVES—Marine Fund		$4,423,845	
Fire Fund		825,742	
Life Fund		7,931,018	
Special Reserve		1,778,422	14,959,027
Cash on hand and in Banks			1,095,030

E. M. MOUNTAIN, ESQ., Chairman and Managing Director.

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ROYAL BANK BLDG., TORONTO
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160 HOLLIS STREET, HALIFAX

Recent amalgamation reported with the Star Life gives Assets over $61,000,000, Premium Income over $14,000,000.

THE SUPREME TEST OF MERIT

Among all the tests that expert business men apply to financial institutions to determine their soundness and success, there is usually one test upon which they place more reliance than, perhaps, on all the others. In the case of a life insurance company, that favorite test is

THE SURPLUS EARNED ON ASSETS

for, in the opinion of the best financiers, this ratio focalizes all significant ratios on the ***supreme point of earning power.*** In this superlative proof of excellence

THE DOMINION LIFE

ranks first of all companies in Canada

For the Business Men of Canada, this Company furnishes "the best insurance at lowest net cost." It invites a study of its ACTUAL RESULTS.

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INSURANCE NOTES AT RANDOM

Some Stories as to Selling Life Insurance—Employees of Insurance Companies Should Set Example

BY J. L. PURDY.

A successful business man volunteered the following story, describing how he was first induced to buy life insurance: "Do you know anything of astronomy, Mr. Smith?" the solicitor said, shaking my hand affably. "Not a particle," I replied, "and can't see that we need to." "Well," the solicitor said, "it is not exactly a long story, but shall we sit down?" and without knowing quite how or why, I found myself sitting down and gazing into an astronomical chart, consisting of the sun and stars of various magnitudes, which this most interesting fellow drew from his pocket. "Now, in relation to your own personal affairs, Mr. Smith, you occupy a similar position to that of the sun to the Solar system. You are the creative energy and sustaining power of the whole organization. Naturally, your chief and first concern is your home and family, and their dependence upon you and your resources is almost as complete as the earth's dependence upon the sun. The second in importance is probably your business interests, representing, no doubt, a pile of money, and, for all I know, producing twenty, thirty or forty thousand dollars a year. Then there is that portion of your estate consisting of investments, and it's a man's job, no doubt, to take care of them. And, lastly, there are other important matters not quite so tangible, but none the less real, which we will call the purposes of your life, the things you hope and expect to accomplish, failing which you would, perhaps, consider your career incomplete. Now, you must admit, Mr. Smith, that this is a formidable layout. See how all these matters revolve around and depend upon the central power, and that central power, sir, is you!" And then he stopped short as if to say, "It's your next move." I said, "insurance, eh?" "That is what the situation appears to demand," he replied. "When were you born?" and, jotting it down, he continued in his matter-of-fact way, "twenty-five thousand calls for an annual deposit of $1,000. Will you sign here?" I didn't see much astronomy about it at the finish, but completed the application all the same.

Now let me tell you a story, Mr. Smith, I said, showing how a friend of mine was persuaded to take his second policy of life insurance. Almost every eligible man, sooner or later, takes his first policy, but not all of them have the nerve to reach after a second. It happened in this way. A man entered my friend's office one day and exclaimed: "Mr. Jones, how are you? I am doing a little spade work this morning," and at the same time he presented a card of rather unusual size upon which was engraved the cryptic words, "One sum insurance is mostly a delusion." Now, my friend had carried a large policy of one sum insurance for a number of years, and the sentence on the card puzzled him not a little. At first he was just surprised and incredulous, then chagrined, and finally he burst into a tornado of remonstrance. But the solicitor stood firm, and, instead of replying to the argument, he simply pulled from his wallet a slip of paper upon which was typed the following: "Thirty-five per cent. of the country's widows are in want. Ninety per cent. lack the common comforts of life." Without comment he produced another which read as follows:— "The annual death rate of estates is over eight times that of individuals, and 90 per cent. of all estates are dissipated within seven years." And yet another as follows: "It is better to be sure than sorry."

Investments and Insurance.

Then, raising his finger, he said: "Mr. Jones, do these facts mean anything to you? What do I mean? Why, just this: Do they move you as the fire alarm of this building would if it were to ring at this moment? Of course, you have your investments nicely balanced; I presumed that. But you cannot be sure of having any investments when the call comes. The late Pierpont Morgan had as good a collection of investments as anybody could wish, but he considered them neither good enough nor secure enough for the purpose of perpetuating an income for the lady beneficiaries under his estate. Nothing but guaranteed monthly income would suffice; in other words, insurance that really insures. You would require to deposit but $900 a year to secure a continuous monthly income of $100 per month for the lifetime of your widow, and she would need that much at least. Will you look at the financial aspect of this proposition for a moment, and remember there are sixty millions of dollars behind it. This income would be paid for twenty years in any event, so that the minimum payable under the policy is $24,000, plus excess interest for twenty years, worth, perhaps, $2,000; total, $26,000.

"You are now aged 52. Your expectation of life is 19 years, and, making some slight allowance for the annual reductions of premium, it is evident that you would have to live another 30 years in order to pay by way of premium the minimum guaranteed under the policy, whereas if you had an early call, the company could easily be obligated to pay $50,000 or more under the terms of the contract." Mr. Smith listened patiently up to this point, and then enquired if he could get a policy of that kind himself. He could if eligible, but that could only be determined by medical examination. Mr. Smith signed, and when the policy was delivered he wanted to know what was to be done with his $25,000 one sum insurance. "Stay right with it, to be sure. It will prove as useful as a bank balance. Almost every man owes money when he dies, has obligations maturing which call for cash to protect equities, and, in any event, there are the succession duties to provide for, the burden of which is bound to increase before many years.

Example of Adequate Protection.

At the recent death of a highly respected and prominent insurance solicitor curiosity was naturally aroused as to the amount of insurance protection the deceased had carried, and it was gratifying to learn that it was in the neighborhood of $40,000. The value and influence of example as compared with empty precept is frequently urged upon the solicitor, and very properly so, because the hypocrisy of representing an institution which you do not yourself thoroughly believe in is always unsportsmanlike, and as applied to the insurance business, it is lamentable in the extreme. But what is sauce for the goose is also sauce for the gander, and the stricture applies equally to every officer and employee of a life insurance company or none at all. A striking and tragic example of the influence exercised upon the minds of some people by this very thing was brought to my attention not so long ago. I was soliciting a manufacturer who carried but a small line of insurance, and, although he recognized the force of the appeal and the virtue and necessity of protection, he could not eradicate from his mind the erroneous idea that there must be a nigger in the fence somewhere, because he said: "I know several directors of insurance companies and at least one life president, and the amount of insurance they carry is barely enough to satisfy the statutory requirements." The tragic side of this is that the gentleman in question lost his life on the ill-fated "Lusitania," and his family and estate are deprived of protection by the potent and, in this case, unfortunate influence of example. Every person connected with a life insurance company has a responsibility to the public for at least an example of adequate protection.

After a strenuous solicitation, my prospect, Mr. Robinson, replied, "I do not want insurance to-day. All I need now is a sales manager for my business, and the job is offered to you." This being about the twenty-first job that has been offered me at various times by prospects, I have evolved a stock reply something as follows: "I am willing to put my fortune to the touch, Mr. Robinson, measuring the prospect of success in your business by the size of the application received from you. Will you sign here, please?" "No, sir; nothing doing in insurance, and do you mean to say that you decline to consider the proposition," he said, with an air of astonishment. "Indeed, I do," I replied; "but tell me, why are you so surprised?" "Well, I have known a good many insurance men in my time, but never one who was not glad to borrow a dollar, and a chance of this sort would have pleased most!" "Not so fast, my good man," I said, and going straight to my pocket, I pulled out a faggot of bills, which, on the theory that money attracts money, I carry around with me. At the sight of the bills Robinson began to purr, and said, "But surely you are not just the agent of the company; you must be the secretary-treasurer." And, glancing down at my spats and again at the notes, he was positive I must be the president, taking a little exercise. All attempts to dissuade him were futile, until, in desperation, I remembered my agent's license, but for which I might still have been masquerading in the borrowed splendor of a life president, and Robinson would not have been disillusioned

THE ONE NECESSITY WHICH HAS NOT INCREASED IN PRICE

(Though ever Increasing in Value)

No Advance in Premium Rates in 17 Years

Think of it! In spite of the fact that policies of to-day contain provisions undreamed of years ago. The liberality of The Manufacturers Life policies, with their high guarantees, cannot be surpassed. Remember that once a policy is issued to you, there can be no increase in premiums

Premium Rates are Actually Lower

on profit-bearing policies than a decade ago due to the large profit earnings of this progressive institution.

A Competence if you live; an Estate if you die

This is the function of Life Insurance. Either or both should be sufficient reason for your giving it serious consideration. Full particulars of our guaranteed plans on request.

The Manufacturers Life

INSURANCE COMPANY

HEAD OFFICE, TORONTO, CANADA

A Common Sense View of Life Insurance

No sensible person doubts the high VALUE of Life Insurance, but far too many look upon it as an Expense to be avoided as long as one may safely do so.

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HEAD OFFICE, - WINNIPEG.

WAS THE FIRE AN INCENDIARY ONE?

When Onus of Proof is Put on Assured, Fire Waste Will Be Reduced Considerably

BY A. H. C. CARSON.

During recent years much has been done to try and awaken the public conscience to a sense of responsibility for the losses occasioned by fires from strictly preventable causes. Fire marshals have been appointed by many provinces, and powers conferred upon them which are being exercised in a very thorough manner. Fire prevention associations are carrying on a splendid work and the field forces of the insurance companies by their personal inspections and recommendations are making every effort to reduce fire losses. In spite of all these efforts the losses still continue to amount in the aggregate to an alarming figure. This is the more to be condemned under the present conditions governing the food supplies of the world. In this country and in the neighboring union, food controllers are using the powers conferred upon them by their respective governments to reduce consumption, and so assist the allies in the prosecution of the war, but their efforts are being to a large extent, and unnecessarily, neutralized by the burning up of large quantities of supplies which are pressingly needed.

Our farmers are greatly to blame for this condition of affairs. In a country where lightning storms are so prevalent during certain months, adequate protection against the hazard which year after year is productive of so much loss, would look to be only proper prudence on the part of those whose property is most likely to be affected. Experience has shown that the equipping of buildings with a proper installation of lightning rods renders them to all intents and purposes immune from lightning damage, yet year after year hundreds of barns with their contents are destroyed from this cause alone. At any time such a waste of agricultural products is inexcusable, under present conditions it is not far removed from criminal.

Courts, Assured and Companies.

It is, to those engaged in the fire insurance business, a matter of wonder that our courts so frequently incline to favor the cause of the assured who has suffered a loss, as against the interests of the insurers. Fire insurance companies do not willingly take cases to the courts, for it is not in their interest to gain a reputation for themselves as being slow in payment of claims, or inclined to take advantage of legal technicalities, and it is only when they are convinced that the claim is not one, which in the interests of the community at large, should be acknowledged, that they ever leave the matter to legal arbitration, and it is disappointing to them that in so many cases their efforts to defeat what are undoubtedly fraudulent claims, should meet with so little success.

In such cases the companies are of necessity compelled to rely largely upon circumstantial evidence, for no man who starts an incendiary fire is likely to commit the crime in the presence of a witness, but in many cases circumstantial evidence is available which is conclusive as to the identity of the culprit. If such evidence is not admitted or does not carry weight, it follows that a conviction is impossible and a criminal much more dangerous to society at large than a common thief, is left free to pursue his evil courses. Nor does the trouble end here, for others seeing the ease with which such a crime can be committed, and the apparent immunity from punishment of the culprit, are encouraged to follow in his footsteps and the evil is a spreading one.

Onus of Proof.

Just so long as the companies are put in the position of having to prove that a fire was of improper origin, just so long will the fire waste continue to be of huge proportions. When the onus of proof is put on the assured and it will be necessary for him to prove that a fire was not caused by him or by his concurrence or by his carelessness, which should be considered as being almost equally culpable, then an impartial administration of the law would show results which would probably astonish those who seem to think our present fire waste is inevitable. That legislation on such drastic lines should ever be enacted in this country may seem far fetched, but when we see the greatest democracy in the world adopting conscription, and the law being cheerfully and willingly obeyed, it is hard to put a limit on what will be done regarding a matter which concerns so nearly, not only our national wealth, but our national honor, under the stress of stern necessity.

Much may be done by education, and the constant iteration of an obvious fact will undoubtedly in time cause it to be impressed upon the public mind. The slogan "Safety First" will sooner or later largely reduce the number of preventable accidents. If it could be as widely made known that fires help the enemy by weakening the resources of this country, possibly they would not be as common as they are.

Carelessness Causes Many Fires.

To those not actively engaged in the insurance business, it would seem incredible if they knew the number of losses occasioned through such causes as "ashes deposited in wooden boxes," "oily waste left carelessly lying around," "electric wires hung on nails," and other instances of extreme carelessness of a similar nature.

It is surely time that the attitude of easy tolerance of the public towards those suffering from fire loss to their property should cease, and that it should be recognized that any person whose property is destroyed from causes which are easily preventable, should be looked upon as an enemy to society at large, and dealt with as such.

If this matter is taken up by the insurance companies only, it is to be feared that little good will be accomplished for the general attitude will likely be that any such action was dictated from selfish motives only. It is to be hoped, therefore, that leaders of thought in the Dominion can be induced to give this important subject serious consideration and initiate action which will produce beneficial results.

FUNDAMENTALS OF A BOND OF SURETYSHIP

Basis for Its Best Moral Influence and Protection to the Community

By HENRY E. RAWLINGS.

The fundamentals of a bond of suretyship issued by a guarantee company on behalf of an officer or employee occupying a position of trust are service and indemnity, that is, service to the employer by a system of investigation and revision of risks for the prevention of loss through an unfaithful officer or employee and assured indemnity in the event of confidence being breached. The assurance of the indemnity, obviously, depends upon the circumstances of the loss, the merits of the claim and the policy of the guarantee company. The indemnity available, however, under a bond of suretyship extends only to the amounts dishonestly appropriated and not to the disbursements made by the employer in the investigation of the loss and other expenses and inconvenience to his business.

Investigation and Revision of Risks.

The feature, therefore, of the investigation and revision of risks, with its attending moral influence, tending towards the prevention of defalcations, is of paramount importance to the employer availing of the protection afforded him under a bond of suretyship. Such service or protection depends, however, upon the investigation department and the organization of the guarantee company and the keenness and the observances of its inspectors, who, by their experience and training, are impressed with the necessity of taking nothing for granted and confirming, as fully as practicable, the accuracy of all statements and replies received in the course of their investigations, for it is not infrequently developed that friends of an applicant or one occupying a position of trust under bond have, through motives of personal sympathy and "hopes for the better," suppressed with some degree of success information of a weakness in his character, record or habits in the mistaken idea that they are thereby doing him a good turn under the erroneous impression that otherwise his bond would be cancelled, not appreciating that the action of the guarantee company would only be such as to adopt some expedient measure of protection to himself and his employer, whereby there might be nipped in the bud a possible large defalcation, with its attending notoriety and penalty to the defaulter and ensuing embarrassment to his relations, proof of which is borne out, in the handling of discovered

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defalcations, by the vast amount of voluntary information obtainable from these same, sympathetic friends when it is too late to be of any use.

Undoubtedly, the incumbent of a position of trust, hovering on the brink of misusing the confidence reposed in him, before yielding to the temptation, either through a dishonest inclination or a temporary situation of necessity will be influenced by deterring visions as to what disposition the guarantee company will make of his defalcation when discovered; the basis, however, for the most forceful and best moral influence and its most beneficial effect under a bond of suretyship lies in the knowledge of the average officer or employee that it behooves him to conduct himself in accordance with his position and means, otherwise that information as to his habits or mode of living, detrimental to the best interests of himself, his employer or the community, will be promptly conveyed to the guarantee company and its endorsement thereby possibly prejudiced if not, indeed, forfeited.

DIAGNOSIS OF FIRE WASTE

Need for Accurate Statistical Records in the Provinces—Licenses Issued

By E. P. HEATON.

We have been accustomed for years past to speak in general terms of the amount of our fire waste, to mention in round figures what we believe it to amount to and what the per capita share was our people had to assume, from all of which we have reached the unwelcome deduction that the province of Ontario has achieved an unenviable reputation.

Yet, we have only been guessing, and in the absence of data our guessing has been shorn of all value. I have several times commended *The Monetary Times* for its monthly and annual statements of our Dominion fire waste; this has been our only source of information, but it must be manifest that this paper is neither in possession of nor has it the means of obtaining full or accurate statistics. To us in the province of Ontario its value is minimized because it has not attempted to analyze the fire waste by provinces. Nevertheless all honor to *The Monetary Times* for its pioneer work.

Difference in Estimates.

To illustrate how far we fall short of accuracy in our previous guessing, let me quote the annual estimate of *The Monetary Times Annual* of 1917 (page 167), which gives the yearly fire waste of the Dominion for 1916 at $20,487,500, or a per capita loss of 2.56. We now learn for the first time in our history from the Federal Blue Book that the fire losses incurred in Canada by companies licensed by the Dominion superintendent of insurance in 1916 amounted to $17,044,369. When to this is added the losses incurred by companies licensed locally by the provinces, the losses by unlicensed insurance companies and lastly the proportion of losses sustained by the owners and by the uninsured, the question arises how far will this $3,000,000 difference go in covering these items? Manifestly it is not near the mark.

But let us come a little closer. From the undigested reports in my office, I "guessed" early in 1917 that the fire waste of Ontario in 1916 was $12,000,000—which was startling if not almost unbelievable. During the year we have digested the reports and I am now in a position to state authoritatively that the actual fire waste of Ontario in 1916 was a little short of $15,000,000, or $6 per capita!

The following analysis will not only be found supporting evidence but will present the matter in an interesting light:—

Losses in Ontario incurred by—	
Dominion licensees	$ 7,367,395
Ontario registered companies	1,392,656
Unlicensed companies as registered with this office	1,547,199
Northern Ontario conflagration (properties uninsured and excluding standing timber)	1,088,764
Parliament buildings, Ottawa	1,500,000
Add 20 per cent. on insurance losses for difference between assured's loss and amount paid by insurance companies, ($10,307,250)	2,000,000
Ontario fire waste, 1916	$14,896,014

I may be asked why do you figure 20 per cent. over the actual losses incurred as the portion born by the assured and the non-assured, and our answer is found in our carefully compiled statistics as published in the Public Service Bulletin each month. For the eight months of 1917 (January to September inclusive—see October Bulletin), the gross loss was $7,705,688, the insurance loss was $5,752,913, and the assureds' loss was $1,952,775 or 34 per cent. of the insurance loss. It is fair to assume that 1916 was in no real sense different from 1917, except as to the two serious fires I mention specifically, and I think the reasonable estimate of 20 per cent. will not be seriously challenged—if anything it is less than it should be.

In view of these considerations, is it any wonder that the energy of our office has been devoted very largely, since its inception, in getting together the machinery and equipment for a real and accurate diagnosis of the terrible drain on the province as just indicated. Before we can begin to consider preventive measures we must know how, when, and where, this fire waste evil arises, and each month now is adding to the sum total of our knowledge and experience. The statement we are publishing each month in the Public Service Bulletin (free on application to the King's Printer, Parliament Buildings, Toronto), will enable us to put our finger on any town, township, county or district which has any marked symptom of trouble or weakness; to learn of any particular class of business which is contributing unduly to our fire waste and lastly, to any particular cause which is brought into prominence.

This is what I mean by a diagnosis of our fire waste. It is in the making; and as the nurse's charts indicate to the physician a continuous history of her patient, so our monthly statements will present the full symptoms of the evil we are seeking to minimize. We can only prevent the preventable when we know with certainty the how and the why of that which we seek to prevent, and our effort to reach this point is justified at any cost of time and trouble.

FARMERS AND LIFE INSURANCE

In Canada They are Becoming Larger Purchasers—Protection and Investment

By P. A. WINTEMUTE.

The progressive farmer of to-day is learning that it does not pay to put all his eggs in one basket. While we still have the exclusive wheat grower, who, by the way, is the biggest gambler in our country, we find a big tendency to take up mixed farming. These men know that all their stock does not mature and the market is not always at top, and as a result they are looking with great favor on life insurance, not only for the protection provided, but as an investment as well.

The results of maturing policies are most gratifying and satisfactory, and in cases where policies have matured, if it happens that the neighbor has never bought, the insured is not only better off in the amount of the matured policy, but he invariably is better off in other respects, that is as to his other holdings, including buildings. It always seems that the investment in the life insurance policy has encouraged thrift, and no doubt the holding of the same has often given him a feeling of extra security, and thus enabled him to successfully extend his operations, which otherwise might have been limited.

No Discrimination in Insurance.

Farmers are learning to co-operate. In fact, in the Grain Growers, Limited, we have the foundation of what, no doubt, will be the largest co-operative society in Canada. The life insurance companies to-day, with their similarity of plans and rates, while engaged in a competitive business, are really co-operating to the end that protection may be provided for all, and the outstanding feature is the fact that the science of old line life insurance is mathematically correct, and is the essence of the gospel of a square deal.

There is certainly great satisfaction in knowing that no other man at one's age, health and family history, of course, being equal, can secure a policy of life insurance which another may not have; nor can any man secure, say, a $100,000 policy for one cent less per thousand than one

Profits Exceed Estimates

That's a rather startling statement for a Life Insurance Company to make, isn't it? It's a fact, nevertheless, and it has proven a mighty satisfactory statement both for the Company's representatives and for Policyholders.

Profit Results under present rates were, during 1917, on the average 50% greater than the estimates originally quoted. Anyone familiar with the conditions now and fifteen or more years ago will realize that this Company was dealing fairly with the public then and is now.

Would you not consider your insurance investments safe with such a Company?

Ask for information regarding Endowments at Life Rates, issued only by the

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Head Office: LONDON, Canada

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Policies "GOOD AS GOLD"

A Stupendous Blunder

"Science seems to have been taking a vacation. Probably the annals of business may be searched in vain for a purer or more stupendous blunder."

STRONG WORDS THESE

They were uttered at Detroit on May 13th—forty-two years ago, by the greatest life assurance actuary who ever lived upon the North American Continent.

He was addressing a gathering of eminent mathematicians and was referring to the inequitable and unscientific methods followed by most of the Life Assurance Companies at that time.

Every Life Company now operating in Canada, WITH THE SINGLE EXCEPTION of the NORTHWESTERN LIFE OF WINNIPEG, is still following the system so roundly condemned, not only by the great actuary referred to, but by many great actuaries of modern times.

Write for our circular entitled "Life Assurance Rates," which exposes the unsound methods generally followed, and establishes our claim to be

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who can only afford to purchase $1,000. This absolute equity of the business appeals to the farmer.

In this time of soaring prices for all commodities, the fact that the premiums on life insurance policies are continuing as before is another feature of the business that inclines farmers to think more seriously of the same.

The editors of the leading farm journals are advising their subscribers to buy at least enough life insurance to cover immediate liabilities, and also to use a portion of their surplus to the purchasing of investment policies.

The farmer is buying more life insurance to-day, because he is becoming educated to the benefits of the same, and to this end the advertisements of most of our companies are playing a great part, the need for life insurance, rather than comparisons of business in force and assets, being the outstanding feature.

Then, too, the farmer is being approached by insurance salesmen in a businesslike manner, making it a purely business proposition, sentiment being in most cases entirely eliminated. With the improvement in the calibre of the men engaged in the selling of insurance to farmers, I predict an ever-increasing volume being purchased by them.

REVIEW OF INSURANCE LEGISLATION

Summary of Acts Passed at Last Session of Dominion Parliament

During the last session of the Dominion parliament very important legislation affecting insurance companies transacting business in Canada was passed.

The Insurance Act, 1917, was assented to on September 20th last, and is now law, the Insurance Act, 1910, having been repealed.

An act to amend the criminal code (respecting insurance) was assented to on the same date. This act contains in substance the penalty provisions of the Insurance Act, 1910, being sections 70, 71, 72 and 73 of the said act. It also includes in substance the provisions of sub-section (1) of section 83, and sections 84, 127 and 128 of the Insurance Act, 1917, respecting rebating in all classes of insurance.

During that session acts were passed extending the time within which the following companies may obtain a license: The Canada Preferred Insurance Company, the Empire Life Insurance Company of Canada, the Western Canada Accident and Guarantee Insurance Company and the Western Life Assurance Company of Canada.

Alliance Nationale Act.

The following acts relating to insurance companies were also assented to during the recent session:—

(1) An act to incorporate Alliance Nationale. The act incorporates the association with power to take over the assets and to assume the liabilities of a provincial association incorporated by the statutes of Quebec of the same name, and authorizes it to grant to its members certain insurance benefits—viz., an accident and sickness benefit not exceeding ten dollars per week nor to be payable for more than twenty-six weeks in any consecutive twelve months; a funeral benefit not exceeding one hundred dollars; a death benefit or death and disability benefit combined not to exceed five thousand dollars; and an annuity not exceeding three hundred dollars per annum. Separate accounts and funds are required to be maintained in respect of these classes of benefits and also in respect of infantile insurance benefits. The association is required to maintain reserves on the basis of such tables of mortality, sickness and disability as are, in the opinion of the superintendent of insurance, appropriate and at a rate of interest not exceeding four per cent. per annum. An annual valuation and certificate by an actuary is required to be filed, the word "actuary" being defined to mean an actuary resident in Canada and being a Fellow of the Institute of Actuaries of Great Britain or the Faculty of Actuaries of Scotland or the Actuarial Society of America. The investments of the association are restricted to government, municipal securities, Fabrique loans, real estate mortgages, such real estate as is necessary for the use of the association and loans on the association's policies of insurance.

(2) An act respecting the Canadian Order of the Woodmen of the World. The act permits the order to place to the credit of the reserve fund the moneys accumulated in the emergency fund, in pursuance of the provisions of section 7 of its act of incorporation. The act also changes the date of the annual meeting of the head camp.

(3) An act to amend the act incorporating the Canadian Surety Company. This act authorizes the company to transact the business of automobile, accident, sickness and fire insurance in addition to the business of guarantee, burglary and plate glass insurance for which it is already licensed.

Guardian Accident and Guarantee.

(4) An act respecting the Guardian Accident and Guarantee Company and to change its name to the Guardian Insurance Company of Canada. This act, in addition to changing the name of the company, authorizes it to transact accident, sickness, burglary, plate glass, automobile, fire and guarantee insurance (other than guaranteeing the sufficiency or repayment of any mortgage, debenture or other security for any loan).

(5) An act to incorporate the North American Accident Insurance Company. This act provides that the company may acquire the assets and assume the liabilities of the North American Accident Insurance Company, incorporated by letters patent under the Ontario Companies Act, December 12, 1912, and gives the company power to transact the business of accident, sickness, plate glass, burglary, automobile, fire and guarantee insurance.

Security Life Company.

(6) An act respecting the Security Life Insurance Company of Canada. This company, having reinsured all its participating policies with the Sun Life Assurance Company of Canada and having decided to confine its business hereafter to the issue of non-participating policies only, has no policyholders eligible under the insurance act for election to the board of directors. The effect of this is to limit the number of the company's directors to nine, while a company issuing both participating and non-participating policies is permitted to have fifteen directors. The act, therefore, provides that after the sanctioning of the reinsurance agreement, by the treasury board, the company may provide by by-law that shareholders' directors to a number not exceeding fifteen may be elected, but that such by-law shall have effect only so long as the company has no participating policies in force. The reinsurance agreement was sanctioned by the treasury board on July 26, 1917.

Quebec Fraternal Society.

(7) An act to incorporate La Societe des Artisans Canadiens Francais. This act incorporates a provincial fraternal benefit society of the same name incorporated under the statutes of Quebec with power to take over the assets and to assume the liabilities of the provincial society. The society is authorized to grant to its members the following insurance benefits—viz., an accident and sickness benefit not exceeding ten dollars per week nor to be payable for more than twenty-six weeks in any consecutive twelve months; a death benefit or death and disability benefit combined not to exceed five thousand dollars; and an annuity not exceeding three hundred dollars per annum. Separate accounts and funds are required to be maintained in respect of these classes of benefits and also in respect of infantile insurance benefits. The society is required to maintain reserves on the basis of such tables of mortality, sickness and disability as are, in the opinion of the superintendent of insurance, appropriate, and at a rate of interest not exceeding four per cent. per annum. An annual valuation and certificate by an actuary, is required to be filed, the word "actuary" being defined to mean an actuary resident in Canada and being a Fellow of the Institute of Actuaries of Great Britain or the Faculty of Actuaries of Scotland or the Actuarial Society of America. The investments of the society are restricted to government and municipal securities, Fabrique loans, real estate mortgages, such real estate as is necessary for the use of the society and loans on the society's policies of insurance.

In British Columbia.

No amendments to the various insurance acts in force in British Columbia were passed at the session held last year. The only matter in which the insurance companies are affected by last year's legislation is in respect of taxation. Insurance companies other than fire insurance companies have now to pay: (a) for 1917 a surtax of one per cent. upon their gross revenue, and (b) after 1917 the rate of taxation under the

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Managing Director.

taxation act is increased to two per cent. instead of one on the gross revenue.

Fire insurance companies still pay two per cent. on their gross premiums in the province under the fire insurance act, and so far as other gross revenue is concerned are in the same position as other insurance companies.

Ontario, Nova Scotia and Manitoba.

There were no changes of any moment made in the Ontario insurance act at the last session of the provincial legislature.

At the 1917 session of the Nova Scotia legislature there was no legislation affecting insurance except chapter 58, entitled "An Act to Amend Chapter 13, Acts of 1912, entitled 'An Act to Supplement the Revenues of the Crown in the Province of Nova Scotia.'" Chapter 58 merely provides for the payment of interest on taxes that are not paid within a certain time. At the 1916 session of the legislature the only legislation affecting insurance was chapter 16, entitled "An Act to Amend Chapter 15, Acts of 1903, entitled 'An Act respecting Life and Accident Insurance' and Acts in amendment thereof."

Two acts were assented to on March 9th, 1917, in Manitoba—namely, "An Act for the Prevention and Suppression of Fires" and "An Act respecting Hail Insurance Contracts and Uniform Conditions of Hail Insurance Policies."

Beneficiaries in Alberta.

The following sub-section was added to section 7 of the Life Insurance Beneficiaries Act of Alberta last year:—

"(3) Such a person may from time to time borrow from the insurer on the security of the contract such sums as may be necessary to keep it in force and the same shall be so applied, and on such terms and conditions as may be agreed upon; and the sums so borrowed with such interest as may be agreed on, shall be a first lien on the contract and on all moneys payable thereunder."

STANDARD LIFE INSURANCE

It Immediately Creates an Estate and is a Good and Safe Investment

By C. WETMORE MERRITT.

What is the greatest material thing in this world? My answer is: "Standard Life Insurance."

Why is standard life insurance the greatest material thing? Because it is compulsory thrift for those who are indifferent about saving.

It immediately creates an estate for the insured. It provides protection for loved ones and business, while in course of process of becoming an adequate competency. It is excellent collateral for business and banking purposes. It provides a fund for old age, which keeps the insured when in declining years from being a charge upon his or her friends, or the state.

It is a good and absolutely safe investment. It provides education so that the individual can walk on a comparatively easy pathway through life. It makes the insured feel safer, happier and more comfortable.

When the possessor of a standard life insurance policy has had it for three years, and he cannot borrow money elsewhere, he can always make a loan against his policy at a low rate of interest.

It provides an income in case of disability, either physically or mentally. It savors of good from every viewpoint.

What is there then, that will compare favorably with it, with its many attractions and benefits, and without a flaw?

Of approximately 2,000,000 buildings in Canada, less than one-tenth of one per cent. have been built with proper consideration of safety from fire. In the cities and towns from which statistics are available, almost 70 per cent. of the construction is frame. The vast majority of brick buildings are structurally defective and inadequately protected, and only one in every 1,200 is even nominally fireproof. These are figures of the Commission of Conservation, Ottawa.

FIRE INSURANCE DOES NOT ELIMINATE LOSS

It Merely Distributes the Loss—Carelessness and Fire Waste

BY ALFRED WRIGHT.

It is at all times important that a country or community conserve its created wealth and its natural resources, and not allow them to be dissipated by fire, or, in other words, "Go up in smoke," but in the present time of scarcity, and in the midst of our struggle to preserve the liberties of mankind, it is especially necessary that there shall be no preventable waste.

An examination of the monthly reports of losses by fire, both in the United States and in Canada, seems to show that the ratio of destruction of property by fire in relation to the total value is not decreasing as it should in spite of some improvement in construction and considerable improvement in means of protection, more particularly through the increased number of sprinkler equipments which have been installed.

Fire Destruction Keeps Pace.

I have no available statistics to determine the growth in Canada in value of buildings and merchandise or produce stored from year to year, but, granted that values have increased, I fear that the destruction by fire has kept equal pace. Much of this destruction is due to causes which are quite preventable. It is an old saying, but nevertheless true, that "Prevention is better than cure;" but we spend very little thought on prevention and a great deal of money on fire-fighting appliances. We have to, or our cities and towns would all burn up.

The United States and Canada have probably the best, and certainly the most expensive equipments for extinguishing fires that can be found throughout the world. Why, then, is it that the destruction of property by fire on the North American continent is greate than in other parts of the world, and what are we going to do about it?

The heavy fire waste on this continent is due to many causes—some of them beyond our control, such as climatic conditions, but undoubtedly a large proportion of the losses by fire in Canada are attributable to causes that are not uncontrollable.

Insurance and Losses.

In some quarters the business of fire insurance has been blamed for a good part of the losses, and it is true that if there were no such thing as insurance against loss by fire, there would not be so many fires; but commerce cannot be carried on without fire insurance, and it only remains to surround the business with such safeguards as may be found practicable.

In my opinion, the principal cause of fire is carelessness on the part of the public, because it is not generally appreciated that the destruction of property by fire is a loss to the community that can only be replaced by the expenditure of labor.

The thoughtless attitude prevalent with the newspapers in reporting fires contributes to this idea. For instance, in an account of a fire in the daily papers the reporter usually describes the fire as "spectacular," and states that it "required the utmost efforts of the police to control the onlookers, who occupied every 'coign of vantage,' from interfering with the firemen, whose heroic work alone prevented an extensive conflagration." This is bad enough so far, but when the reporter winds up with the statement that the "loss is fully covered by insurance," he unwittingly creates a false impression. The fact that there was insurance does not eliminate the loss, but merely distributes it.

State of Public Opinion.

Another important factor that tends to increase the fire waste is the state of public opinion. It is not considered derogatory to the standing in a community of any citizen to have had anywhere from two to half a dozen fires where the origin is unknown, or, if known, has been shown to have been due to gross carelessness. The only comment made by his friends is an extension of commiseration, if he has no

GUARDIAN
ASSURANCE COMPANY
LIMITED
OF LONDON, ENGLAND

Subscribed Capital	-	$10,000,000
Paid-up Capital -	-	5,000,000
Total Assets over	-	36,000,000

Applications for Agencies Invited

Apply to Head Office for Canada:

Guardian Building, 160 St. James St.

MONTREAL

H. M. LAMBERT - - - Manager
BERTRAM E. HARDS - Asst. Manager

NOTICE

At present there is an epidemic of fancy insurance schemes on the market. Many of them are attractively garbed. But will they stand the vital test? Will they be ready with the cheque after the loss occurs? That is the point. Will they?

Send along your insurance problem to us We represent a Company we know from experience to be absolutely reliable.

SMITH, MACKENZIE
HALL & HUNTER
General Agents
ATLAS ASSURANCE COMPANY
OF LONDON, ENGLAND
54 Adelaide Street East, TORONTO

The Fourth Year of the War Finds

The Western Empire Life Assurance Company

in a stronger position than ever

Results accomplished during 1917 show

Substantial Increase in BUSINESS IN FORCE
Substantial Increase in ASSETS
Substantial Increase in PREMIUM INCOME
Substantial Increase in INTEREST INCOME

DECREASE IN EXPENSE RATIO

Head Office,
WINNIPEG, CANADA.

WILLIAM SMITH,
Managing Director.

F. C. O'BRIEN,
Secretary-Treasurer.

insurance, or congratulations if he is "fully covered." No thought is given to the fact that the fire might have spread, with consequent injury to other parties.

Public carelessness affects the construction of buildings. Proper building regulations are not enforced; careless workmanship is passed over; electric installations are often defective; and, while provision is made for inspection of premises, the strict requirements are often waived from motives of policy.

To Reduce Fire Waste.

Until a better public opinion prevails in regard to losses and more care is exercised generally, there cannot be any diminution in our fire waste, but it is encouraging to note that of late years the subject is receiving a great deal of attention from public-spirited men, not necessarily connected with fire insurance companies. The business of insurance officials is primarily to charge rates to cover the hazard undertaken, although to their credit be it said that they have given much attention to the work of improving conditions in cities and towns with a view to reducing the fire waste.

It appears to me that the only hope of ameliorating the situation is by educational methods, and a good deal is being done in that direction. Children should be taught by their parents to be careful, but if the parents themselves are careless, their influence would be ineffective in this respect, and it is, therefore, necessary that careful habits should be inculcated in the children through public school education. A great deal of time and effort is now being spent by various associations to impress upon the public the necessity for conservation of our resources, and no doubt in time these efforts will bear fruit.

UNLICENSED FIRE INSURANCE

Volume Has Increased 11 Per Cent. and Now Totals $262,000,000

In a statement submitted to the Ontario government fire insurance inquiry in October, 1916 (an inquiry which was continued last year), the Canadian Fire Underwriters' Association were strong in their denunciation of unlicensed insurance: "The business of fire insurance is carried on by the licensed companies in the face of absolutely unfair competition," said the statement. "Competition in itself cannot be objected to, and is, in fact, desirable, but this association, speaking as it is entitled to do for fire insurance interests generally protests against the inefficiency of any existing legislation in protecting these companies which are licensed and have their offices in this country against companies which have no license; have no deposits or other funds in Canada; pay no taxes; have no office or office staffs, and consequently disburse the considerable sums that go to form the expenses of the business entirely for the benefit of residents of foreign countries. Such companies, even if sound (and they frequently are not), can obviously afford to cut the rates which the companies here have had all the expenses, by inspection and otherwise, of making. The permission given, therefore, for any insurer who can get a lower rate from an unlicensed company to place his business with such a company without paying any taxes, or if he employs a broker, on the payment of a tax of $1, is quite unfair. The change recently made which requires 1 per cent. of any loss in an unlicensed company to be paid to the fire marshal, beside being unjust in principle in taxing only the man who has a loan and is less able to afford it, is quite ineffective. What the association contends is required is that prompt publicity should be given to all transactions effected with unlicensed companies, either by the assured or his agent, and that a substantial tax should be collected on all premiums paid to these companies."

Heavy Unlicensed Insurance.

Despite these considerations, a large amount of this business is written in Canada. The following is an official analysis and summary of the statements of fire insurance carried on property in Canada by fire insurance companies, associations or underwriters not licensed to transact business in Canada in 1915 and 1916:—

Province in which property is situated.	Amount of insurance, 1915.	Amount of insurance, 1916.
Nova Scotia	$ 5,713,674	$ 6,415,987
New Brunswick	10,733,775	8,671,915
Quebec	76,907,525	95,970,370
Ontario	103,645,877	112,252,434
Manitoba	9,462,290	11,516,133
Saskatchewan	9,030,304	8,679,496
Alberta	6,723,638	6,145,890
British Columbia	13,196,664	12,710,055
Prince Edward Island	16,850	24,302
Yukon	340,000	417,300
	$235,770,597	$262,803,882

Nature of property insured.	Amount of insurance, 1915.	Amount of insurance, 1916.
Lumber and lumber mills	$ 15,488,299	$ 15,893,068
Other industrial plants and mercantile establishments	154,450,371	185,548,910
Stock and merchandise	40,649,711	36,499,877
Railway property and equipment	24,896,076	24,055,737
Miscellaneous	286,140	806,290
	$235,770,597	$262,803,882

Nature of insurers.	Amount of insurance, 1915.	Amount of insurance, 1916.
Lloyds' Association	$ 63,188,168	$ 55,864,594
Reciprocal underwriters	22,109,561	28,574,461
Mutual companies	119,174,939	135,548,458
Stock companies	31,297,929	42,816,369
	$235,770,597	$262,803,882

Law Allows It.

Unfortunately, the Canadian insurance act allows "outlaw" insurance to be written. This business is carried on under section 139 of the insurance act, 1910, which reads as follows:—

"Notwithstanding anything in this act contained, any person may insure his property, or any property in which he has an insurable interest, situated in Canada with any British or foreign unlicensed insurance company, or underwriters, and may also insure with persons who reciprocally insure for protection only and not for profit; and any property insured or to be insured under the provisions of this section may be inspected, and any loss incurred in respect thereof adjusted: provided such insurance is effected outside of Canada, and without any solicitation whatsoever, directly or indirectly, on the part of such company, underwriters or persons by which or whom the insurance is made; and provided further that no such company, underwriters or persons shall within Canada advertise their business in any newspaper or other publication or by circular, mailed in Canada or elsewhere, or maintain an office or agency therein for the receipt of applications or the transaction of any act, matter or thing relating in any way to their said business."

RECORD LIFE INSURANCE POLICIES LAST YEAR

The largest life policy ever issued on a single life was written by Mr. Harold Peirce, general agent at Philadelphia of the New York Life. The policy was for $2,500,000 on the life of the United States financier, Mr. J. P. Morgan. One object of Mr. Morgan in taking this policy was to provide an offset to the inheritance taxes to which his estate will be subjected. Payment was so arranged that either the State or federal treasury, or both, will receive the net amount of the policy.

The New York Life issued the Morgan policy of $2,500,000, that company taking a half million and distributing the balance through reinsurance. All those Canadian companies which desired participated in this business.

Another large policy last year was that of $2,000,000 on the life of H. P. Davison, of the Morgan firm. Canadian life insurance companies also carry part of this risk.

The largest policy written on the life of a Canadian last year was $1,500,000 on Sir Mortimer B. Davis, president of the Imperial Tobacco Company of Canada, Montreal. The New York Life placed this policy through their agent, Mr. H. B. Rosen. Canadian companies obtained all they desired of this business.

LONDON GUARANTEE AND ACCIDENT COMPANY
LIMITED

GEO. WEIR
Manager for Canada

Head Office for Canada
TORONTO

ESTABLISHED 1869

FIDELITY GUARANTEE BONDS
COURT AND CONTRACT BONDS
ACCIDENT AND SICKNESS POLICIES
AUTOMOBILE INSURANCE
EMPLOYERS' LIABILITY
TEAMS AND ELEVATOR
FIRE INSURANCE

The Western Canada Accident & Guarantee Insurance Company
Head Office, WINNIPEG, MANITOBA

INSURANCE TRANSACTED
Accident, Sickness, Fidelity and Surety Bonds, Liability, Property Damage, Automobile

A WESTERN CANADA COMPANY

Licensed in Manitoba, Saskatchewan, Alberta

HON. EDWARD BROWN, President
A. F. W. SEVERIN, Manager and Secretary

The Northern Life Assurance Company
Head Office - London, Ont.

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YOUR OPPORTUNITY

To whole or part-time agents, we offer exceptional opportunities for building up a permanent income. For particulars of contracts and available territory

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FIXING VALUES FOR LIFE COMPANIES

Practice of Dominion Insurance Department Questioned—Value of Life Insurance

BY J. K. MACDONALD.

Life insurance has come to be used to such an extent as a protection for the family and in undertakings where the life of the individual has an important bearing upon the success of an enterprise that little need be said in commending it as being probably the best available way to make provision for the contingencies to which human life and human affairs are liable.

There is no human certainty as to the duration of any individual life, a fact that is abundantly proved by the personal experience of every human being. Actuarial investigations, however, have fixed with great accuracy the number of lives that die out of a given number and class in each year of life; consequently, there can be no certainty that a father may live long enough to make provision for his wife and children, or that the wisest plans in connection with a business enterprise, more or less dependent upon the life of an individual, will mature as planned. In life insurance a means is found by which the husband may provide for his wife and children should he be called away by death; or for a provision for the time that comes to every man when he will no longer be able to endure the strain of life's activities. Likewise, the man who enters into business relationship with others, in which his capital in the venture means success, while the withdrawal of it in the event of his death would possibly mean failure, is also enabled through life insurance to provide, as far as human means can do so, for such a contingency.

Growth of Life Insurance.

In view of the adaptability of life insurance to meet the needs of our social life, there is little cause to wonder that it has been availed of to such an extraordinary extent, indicated by its wonderful growth during the last forty years in Canada alone. At the close of the year 1875 the total life insurance in force was $85,009,264; at the close of 1916 it was $1,422,176,632.

Another reason why life insurance has attained world-wide appreciation is the fact of the absolute security it affords, resting as it does on well-proved scientific principles, which make it absolutely safe. With a correct mortality table and a safe rate of interest used in the compilation of premium rates and in the calculation of reserve liabilities under policies and annuities granted, together with capable and honest management, nothing human can be more, if even so, secure.

With regard to a table of mortality, extended actuarial investigations of the mortality results experienced by life insurance companies, both in Great Britain and in America, covering many years of exposure and involving an enormous number of lives, have led to the formation of several safe tables of mortality.

Importance of Interest Rate.

As to the rate of interest to be used, there must always be kept in view the fact that life insurance contracts run in every case through a period of years, and in the majority of cases through a long period of years; therefore, the rate of interest assumed must always be well within the rate which can, even with safety, be counted on for many years to come. The value of interest in life insurance earnings and valuations was well expressed by that famous actuarial veteran of Massachusetts, the late Honorable Elizur Wright: "The rate of interest earned makes a life or death difference to the company." The large accumulation of funds which takes place from year to year arises from the setting aside of sums necessary to meet future obligations in connection with liabilities under policy and annuity obligations. This calls for careful investment, and should always yield a rate of interest at least one-half to one per cent. higher than the rate used in the calculation of the reserves.

"Safety first" must always be the guiding principle in life insurance. The element of speculation in investments should be strictly avoided. So much is life insurance looked upon as a sacred trust that in this country and in many other countries it is hedged about by legislative safeguards such as are not applied to other financial institutions.

Our own Federal parliament has passed carefully considered legislation in regard to the kind of securities in which life insurance companies may invest their funds. Speaking generally, they may invest, to a certain extent, in real estate connected with their head office and branch offices, including properties falling into the hands of companies through mortgage investments foreclosed. They may also lend on first mortgages limited to not more than 60 per cent. of the value, as well as on the company's own policies, and invest in government bonds and stocks, municipal debentures, debentures of industrial concerns, with certain limitations, bank stocks, and some other stocks.

In making investments on mortgage security care and experience are important factors; and even with these it is not always possible to avoid some loss, especially when exceptional conditions prevail, such as were experienced in Toronto and elsewhere some thirty years ago, when values in many instances fell below 50 per cent. of what was supposed to be a careful valuation made during boom times. Present conditions, notably in the West, afford a striking example of what may happen in the way of recession in values of realty. There the natural reaction from speculative values is aggravated by the effect of conditions caused by war, and, consequently, the reaction is correspondingly greater. With due care in the making of loans and judicious management of properties falling into the hands of the loaning companies, any loss may be greatly minimized, though in some instances delay will almost certainly be experienced in the collection of interest and instalments of principal. One of the chief hindrances to collections in the West arises from legislative enactments of moratorium, military and home defence character, which enable the debtor who does not want to pay an easy way of escape, holding his creditor in defiance, regardless of justice. It is quite reasonable—indeed, proper—that a measure of safeguarding the mortgagor and other debtor should be enacted in view of existing conditions, under which it is quite possible that instances of great hardship might be caused; but it would seem fair that the protection should not be altogether on behalf of the debtor.

Suggestions for Ottawa.

With regard to debentures and stocks, it may be explained that debentures are usually purchased, subject to the sufficiency of security, with reference to the rate of interest they will yield on the price paid, and for that reason the purchase price may be par, or above or under par. In cases where the purchase is made at a price above par, the difference between par and the price paid is written off in yearly proportions, according to the number of years for which the debentures run. Similarly, where they have been purchased at a price below par, the difference is written off so that when they become due they stand in the books of the company at par. Stocks, unless there should be good reason for doing so, remain in the books at cost. These two kinds of securities differ in that the debenture has a fixed date at which the debt matures, while the stocks have no date at which maturity takes place, and, consequently, debentures are supposed to have a slight appreciable value as a security over stocks.

A feature in connection with these securities under the system of fixing values, heretofore employed by the insurance department, may be worth a reference. The practice has been to take their market price on a given day, and use this as the measure of the value of the class of securities included in the balance sheet of the company. The question may fairly be asked, Does this mode of reaching the value of such assets do justice to the companies or arrive at the true value? Conditions may prevail at the time that will so depress the market on the particular date at which the price is acertained as to affect seriously their apparent value, while the real value as holding securities is not changed, nor is the interest return less. It must be remembered that while it would probably give the full price if thrown on the market on that particular day, yet no life insurance company needs, or even thinks of doing this. These securities have been purchased because they are of long date, bearing a rate of interest return usually from 1½ to 2½ per cent. higher than the rate used in calculating reserves. The writer has known of instances where, within a few months, the "write down" in consequence of the valuation could be "written up" again on the basis of market prices. This feature might well have consideration with a view to a change.

Insurance Company of North America

FOUNDED 1792

Surplus to Policyholders, $11,030,378.43 **Losses Paid Since Organization, $183,224,309.11**

FORMS OF INSURANCE—

FIRE — MARINE — AUTOMOBILE

Rent, Tornado, Parcel Post, Motor Cycle, Registered Mail, Use and Occupancy

COMPARATIVE CONDITION

JAN. 1st	ASSETS	RESERVE	NET SURPLUS
1900	$ 9,261,037.08	$4,033,517.36	$1,621,780.55
1910	13,385,501.56	6,813,362.47	2,589,406.64
1916	20,838,450.21	8,171,046.58	6,080,043.40
1917	23,389,465.34	8,862,091.99	7,030,378.43

ROBERT HAMPSON & SON, LIMITED, MONTREAL, General Agents for Canada

Providence Washington Insurance Co.

INCORPORATED 1799

Surplus to Policyholders - $2,588,322.95

FORMS OF INSURANCE—

FIRE — MARINE — AUTOMOBILE

Comparison of Statement of January 1st, 1916, with that of January 1st, 1917, shows :—

INCREASE IN ASSETS - - -	$590,480.10
DECREASE IN UNEARNED PREMIUMS -	53,788.87
GAIN IN NET SURPLUS - - -	418,301.65

ROBERT HAMPSON & SON, LIMITED, MONTREAL, General Agents for Canada

Alliance Insurance Co. of Philadelphia

FOUNDED 1905

Surplus to Policyholders, $1,901,852.16 **Losses Paid Since Organization, $6,324,955.14**

FIRE INSURANCE

COMPARATIVE CONDITION

JAN. 1st	ASSETS	RESERVE	NET SURPLUS
1913	$2,238,629.15	$668,154.85	$642,591.10
1914	2,288,274.81	672,858.32	691,160.49
1915	2,399,489.31	673,641.46	773,097.85
1916	2,678,459.21	690,335.74	975,876.47
1917	3,060,371.74	796,119.36	1,151,852.16

ROBERT HAMPSON & SON, LIMITED, MONTREAL, General Agents for Canada

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BOURNE'S INSURANCE AND BROKERS DAYS CHART

Difference between days of months for two dates *(See page 218)*

By Arthur Bourne

No. of	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Days in exact mos.	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1		Mar.											28	28	27	26	25	24	23	22	21	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1	0	
														28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58
1				May		July			Oct.		Dec.		30	30	29	28	27	26	25	24	23	22	21	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1
														30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
1	Feb.		April		June		Aug.	Sep.		Nov.		Jan.	31	31	30	29	28	27	26	25	24	23	22	21	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2
														31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61
2	Mar.	April											59	59	58	57	56	55	54	53	52	51	50	49	48	47	46	45	44	43	42	41	40	39	38	37	36	35	34	33	32	31	30
														59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89
2			May	June	July	Aug.		Oct.	Nov.	Dec.	Jan.		61	61	60	59	58	57	56	55	54	53	52	51	50	49	48	47	46	45	44	43	42	41	40	39	38	37	36	35	34	33	32
														61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91
2							Sep.					Feb.	62	62	61	60	59	58	57	56	55	54	53	52	51	50	49	48	47	46	45	44	43	42	41	40	39	38	37	36	35	34	33
														62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92
2													89	89	88	87	86	85	84	83	82	81	80	79	78	77	76	75	74	73	72	71	70	69	68	67	66	65	64	63	62	61	60
														89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119
3		May											90	90	89	88	87	86	85	84	83	82	81	80	79	78	77	76	75	74	73	72	71	70	69	68	67	66	65	64	63	62	61
														90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120
3	April											Mar.	91	91	90	89	88	87	86	85	84	83	82	81	80	79	78	77	76	75	74	73	72	71	70	69	68	67	66	65	64	63	62
														91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121
3				July					Dec.				92	92	91	90	89	88	87	86	85	84	83	82	81	80	79	78	77	76	75	74	73	72	71	70	69	68	67	66	65	64	63
														92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122
3			June		Aug.	Sep.	Oct.	Nov.			Jan.	Feb.	120	120	119	118	117	116	115	114	113	112	111	110	109	108	107	106	105	104	103	102	101	100	99	98	97	96	95	94	93	92	91
														120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150
4	May	June										Mar.	121	121	120	119	118	117	116	115	114	113	112	111	110	109	108	107	106	105	104	103	102	101	100	99	98	97	96	95	94	93	92
														121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151
4												April	122	122	121	120	119	118	117	116	115	114	113	112	111	110	109	108	107	106	105	104	103	102	101	100	99	98	97	96	95	94	93
														122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152
4			July	Aug.		Oct.		Dec.	Jan.				123	123	122	121	120	119	118	117	116	115	114	113	112	111	110	109	108	107	106	105	104	103	102	101	100	99	98	97	96	95	94
														123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153
4					Sep.			Nov.			Feb.		123	123	122	121	120	119	118	117	116	115	114	113	112	111	110	109	108	107	106	105	104	103	102	101	100	99	98	97	96	95	94
														123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153
5		July											150	150	149	148	147	146	145	144	143	142	141	140	139	138	137	136	135	134	133	132	131	130	129	128	127	126	125	124	123	122	121
														150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180
5	June									Mar.	April	May	151	151	150	149	148	147	146	145	144	143	142	141	140	139	138	137	136	135	134	133	132	131	130	129	128	127	126	125	124	123	122
														151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181
5			Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.				153	153	152	151	150	149	148	147	146	145	144	143	142	141	140	139	138	137	136	135	134	133	132	131	130	129	128	127	126	125	124
														153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183
6	July	Aug.							Mar.		May		181	181	180	179	178	177	176	175	174	173	172	171	170	169	168	167	166	165	164	163	162	161	160	159	158	157	156	155	154	153	152
														181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211
6												April	182	182	181	180	179	178	177	176	175	174	173	172	171	170	169	168	167	166	165	164	163	162	161	160	159	158	157	156	155	154	153
														182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212
6				Oct.		Dec.							183	183	182	181	180	179	178	177	176	175	174	173	172	171	170	169	168	167	166	165	164	163	162	161	160	159	158	157	156	155	154
														183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213
6			Sep.		Nov.		Jan.	Feb.					184	184	183	182	181	180	179	178	177	176	175	174	173	172	171	170	169	168	167	166	165	164	163	162	161	160	159	158	157	156	155
														184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214
7	Aug.	Sep.						Mar.	April	May	June	July	212	212	211	210	209	208	207	206	205	204	203	202	201	200	199	198	197	196	195	194	193	192	191	190	189	188	187	186	185	184	183
														212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242
7			Oct.	Nov.	Dec.	Jan.							214	214	213	212	211	210	209	208	207	206	205	204	203	202	201	200	199	198	197	196	195	194	193	192	191	190	189	188	187	186	185	184
														214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244
7							Feb.						215	215	214	213	212	211	210	209	208	207	206	205	204	203	202	201	200	199	198	197	196	195	194	193	192	191	190	189	188	187	186	185
														215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245
8		Oct.							May		July		242	242	241	240	239	238	237	236	235	234	233	232	231	230	229	228	227	226	225	224	223	222	221	220	219	218	217	216	215	214	213
														242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272
8	Sep.						Mar.	April		June		Aug.	243	243	242	241	240	239	238	237	236	235	234	233	232	231	230	229	228	227	226	225	224	223	222	221	220	219	218	217	216	215	214
														243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273
8				Dec.									244	244	243	242	241	240	239	238	237	236	235	234	233	232	231	230	229	228	227	226	225	224	223	222	221	220	219	218	217	216	215
														244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274
8			Nov.		Jan.	Feb.							245	245	244	243	242	241	240	239	238	237	236	235	234	233	232	231	230	229	228	227	226	225	224	223	222	221	220	219	218	217	216
														245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275
9	Oct.	Nov.				Mar.		May	June	July	Aug.		273	273	272	271	270	269	268	267	266	265	264	263	262	261	260	259	258	257	256	255	254	253	252	251	250	249	248	247	246	245	244
														273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303
9							April					Sep.	274	274	273	272	271	270	269	268	267	266	265	264	263	262	261	260	259	258	257	256	255	254	253	252	251	250	249	248	247	246	245
														274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304
9			Dec.	Jan.									275	275	274	273	272	271	270	269	268	267	266	265	264	263	262	261	260	259	258	257	256	255	254	253	252	251	250	249	248	247	246
														275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305
9					Feb.								276	276	275	274	273	272	271	270	269	268	267	266	265	264	263	262	261	260	259	258	257	256	255	254	253	252	251	250	249	248	247
														276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306
10		Dec.								July			303	303	302	301	300	299	298	297	296	295	294	293	292	291	290	289	288	287	286	285	284	283	282	281	280	279	278	277	276	275	274
														303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333
10	Nov.				Mar.	April	May	June		Aug.	Sep.	Oct.	304	304	303	302	301	300	299	298	297	296	295	294	293	292	291	290	289	288	287	286	285	284	283	282	281	280	279	278	277	276	275
														304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334
10			Jan.	Feb.									306	306	305	304	303	302	301	300	299	298	297	296	295	294	293	292	291	290	289	288	287	286	285	284	283	282	281	280	279	278	277	276
														306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336
11	Dec.	Jan.			Mar.		May		July	Aug.			334	334	333	332	331	330	329	328	327	326	325	324	323	322	321	320	319	318	317	316	315	314	313	312	311	310	309	308	307	306	305
														334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364
11					April		June				Sep.		335	335	334	333	332	331	330	329	328	327	326	325	324	323	322	321	320	319	318	317	316	315	314	313	312	311	310	309	308	307	306
														335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365
11			Feb.										337	337	336	335	334	333	332	331	330	329	328	327	326	325	324	323	322	321	320	319	318	317	316	315	314	313	312	311	310	309	308	307
														337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367
12	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	365	365	364	363	362	361	360	359	358	357	356	355	354	353	352	351	350	349	348	347	346	345	344	343	342	341	340	339	338	337	336	335
														365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395

THE LONDON MUTUAL FIRE INSURANCE COMPANY

ESTABLISHED 1859 IN LONDON, ONTARIO

HEAD OFFICE, 33 SCOTT STREET, TORONTO

Claims Paid Over	**$8,900,000.00**
Security for Policyholders	**653,227.89**
Surplus	**380,895.44**

One of Canada's Oldest and Strongest Fire Insurance Companies

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BRITISH COLUMBIA	HOBSON & CO., LIMITED, VANCOUVER
MANITOBA, SASKATCHEWAN, ALBERTA	CARSON & WILLIAMS BROS., LIMITED, WINNIPEG
ONTARIO	HEAD OFFICE, TORONTO
QUEBEC	Branch Office, W. J. CLEARY, Manager, MONTREAL
NEW BRUNSWICK	J. M. QUEEN, ST. JOHN

Ask them or our Local Agents for Rates on your Property

A. H. C. CARSON - PRESIDENT

METHOD OF USING BOURNE'S INSURANCE AND BROKERS' DAYS CHART

1. To find the number of days between two dates not more than a year apart—15 July, 1917, and 24 November, 1917. In this case 24, in the second date, is *9 more* than 15 in the first date. Find July in the top line and November in the same column. On the same line with November, and in the column headed 9 days difference, we find 132. The exact number of days from 15 July to 15 November is shown in the column "Days in exact months," on the same line with November, which appears in the column headed July. It is 123 days. As the difference between the days is 9 days more, this will give 132 as the number of days between the two dates as before. If the two dates are 15 July, 1917, and 6 November, 1917, 6 is *9 less* than 15, and the difference 114 days, between the two dates, is found in the same square and above 132, corresponding to 9 days more.

2. To find a date a required number of days in advance of a selected date. For example, find the date 93 days after 15 June. Follow down the two columns headed "June" and "Days in exact months" simultaneously until a month (September) is found with a number of days (in this case 92) near to the given number of days 93. To the right of 92, 93 is found in the column headed 1 day, and as 93 is the lower of the two numbers in the square containing it, the 1 day represents 1 day more by which the 15 of the given date is to be increased. The required date is therefore 16 September.

The column headed 30 will always show the lines on which 93 will appear, because on those lines it will fall between a greater and a smaller number contained in the same square. Sometimes it may appear as if there were two solutions to the question, but when the number of days in the given date is increased or diminished, as the case may be, by the difference in days at the head of the column, it will give in one of the two cases an impossible result for the day of the month.

TO SELL LIFE INSURANCE

Character Reading as Applied to Salesmanship—Results of Suggestion to Prospects

BY W. S. NEWMAN.

Thousands of addresses have been delivered and countless reams of paper written on the subject of life insurance salesmanship. New theories have been advanced and old arguments and appeals re-clothed and presented for the benefit of the ambitious and aspiring salesman. These he can read with interest and digest with profit, for they are nearly all good. Most of these theories, arguments, and appeals are for the purpose of emphasizing and encouraging those qualifications which are absolutely essential to success and which might be called the axioms of salesmanship, such as the following: honesty of purpose; confidence in oneself and the article one is selling; optimism, grit and perseverance; and a complete grasp of one's subject, and a clear and convincing manner of presenting it.

Power of Character Reading.

These qualifications are indispensable, but there is another qualification which outweighs any or all of them. It is really the keynote of salesmanship, without which no life insurance underwriter is successful. In fact his success is always commensurate with the development of this gift. I refer to the power of character reading, or in other words the sympathetic grasp and understanding of human nature.

Roughly speaking, salesmen are divided into two classes. There is the aggressive salesman whose success is due to his driving power and who absolutely dominates his prospect, consciously or unconsciously, by sheer force of will and personality, forcing him to accept for the time being at least, his, the salesman's, viewpoint of the subject in hand. There is the other kind of salesman, probably the brainier man of the two. This man relies not on the power of force, but of suggestion and persuasion to close the sale.

Results of Suggestion.

He so directs the discourse that the prospect thinks the ideas he finds himself expressing are the results of his own thoughts, while they are as a matter of fact the effects of a suggestion, planted in his brain by a successful and understanding underwriter. What a wonderful salesman a combination of these two characters would make, dominating the man who should be dominated, persuading the man who should be persuaded, and implanting suggestions in the brain of the man, where suggestion alone is necessary, but this success can only be achieved by the man who can accurately read and gauge the character of his prospect.

LIFE INSURANCE IN SASKATCHEWAN

Most Business Written on the Farm, Sometimes on Platform of Binder

BY E. S. MILLER.

Saskatchewan is a province, the settled part of which is approximately four hundred miles from east to west, and the same distance from north to south. In this tremendous area there are just about the same number of insurable people as in the city of Toronto, any part of which may be reached in less than an hour by street car or auto. While for the most part the life insurance business obtained in Toronto is written in the office, or in the home, our business is mostly written in the field, on the tail board of the wagon, the platform of the binder, or the seat of the plow. It is a common occurrence to close an application in the field and the applicant, though on his own farm, may be anywhere from a mile to two miles away from his house. He has no money in his jeans and he will not leave a team standing in the field while he goes to the house to dig up the initial payment which every good agent tries to secure with the application.

Three Physicians in 120 Miles.

Then there is the difficulty in securing prompt connection between the applicant and the medical examiner. Particularly since the war, doctors in this country are few and far between. I have in mind one well-settled line of railway (and it is not exceptional) where there are only three practicing physicians in 120 miles.

On the other hand, we have in the west a more even distribution of wealth than obtains in eastern communities. We have few, if any, people who are wealthy, as wealth is reckoned nowadays, and practically no poverty. There is no opportunity for the placing of the fifty and hundred thousand policies, but there are few people here who are unable to carry and pay for a moderate amount of life insurance.

Prosperity on the Prairies.

There is more prosperity on the prairies than at any time in the past and the people generally are in a more receptive mood so far as the life insurance salesman is concerned than they ever were before. Many of the people in our towns and cities to-day wish they had put more money in life insurance and less in town lots, while the better element in our farming population realize that a reasonable amount of life insurance affords protection to their credit, their dependants, and their own old age that they cannot afford to be without.

Notwithstanding the fact that a very large percentage of our possible clientele has been lost to us by enlistment, I believe that practically all of the companies that are actively pushing for business will in 1917 show a gratifying increase over any previous year. This is largely owing to the fact that to-day people are thinking more soberly, and are looking more to the things that are solid and substantial. Speculation is to a large extent dead. We have got down to a proper basis of credit. We are depending on the money we can make by production rather than what we can attract from outside. The gambling element has either left the country or found honest employment, with the result that conditions are good and business on a more solid basis than at any time since the first settler arrived.

"If a man does not provide for his family, if he does not provide for those dependent upon him, then he has not opened his eyes to any adequate conception of human life."—Woodrow Wilson, President of the United States.

FOUNDED 1797

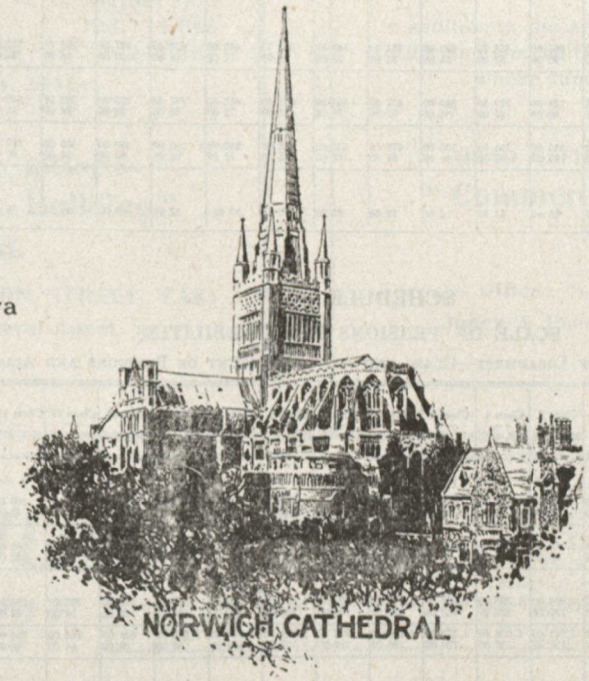
NORWICH UNION

FIRE INSURANCE SOCIETY LIMITED

NORWICH, ENGLAND

Deposit at Ottawa

$952,847



Losses Paid

$150,000,000

FIRE INSURANCE

Accidents of All Kinds
Employers' Liability
Plate Glass
Sickness and Disease
Automobile Insurance

HEAD OFFICE FOR CANADA:

Norwich Union Building, 12-14 Wellington Street East

TORONTO

JOHN B. LAIDLAW, MANAGER

Canadian Army and Navy Pensions for Disablements and Deaths

SCHEDULE "A."

SCALE OF PENSIONS FOR DISABILITIES.

PERCENTAGE OF DISABILITY—CLASS AND ANNUAL AMOUNT OF PENSIONS AND ALLOWANCES.

Rank or Rating of Member of Forces	Rate per Annum.	Class 1. Total 100%	Class 2. 99%-95%	Class 3. 94%-90%	Class 4. 89%-85%	Class 5. 84%-80%	Class 6. 79%-75%	Class 7. 74%-70%	Class 8. 69%-65%	Class 9. 64%-60%	Class 10. 59%-55%	Class 11. 54%-50%	Class 12. 49%-45%	Class 13. 44%-40%	Class 14. 39%-35%	Class 15. 34%-30%	Class 16. 29%-25%	Class 17. 24%-20%	Class 18. 19%-15%	Class 19. 14%-10%	Class 20 9%-5%
		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
All Ratings below Petty Officer (Naval); Rank and File (Militia)	Member of Forces	600 00	570 00	540 00	510 00	480 00	450 00	420 00	390 00	360 00	330 00	300 00	270 00	240 00	210 00	180 00	150 00	120 00	90 00	60 00	30 00
	Each Child	96 00	93 00	90 00	87 00	84 00	81 00	78 00	75 00	72 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Chief Petty Officer and Petty Officer (Naval); Squad, Battery or Company Sergt.-Major and Q.M. Sergeant (Militia); Sergeant, including Staff-Sergt. and Colour-Sergt. (Militia)	Member of Forces	637 50	605 63	573 75	541 88	510 00	478 13	446 25	414 38	382 50	350 63	318 75	286 88	255 00	223 13	191 25	159 38	127 50	95 63	63 75	31 88
	Each Child	96 00	93 00	90 00	87 00	84 00	81 00	78 00	75 00	72 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Naval Cadet and Midshipman (Naval); Master Gunner not W.O. (Militia); Regimental Sergt.-Major not W.O. (Militia); Regimental Q.M. Sergt. (Militia)	Member of Forces	775 00	736 25	697 50	658 75	620 00	581 25	542 50	503 75	465 00	426 25	387 50	348 75	310 00	271 25	232 50	193 75	155 00	116 25	77 50	38 75
	Each Child	96 00	93 00	90 00	87 00	84 00	81 00	78 00	75 00	72 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Warrant Officer and Chief Warrant Officer (Naval); Warrant Officer (Militia)	Member of Forces	850 00	807 50	765 00	722 50	680 00	637 50	595 00	552 50	510 00	467 50	425 00	382 50	340 00	297 50	255 00	212 50	170 00	127 50	85 00	42 50
	Each Child	96 00	93 00	90 00	87 00	84 00	81 00	78 00	75 00	72 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Sub-Lieutenant (Naval); Lieutenant (Militia)	Member of Forces	900 00	855 00	810 00	765 00	720 00	675 00	630 00	585 00	540 00	495 00	450 00	405 00	360 00	315 00	270 00	225 00	180 00	135 00	90 00	45 00
	Each Child	96 00	93 00	90 00	87 00	84 00	81 00	78 00	75 00	72 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Above Ranks	Additional Allowance for Married Members of the Forces	96 00	91 20	86 40	81 60	76 80	72 00	67 20	62 40	57 60	52 80	48 00	43 20	38 40	33 60	28 80	24 00	19 20	14 40	9 60	4 80

SCHEDULE "B."

SCALE OF PENSIONS FOR DISABILITIES.

PERCENTAGE OF DISABILITY—CLASS AND ANNUAL AMOUNT OF PENSIONS AND ALLOWANCES.

Rank or Rating of Member of Forces	Rate per Annum.	Class 1. Total 100%	Class 2. 99%-95	Class 3. 94%-90%	Class 4. 89%-85%	Class 5. 84%-80%	Class 6. 79%-75%	Class 7. 74%-70%	Class 8. 69%-65%	Class 9. 64%-60%	Class 10. 59%-55%	Class 11. 54%-50%	Class 12. 49%-45%	Class 13. 44%-40%	Class 14. 39%-35%	Class 15. 34%-30%	Class 16. 29%-25%	Class 17. 24%-20%	Class 18. 19%-15%	Class 19. 14%-10%	Class 20 9%-5%
		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts
Lieutenant (Naval); Captain (Militia)	Member of Forces	1,000 00	950 00	900 00	850 00	800 00	750 00	700 00	650 00	600 00	550 00	500 00	450 00	400 00	350 00	300 00	250 00	200 00	150 00	100 00	50 00
	Each Child	96 00	93 00	90 00	87 00	84 00	81 00	78 00	75 00	72 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Lieutenant Commander (Naval); Major (Militia)	Member of Forces	1,260 00	1,197 00	1,134 00	1,071 00	1,008 00	945 00	882 00	819 00	756 00	693 00	630 00	567 00	504 00	441 00	378 00	315 00	252 00	189 00	126 00	63 00
	Each Child	96 00	96 00	96 00	96 00	96 00	96 00	96 00	96 00	96 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Commander and Captain under three years' seniority (Naval); Lieutenant Colonel (Militia)	Member of Forces	1,560 00	1,482 00	1,404 00	1,326 00	1,248 00	1,170 00	1,092 00	1,014 00	936 00	858 00	780 00	702 00	624 00	546 00	468 00	390 00	312 00	234 00	156 00	78 00
	Each Child	120 00	120 00	120 00	120 00	120 00	120 00	120 00	120 00	120 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Captain (Naval); Colonel (Militia)	Member of Forces	1,890 00	1,795 50	1,701 00	1,606 50	1,512 00	1,417 50	1,323 00	1,228 50	1,134 00	1,039 50	945 00	850 50	756 00	661 50	567 00	472 50	378 00	283 50	189 00	94 50
	Each Child	120 00	120 00	120 00	120 00	120 00	120 00	120 00	120 00	120 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00
Commodore and higher ranks (Naval); Brigadier-General and higher ranks (Militia)	Member of Forces	2,700 00	2,565 00	2,430 00	2,295 00	2,160 00	2,025 00	1,890 00	1,755 00	1,620 00	1,485 00	1,350 00	1,215 00	1,080 00	945 00	810 00	675 00	540 00	405 00	270 00	135 00
	Each Child	120 00	120 00	120 00	120 00	120 00	120 00	120 00	120 00	120 00	66 00	60 00	54 00	48 00	42 00	36 00	30 00	24 00	18 00	12 00	6 00

SCHEDULE "C"

Scale of Pensions and Allowances for Deaths

Rank or Rating of Member of Forces	Rates Per Annum	
	Widows or Dependent Parents	Each Child of Each Dependent Brother or Sister
	$ c	$ c
All ratings below Petty Officer (Naval); Rank and File (Militia)	480.00	96.00
Chief Petty Officer and Petty Officer (Naval); Squad, Battery or Company Sergt.-Major and Q. M. Sergeant (Militia); Sergeant including Staff Sergeant and Color Sergeant (Militia)	510.00	96.00
Naval Cadet and Midshipman (Naval): Master Gunner not W. O. (Militia); Regimental Sergt.-Major not W O. (Militia); Regimental Q. M. Sergeant (Militia)	620.00	96.00
Warrant Officer and Chief Warrant Officer (Naval); Warrant Officer (Militia)	680.00	96.00
Sub-Lieutenant (Naval); Lieutenant (Militia)	720.00	96.00

SCHEDULE "D"

Scale of Pensions and Allowances for Deaths

Rank or Rating of Member of Forces	Rate Per Annum	
	Widows or Dependent Parents	Each Child or Each Dependent Brother or Sister
	$ c	$ c
Lieutenant (Naval); Captain (Militia)	800.00	96.00
Lieutenant-Commander (Naval); Major (Militia)	1,008.00	96.00
Commander and Captain under 3 years seniority (Naval); Lieutenant-Colonel (Militia)	1,248.00	120.00
Captain (Naval); Colonel (Militia)	1,512.00	120.00
Commodore and higher ranks (Naval); Brigadier-General and higher ranks (Militia)	2,160.00	120.00

Commercial Union Assurance Co.

Limited, of London, England

The Largest General Insurance Company in the World

Capital Fully Subscribed - -	$ 14,750,000
Capital Paid-up- - - -	1,475,000
Life Fund and Special Trust Funds	76,591,535
Total Annual Income exceeds -	51,000,000
Total Funds exceed - - -	151,500,000
Total Fire Losses paid - -	193,774,045
Deposit with Dominion Government	1,245,467

(As at 31st December, 1916)

HEAD OFFICE, CANADIAN BRANCH—
"Commercial Union Building"
MONTREAL

Toronto Office: 49 WELLINGTON STREET, EAST
Geo. R. Hargraft, General Agent

Palatine Insurance Company

Limited, of London, England

Capital Fully Paid - -	$1,000,000
Fire Premiums, 1916, net -	2,566,130
Interest, net - - -	144,290
Total Income - - -	2,710,420
Funds - - - -	5,248,690
Deposit with Dominion Government	276,900

(As at 31st December, 1916)

In addition to the above there is the further Guarantee of the Commercial Union Assurance Company, Limited, whose funds exceed $151,500,000.

HEAD OFFICE, CANADIAN BRANCH—
"Commercial Union Building"
MONTREAL

Toronto Office: 8-10 WELLINGTON STREET EAST
Jones & Proctor Bros., Limited, Agents

"MEN, MUNITIONS, MONEY"

ALL are wanted in the present great war MONEY has been termed the Silver Bullet, and is playing a very important part. The magnificent subscriptions which have been made by the British people to the call for financial help is sufficient evidence of their whole-hearted determination to win the war at all cost and at any sacrifice.

EVERY PART OF THE EMPIRE IS ASSISTING IN THIS DIRECTION

Thousands of citizens are desirous of helping in this way, but their means are limited or the amount at their disposal appears small in comparison with the huge requirements.

Every individual in the community can do his share in this great work if he joins his efforts to those of the great corporations which are so splendidly assisting by furnishing the funds.

The Mutual Life and Citizens' Assurance Company, Limited (of Australia), has already subscribed to War Loans more than

TWENTY-TWO MILLION DOLLARS

Every policyholder of the Company is thus given the opportunity of carrying out A DOUBLE DUTY, first to the Nation, second to his dependents.

Every premium deposited secures a provision to the family of the depositor, which even under ordinary conditions he should avail himself of.

Help the Nation and Protect the Family by Assuring Now

A Life Assurance Policy enables the wealthy to make needed provision for Succession Duties; the business man secures valuable Collateral Security and Protection of Assets; the wage-earner enjoys the immediate equivalent of years of steady thrift for his family, and this is done in each instance by an investment as profitable as it is safe.

THE MUTUAL LIFE AND CITIZENS' ASSURANCE COMPANY, LIMITED

(OF AUSTRALIA)

Chief Office for Canada: 286 ST. JAMES STREET, MONTREAL **J. P. MOORE, Secretary**

CASUALTY AND MISCELLANEOUS INSURANCE

Review of the Growth of These Lines During the Past Ten Years

During the past ten years there has been a steady expansion in all lines of casualty and miscellaneous insurance business in Canada. The falling off in volume noticeable in some lines during the first two years of war has now been more than made up, and the figures for 1917 will show a record business.

Personal Accident and Combined Accident and Sickness Insurance.

In 1907 there were 18 companies transacting this class of insurance in Canada under Dominion license, while in 1916 the number had increased to 28. The annual premium income increased from $1,382,077 to $2,121,203 during the ten years as will be seen by the following tabulation:—

	Premiums received.	Losses incurred.
1907	$1,382,077	$ 533,139
1908	1,408,013	496,264
1909	1,642,403	517,669
1910	1,815,571	610,028
1911	1,850,868	668,933
1912	2,022,608	999,193
1913	2,199,885	880,521
1914	2,202,942	1,050,879
1915	2,086,763	1,073,331
1916	2,121,203	962,158

Guarantee and Contract Insurance.

Ten companies were writing guarantee insurance in Canada in 1907, as compared with 18 companies in 1916. The premiums increased from $224,416 to $799,010 in the ten years. The figures for the period are as follow:—

	Premiums received.	Losses incurred.
1907	$243,630	$ 76,378
1908	295,717	122,918
1909	320,023	88,242
1910	371,879	76,451
1911	444,628	152,190
1912	564,096	130,686
1913	645,624	189,030
1914	742,510	341,314
1915	730,138	172,221
1916	799,010	319,983

Employers' Liability Insurance.

In 1916 there were 21 companies transacting employers' liability insurance in Canada, as against 13 in 1907. The falling off in premiums during the past few years has been caused by the action of several of the provinces in eliminating the insurance companies from doing workmen's compensation insurance, the same having been reserved exclusively for workmen's compensation boards established by the government. The figures of the business for the ten years are as follow:—

	Premiums received.	Losses incurred.
1907	$ 908,998	$ 468,801
1908	1,009,885	558,646
1909	1,182,852	637,650
1910	1,644,252	912,818
1911	2,099,639	1,047,530
1912	2,817,286	1,472,921
1913	3,516,758	1,973,319
1914	3,433,179	1,507,051
1915	1,952,250	1,014,485
1916	1,930,108	1,144,937

Burglary Insurance.

In 1907 there were only two companies doing burglary insurance in Canada, as compared with 13 in 1916, while the yearly premiums have increased from $44,183 to $118,673 in the ten years as shown in the following table:—

	Premiums received.	Losses incurred.
1907	$ 44,183	$ 16,924
1908	54,740	22,889
1909	57,900	14,245
1910	55,934	16,302
1911	60,669	14,389
1912	66,042	15,740
1913	75,580	25,320
1914	85,473	35,982
1915	91,885	24,007
1916	118,673	22,107

Steam Boiler Insurance.

In 1916 there were six companies doing steam boiler insurance in Canada, which is but two more than in 1907, but the premium income has increased from $86,777 to $199,017 in the ten years, as will be seen from the following:—

	Premiums received.	Losses incurred.
1907	$ 86,777	$ 13,132
1908	87,613	9,992
1909	99,158	10,255
1910	111,532	3,374
1911	126,506	3,781
1912	135,377	88,749
1913	147,669	4,866
1914	144,223	8,958
1915	150,377	11,688
1916	199,017	5,716

Sickness Insurance.

In 1907 there were 20 companies and societies carrying on sickness insurance in Canada under Dominion license, as compared with 28 in 1916. The premiums show an increase from $520,587 to $1,109,801 in the ten years, as follow:—

	Premiums received.	Losses incurred.
1907	$ 520,587	$450,738
1908	533,318	458,218
1909	547,442	495,052
1910	603,274	542,809
1911	880,780	638,651
1912	1,027,374	713,729
1913	1,135,430	722,540
1914	1,133,413	690,449
1915	1,084,798	680,358
1916	1,109,801	719,195

Plate Glass Insurance.

While ten years ago there were only five companies transacting plate glass insurance in Canada, at the end of 1916 the number had increased to 22, the premium income increasing from $118,291 to $271,302 in the same period, as follows:—

	Premiums received.	Losses incurred.
1907	$118,291	$ 52,856
1908	133,817	57,017
1909	132,901	53,083
1910	151,399	61,504
1911	272,205	69,686
1912	193,525	88,169
1913	224,829	129,933
1914	291,927	122,940
1915	269,263	100,740
1916	271,302	131,502

Automobile Insurance.

(Both Including and Excluding Fire.)

Automobile insurance has made rapid progress since its introduction as a separate branch in 1910, when seven companies were engaged in this class of insurance, as compared with 33 companies at the end of 1916. The figures of the business for the seven years are as follow:—

	Premiums received.	Losses incurred.
1910	$ 80,446	$ 33,369
1911	253,550	184,218
1912	464,580	176,895
1913	563,204	228,433
1914	573,604	297,499
1915	646,085	289,986
1916	909,503	316,113

THE
Employers' Liability
Assurance Corporation
Limited, of London, Eng.

ISSUES

PERSONAL ACCIDENT
SICKNESS
EMPLOYERS' LIABILITY
WORKMEN'S COMPENSATION
AUTOMOBILE
FIDELITY GUARANTEE
AND
FIRE INSURANCE POLICIES

C. W. I. WOODLAND
General Manager for Canada and Newfoundland

JOHN JENKINS, Fire Manager

Temple Building TORONTO **Lewis Building MONTREAL**

The Imperial Guarantee and Accident
Insurance Co. of Canada

IMPERIAL PROTECTION POLICIES

ACCIDENT INSURANCE
SICKNESS INSURANCE
GUARANTEE BONDS
AUTOMOBILE INSURANCE
AUTOMOBILE FIRE INSURANCE
PLATE GLASS INSURANCE
ELEVATOR INSURANCE

WE PROTECT YOU AGAINST LOSS

BRANCH OFFICES:
MONTREAL: Canada Life Bldg. WINNIPEG: Merchants' Bank Bldg. CALGARY: Canada Life Bldg.
VANCOUVER: Cramer & Co., Ltd.

Head Office:
Canada Life Building - TORONTO

THE
Canada National Fire Insurance Company
HEAD OFFICE - WINNIPEG, CANADA

Authorized Capital - $3,000,000 Subscribed Capital - $2,050,400
Paid-in Capital - - $1,770,000 Assets - - - $2,350,000
Surplus to Policyholders, $2,050,000

BOARD OF DIRECTORS:

President: J. H. G. RUSSELL.
Vice-Presidents: D. E. SPRAGUE. F. H. ALEXANDER.
Managing Director: W. T. ALEXANDER.

Directors:
J. G. Hargrave. E. L. Taylor, K.C. R. G. Affleck. Dr. A. D. Carscallen. S. D. Lazier.
F. N. Darke, Regina. Andrew Gray, Victoria. Hon. A. C. Rutherford, Edmonton. Jonathan Rogers, Vancouver.

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

Agencies:

TORONTO, ONT.—Lyon & Knowland
VICTORIA, B.C.—Douglas, Mackay & Co.
VANCOUVER, B.C.—A. W. Woodard, Rogers Building
CALGARY, ALTA.—Newton Mowers & Gilbert
EDMONTON, ALTA.—Allan, Killam, McKay, Alberta, Limited
REGINA, SASK.—G. B. Reid
SASKATOON, SASK.—Willoughby-Sumner Co., Ltd.
General Agent, NOVA SCOTIA—A. J. Bell & Co., HALIFAX.

A CANADIAN COMPANY INVESTING ITS FUNDS IN CANADA

Inland Transportation Insurance.

While in 1907 only four companies were transacting inland transit or transportation insurance in Canada, at the close of 1916, the number had increased to 11, and the premium income, which in 1907 was $22,369, had increased to $165,605 as follows:—

	Premiums received.	Losses incurred.
1907	$ 22,369	$ 6,020
1908	37,072	7,798
1909	37,465	7,400
1910	114,371	55,417
1911	37,811	572
1912	88,151	31,701
1913	140,240	45,568
1914	193,178	84,544
1915	165,450	109,545
1916	165,605	48,274

Sprinkler Leakage Insurance.

The figures for sprinkler leakage insurance first appear in the Dominion blue book for the year 1910, when three companies were doing this class of business, as compared with eight companies at the close of 1916. The premium income has grown from $18,548 to $51,823 in the seven years, as follows:—

	Premiums received.	Losses incurred.
1910	$ 18,548	$ 3,355
1911	37,238	13,004
1912	32,118	22,930
1913	42,386	6,083
1914	52,722	25,381
1915	38,780	18,014
1916	51,823	29,548

Tornado Insurance.

Tornado insurance first makes its appearance in the blue book for the year 1908 when two companies were transacting this line, as compared with 15 companies at the close of 1916. The premiums have increased from $156 to $48,564 in the nine years as follow:—

	Premiums received.	Losses incurred.
1908	$ 156	$ 20
1909	276	None
1910	588	None
1911	768	None
1912	22,007	810
1913	29,667	5,673
1914	13,282	2,002
1915	26,750	3,623
1916	48,564	24,023

Livestock Insurance.

Two companies were transacting livestock insurance in Canada under Dominion license in 1908, when the business was started here, and the same two companies were carrying on this class of insurance at the end of 1916. The premiums, which in 1908 totalled only $5,041, rose to $132,436 in 1913, and then declined to $76,084 at the end of 1916, as follow:—

	Premiums received.	Losses incurred.
1908	$ 5,041	$ 2,525
1909	47,485	24,201
1910	86,645	51,025
1911	109,257	56,028
1912	127,533	73,598
1913	132,438	77,818
1914	110,436	70,662
1915	79,971	44,553
1916	76,084	52,196

Hail Insurance.

The number of companies transacting hail insurance under Dominion license has increased from one in 1910 to 15 in 1916, while the premium income has increased from $226,881 to $1,430,866 in the seven years as follows:—

	Premiums received.	Losses incurred.
1910	$ 226,881	$ 73,549
1911	200,240	92,000
1912	249,261	117,449
1913	336,572	206,916
1914	242,258	96,254
1915	744,332	402,216
1916	1,430,866	1,570,033

HAIL INSURANCE IN WESTERN CANADA

Government Plan Not Feasible—Farmers Benefit from Underwriters' Co-operation

BY W. J. WILCOX.

The greatly increased hail insurance premium income obtained throughout Manitoba, Saskatchewan and Alberta by stock companies in 1917 points unmistakably to the fact that the Western farmer is at last beginning to realize the absolute necessity of covering himself adequately against hail damage. In the history of agricultural Canada there have been no such hail losses as those sustained throughout the whole of the Western territory in 1916. Now that the companies have been writing this class of insurance for some years, reliable statistics are being obtained, and useful information as regards the possibility in some localities of hail damage, and the consequent rates which should be charged, are being compiled. Every Western farmer knows that there are some localities which in the memory of man have never been hailed, whereas others have suffered extensive losses in two and sometimes three consecutive years. When one realizes that there are certain wet and dry belts running through our Western farm lands, it is only reasonable to expect that the likelihood of hail falling in these districts varies greatly.

Erratic Hail Storms.

There is probably nothing in the world more erratic than a hail storm. Sometimes a whole township will be thinly sprinkled with hail, and again a path of a comparatively few feet in width will be cut right through standing crops, and parts of many fields will suffer in one section 100 per cent. loss, whereas the remainder of the fields are practically untouched. The damage usually occurs about the time the crop is ready for harvest, and we can think of nothing more discouraging to a farmer than to see his whole season's labor wiped out in a few minutes.

The storms of July, August and September of 1916 will stand out vividly in the minds of the average Western farmer, and, naturally, he to-day wants the very best protection he can buy. Early in 1917 the Canadian Hail Association was formed and the majority of the stock companies became members. As a result of this, the statutory conditions, which are now the same in all provinces, have been carefully revised, and in this way the interests of the insurance companies and the insured are being benefited.

Distribution of Liability.

From the companies' point of view, there is one factor necessary for their success; that is, the distribution of liability. If this is not carefully attended to, then hail insurance is a pure and simple gamble. With this is to be considered the question of adequate rates

No exact mathematical process can be used to compile figures which will enable insurance companies to apply in any one year an absolutely adequate rate; therefore, it is essential that statistics over a period of years should be compiled, and thus a rate obtained which, over a cycle, will show a reasonable profit to the companies and adequate protection to the insured.

Government Plan Not Feasible.

To these important factors, namely, distribution of liability and adequate rate, the stock companies are in an excellent position to pay attention, and, with these points in view, we feel that the government municipal insurance plan is not feasible. Where the government is writing they naturally have to take liability in the worst sections, and then every farmer automatically obtains covering. This naturally results in a state of affairs whereby the government will have millions of dollars of liability in a comparatively small section of the country, whereas stock companies, knowing the previous records of that territory, will wisely keep out of it altogether or write very sparingly.

We are glad that the companies are now keeping together, and, should they follow the wise course which they have apparently laid down, we foresee in the future hail insurance in Western Canada on an entirely satisfactory basis, both from the point of view of the company and of the farmer.

British America Assurance Company

Established A.D. 1833 in the Reign of King William IV.

FIRE, MARINE, INLAND TRANSPORTATION and HAIL

ASSETS exceed - -	$2,500,000
CAPITAL (authorized) - -	3.000,000
" (subscribed) - -	1,400,000
" (paid-up) - - -	1,400,000

Losses paid to Policy-holders since organization of the Company in 1833 over $41,000,000

BOARD OF DIRECTORS

W. B. MEIKLE, President and General Manager
Sir JOHN AIRD
ROBERT BICKERDIKE, M.P. (Montreal)
ALFRED COOPER (London, Eng.)
H. C. COX
D. B. HANNA
E. HAY
JOHN HOSKIN, K.C., LL.D.
Z. A. LASH, K.C., LL.D.
GEO. A. MORROW
Lt.-Col. the Hon. FREDERIC NICHOLLS
Brig.-Gen. Sir HENRY PELLATT, C.V.O.
E. R. WOOD

BOARD AT LONDON, ENGLAND

Rt. Hon. Sir JOHN H. KENNAWAY, Bart., C.B., Chairman
Sir ERNEST CABLE ALFRED COOPER Sir CHARLES JOHNSTON, Bart.

LONDON OFFICES: 14 Cornhill, London, E.C.

HEAD OFFICE: British America Assurance Buildings, corner Front and Scott Streets, TORONTO, Canada

Canada Security Assurance Company

(HAIL DEPARTMENT)

Incorporated 1912

BANKERS:
CANADIAN BANK OF COMMERCE

Over $600,000 paid out in Losses

Comparison Invited

Officers:

President - - P. R. REED
Vice-President - T. B. REDDING
Secretary-Manager E. M. WHITLEY

Head Office, CALGARY, Alta.

Western Mutual Fire Insurance Company

Operating on a Strictly Mutual Plan for Farmers Only

Business in Force Over $6,000,000

A Strong and Progressive Western Company

P. R. REED, *Secretary-Manager*

WHITLEY & REDDING
Provincial Agents
CALGARY - ALBERTA

Head Office - DIDSBURY, ALTA.

Workmen's Compensation in Canada

Manitoba and Nova Scotia Commenced Operation of New Acts Last Year

SINCE March 1st, 1917, the employers of industrial labor in Manitoba have been subject to a new Workmen's Compensation Act, and in Nova Scotia, since January 1st, 1917. The Manitoba act is a development of the idea that workmen should not bear the whole financial cost of injuries due to the hazards of their particular trade. Manitoba in its workmen's compensation legislation is not setting any new lead so far as the principle of compensation is concerned. From a volume issued a few years ago by Messrs. Frankel & Dawson, of the Russell Sage Foundation, covering an investigation of European systems, it would appear that workmen's compensation along the same lines has been in force in practically all the great nations of Europe for some years past. Some of these countries have gone much further than has Manitoba, others less so, also the time that the different nations have had such legislation in force, has varied, and it has consequently been difficult to arrive at the system which works out best. The same might be said of legislation on this continent—while the principle has been largely the same, the methods of operation and basis of compensation have varied. In the United States most of the states have their workmen's compensation act. Some are compulsory government insurance, others, as in Manitoba, are compulsory company insurance, with government control of rates. New York has three options—government insurance, mutual insurance and stock companies.

In Canada, Ontario adopted the government insurance plan, as it is popularly called, which is really a classified grouping mutual managed by a workmen's compensation board appointed by the government. Manitoba legislation is largely identical with Ontario's basis of compensation, but operated through approved companies instead of the government mutual plan.

British Columbia has followed Ontario's lead in practically all respects.

Saskatchewan and Alberta still retain their employers' liability acts, while of the eastern provinces, Nova Scotia has an act and administration similar to Ontario. New Brunswick and Quebec still operate under employers' liability acts.

A new act is under consideration in Alberta and a commission is taking evidence at different points. Their report will in due course be laid before the Alberta cabinet.

MANITOBA'S WORKMEN'S COMPENSATION ACT

Employers May Carry Insurance With Companies if Desired

The Workmen's Compensation Act, passed by the Manitoba legislature on March 10th, 1916, became operative as respects payment of compensation on March 1st, 1917. It introduces radical changes in the law respecting injuries to employees. Upon its coming into force earlier legislation comprised in the Employers' Liability Act, R.S.M., 1913, Chapter 61, and the Workmen's Compensation Act, R.S.M., 1913, Chapter 209, will become inoperative. It does not apply to farm laborers or domestic or menial servants or their employers.

Employments Covered.

All other employments are divided into two classes, governed respectively by part 1 and part 2 of the act.

Part 1 applies to employments in the very large number of industries enumerated in the schedule to the act. These may be described in general terms as embracing manufacturing, milling, lumbering, mining, quarrying, fishing, transportation, navigation, cosstruction, building, warehousing, operation of public utilities, and all occupations in connection therewith, but for complete information as to what industries and what employers and workmen are covered by part 1 of the act the schedule itself should be referred to.

Part 2 applies to employments in the industries not mentioned in the schedule. Chief among these are mercantile business, hotel keeping, restaurant keeping, gardening, hand laundries, barber shops, photography, hospital work, dentistry and undertaking. To cover questions arising out of this division the Board has decided, as a rule of interpretation of the act, that every industry is to be regarded as a unit, so as to carry with it all operations and occupations incidental to it. Thus warehousing or transportation incident to manufacturing are within the provisions of part 1, but where incident to a mercantile business they are not.

An exception to the rule is the operation of freight and passenger elevators, where workmen are specially employed therefor, which is expressly declared to be within part 1, whether the industry to which it is incident is or is not mentioned in the schedule.

Part 2 is not under the jurisdiction of the board. Disputed claims arising under it are decided as formerly by actions in the courts, but workmen's rights have been extended by the taking away of the employer's defences of common employment and assumed risk, and by making contributory negligence only a ground for reduction of damages instead of a bar to recovery. Part 1 is administered by the board and the following articles are to be understood as referring to it alone.

Where Compensation is Payable.

The compensation for the injury is payable irrespective of any question of negligence or absence of negligence and defences of common employment and voluntary assumption of risk are no longer applicable. The only cases in which compensation is not payable, provided the accident arises out of or in the course of the employment, are:—(1) Where the disability lasts less than six consecutive working days; (2) where the accident is attributable solely to the serious and wilful misconduct of the workman, and does not result in death or serious disablement.

Compensation is to be paid for industrial diseases as well as for accidents. No agreement to forego the benefits of the act is valid, and no part of the amount payable is to be charged against the workman, and, except with the approval of the board, the compensation cannot be assigned, charged or attached. The right to compensation so given is in lieu of all other rights to compensation or damages, statutory or otherwise.

Scale of Compensation.

If the accident results in death and the workman leaves a widow but no children, the widow is entitled during life or widowhood to a payment of $20 per month. If he leaves a widow and children, the payment to the widow is $20 a month for each child under sixteen years of age, but not exceeding $40 in all. If he leaves children only, the payment is $10 a month for each child under sixteen, but not exceeding $40 in all. Where the dependents are persons other than those above mentioned, they are entitled to a sum reasonable and proportionate to the pecuniary loss occasioned to them by the workman's death, but not exceeding to the parent or parents $20 a month, or in the whole $30 a month. The foregoing is governed, however, by the provision that in no case is the compensation to exceed 55 per cent. of the workman's

Western Assurance Company

Incorporated A.D. 1851

Fire, Marine, Inland Transportation and Explosion

A World-wide Business Transacted

ASSETS exceed	- -	$5,000,000
CAPITAL (authorized)	-	5,000,000
" (subscribed)	-	2,500,000
" (paid-up)	- -	2,500,000

Losses paid to policy-holders since organization of the Company in 1851 over $66,000,000

BOARD OF DIRECTORS

W. B. MEIKLE, President and General Manager

Sir John Aird	D. B. Hanna	Geo. A. Morrow
Robert Bickerdike, M.P. (Montreal)	E. Hay	Lt.-Col. the Hon. Frederic Nicholls
Alfred Cooper (London, Eng.)	John Hoskin, K.C., LL.D.	Brig.-Gen. Sir Henry Pellatt, C.V.O.
H. C. Cox	Z. A. Lash, K.C., LL.D.	E. R. Wood

BOARD AT LONDON, ENG.

Rt. Hon. Sir JOHN H. KENNAWAY, Bart., C.B., Chairman

Sir Ernest Cable Alfred Cooper Sir Charles Johnston, Bart.

LONDON OFFICES: 14 CORNHILL, LONDON, E.C.

Head Office: Western Assurance Bldgs., corner Scott and Wellington Sts., TORONTO

British Northwestern Fire Insurance Company

HEAD OFFICE:

WINNIPEG, Canada

Subscribed Capital - -	**$594,400**
Capital Paid-up - -	**$242,000**
Security for Policyholders -	**$677,000**

Hon. EDWARD BROWN, President

E. E. HALL, Vice-President

F. K. FOSTER, Managing Director

JOHN KILLER, General Agent for Ontario, KITCHENER, ONT.

FIRE AUTOMOBILE

Fire, Theft and Transportation

Chief Offices: LONDON and GLASGOW

Licensed by Dominion Government

HEAD OFFICE FOR CANADA:

TRADERS BANK BUILDING, TORONTO

J. H. RIDDEL, Manager E. C. G. JOHNSON, Asst. Manager

earnings in the employment; and all provisions for compensation are subject to the proviso that the earnings of a workman shall not in any case be reckoned at more than $2,000 a year.

Where a widow marries again, the periodical payments to her cease on her marriage, but she is entitled, within a month after her marriage, to a lump sum equal to two years' payments. Where the accident results in total disability of a workman, he is entitled during the continuance of the disability, whether for life or temporarily, to a weekly or monthly payment equal to 55 per cent. of his earnings in the employment. Where the workman is only partially disabled he is entitled to 55 per cent. of the impairment of his earning capacity. Reasonable expenses of medical attendance, nursing, etc., and where the injury results in death, reasonable expenses of burial, ar also to be paid.

One of the important features of the compensation is that it is payable periodically rather than in a lump sum, and as a rule it continues during disability or during life, as the case may be, but provision is made for commutation of the periodical payments in certain cases. Where the impairment of earning capacity does not exceed 10 per cent., the compensation is to be fixed at a lump sum unless the board thinks it is not to the advantage of the workman to do so.

Settling Compensation.

All questions as to right to compensation, and the amount of it, are to be determined by the board instead of in the courts. The employer is required by the act to notify the board within three days of any accident happening to a workman in his employ, which disables the workman from earning full wages. The workman must, as soon as practicable, and before voluntarily leaving the employment, give notice of the accident to the employer and to the board, and must make claim for compensation within six months. In keeping with the policy of the act, which aims at speedy and inexpensive determination of claims, the board dispenses with all but the simplest forms of procedure on the part of the litigants. Forms to be filled out by the workman and employer respectively will be supplied on request and when these are completed and filed the board will adjudicate upon the claim, make further enquiries, appoint a time for hearing, or take such other action as seems proper.

Liabilities and Duties of Employers.

Every employer is individually liable to pay the compensation. He is liable not only to his own workmen, but to the workmen of a contractor who contracts with him for the performance of any work undertaken by him in the course of his trade or business. In the latter case he is entitled to be indemnified by the contractor.

In order to assure to workmen, or their dependents, payment of any compensation that may be awarded, every employer is required by the act to insure himself against liability in some insurance company approved by the board for the purpose, and to deposit the policy with the board, but, by permission of the board, given with the approval of the lieutenant-governor-in-council, an employer may be exempted from this obligation and allowed to carry his own insurance. Failure to insure, or to obtain permission to carry his own insurance, subjects an employer to a penalty of $200 per day during default.

Employers are also required, under a like penalty in case of default, to prepare and transmit annually to the board a statement of wages earned by all their employees during the year last past, and an estimate of the amount which will be expended for wages during the then current year, both verified by statutory declaration.

By regulation of the board, the 15th day of February, 1917, has been fixed as the date on or before which such statements, estimates and policies must first be filed, and where an industry is established or commenced after that date it is the duty of the employer to notify the board of the fact and to file an insurance policy and an estimate of his pay roll for the remainder of the year.

In any case where an employer would be entitled to a lien under the Mechanics' and Wage Earners' Lien Act, it is the duty of the owner as defined by that act to see that a policy of insurance is filed by such employer, unless such employer has been permitted to carry his own insurance.

Where compensation is awarded it must be paid to the board and by the board to the persons entitled to it.

To defray the expenses of the administration of the act by the board each employer carrying his own insurance and each insurance company is required to pay to the board seven and one-half per cent. of the premium charged by such insurance company, or which such employer would have been charged had he insured against his liability.

NOVA SCOTIA'S COMPENSATION ACT

Employers' Liability Policies Were Cancelled Last Year—Provisions Meet With General Approval

BY V. J. PATON, K.C.

A workmen's compensation act is now in force in Nova Scotia. It is chapter 1 of the acts of 1915, but did not come into force for the purpose of paying compensation until January 1st, 1917. The provisions of it are practically the same as those of the Ontario Workmen's Compensation Act, although some sections are differently worded. The act is divided into two parts. Part 1 contains the compulsory compensation features of the act, and mentions the industries within the scope of that part. They are practically the same as the Ontario industries except that all railways in Nova Scotia other than government railways are within that part of the act the same as any other industry. In Ontario railways are placed in a schedule by themselves.

Under our act the scale of compensation is as follows:—(a) Burial expenses not to exceed $75. (b) To a widow $20 a month for life or until she remarries, in which case she is paid $480, and thereafter compensation ceases. (c) Where dependants are widow, and children under sixteen, $20 a month for life to widow and $5 to each child under sixteen, whole amount not to exceed $40. (d) Where there is no widow and the dependants are children $10 a month to each child under the age of sixteen, not exceeding in the whole $40.

Other Than Widow and Children.

(e) Where the dependants are persons other than widow or children a sum reasonable and proportionate to the pecuniary loss of such dependants, the same to continue as long as it might reasonably have been expected that the workman, had he lived, would have continued to contribute to the support of dependants. (f) Where the accident is not fatal compensation is payable to the injured workman to the amount of fifty-five per cent. of his average earnings during total disability and fifty-five per cent. of any impairment in his earning capacity during partial disability.

The act applies to all personal injuries by accident arising out of or in the course of the workman's employment except where the injury—

(a) Does not disable the workman for the period of at least seven days from earning full wages at the work at which he was employed; or

(b) is attributable solely to the serious and wilful misconduct of the workman, unless the injury results in death or serious and permanent disablement.

If the disability lasts over seven days compensation is payable from the date of the disability.

Assessment of Employers.

The act provides for assessing employers by an assessment based upon their pay rolls. The money so obtained is paid to the workmen's compensation board, and forms an accident fund, out of which compensation is payable by the board to the injured workmen or their dependants.

As to the position of casualty and accident insurance companies in our province, after January 1st, 1917, employers' liability policies were cancelled, as there was no longer any need for such insurance, with respect to any industries within the scope of part 1 of the act.

The act came into force on January 1st, 1917, for all purposes. It came into force on October 1st, 1916, for preliminary purposes. As stated above, the act was passed in 1915. Amendments were passed on the 7th day of May, 1917, being chapters 70 and 71 of the Nova Scotia acts of 1917.

The act is working well and is meeting with the general approval of the employers and of the workmen of the province. There are 1,406 employers contributing to the accident fund, and the yearly amount so paid by them is about $800,000.

INDUSTRIAL

Forty years ago Winnipeg was without railway communication. Transportation facilities were confined to the rivers and to ox carts. To-day twenty-seven lines of railway radiate from this city.

TEN YEARS' PROGRESS IN WINNIPEG

BANK CLEARINGS

Year	Amount	Year	Amount
1907	$ 599,667,576	1913	1,634,977,237
1908	614,111,801	1914	1,370,960,806
1909	770,649,322	1915	1,530,683,124
1910	953,415,281	1916	2,061,795,257
1911	1,172,762,142	1917 to Nov. 30th	2,377,168,918
1912	1,537,817,524		

INDUSTRIAL GROWTH

Year	Annual Output
1905	$ 18,983,248
1910	39,400,608
1916	54,500,000

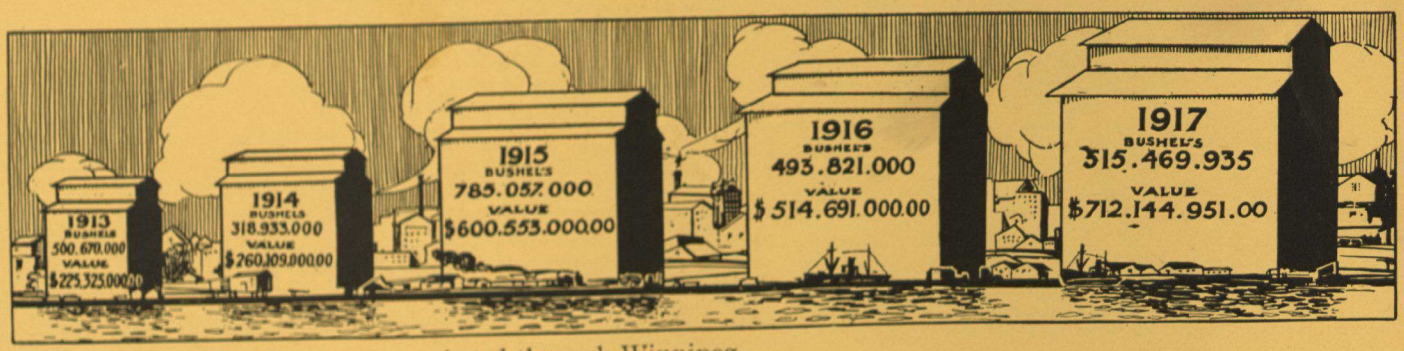
Over 420 Industrial Plants in 1917

22,000 hands employed

$12,000,000.00 annual payroll

$73,000,000.00 capital invested

STUDY THIS CROP STATEMENT



Practically this entire crop is marketed through Winnipeg.

Only 12% of Western Canada's arable lands are at present under cultivation.

Can you, Mr. Business Man, estimate the purchasing power of the output of Western Canada's farms during the next ten years, considering the fact that the above figures do not include the value of the live stock production? Remember that Winnipeg is the logical market for Western Canada.

The following, showing the purchasing power of a Western Canadian farm of 100 acres, is considered an authentic estimate:—

1915.....$3,140.00 1916.....$2,694.00 1917.....$3,725.00

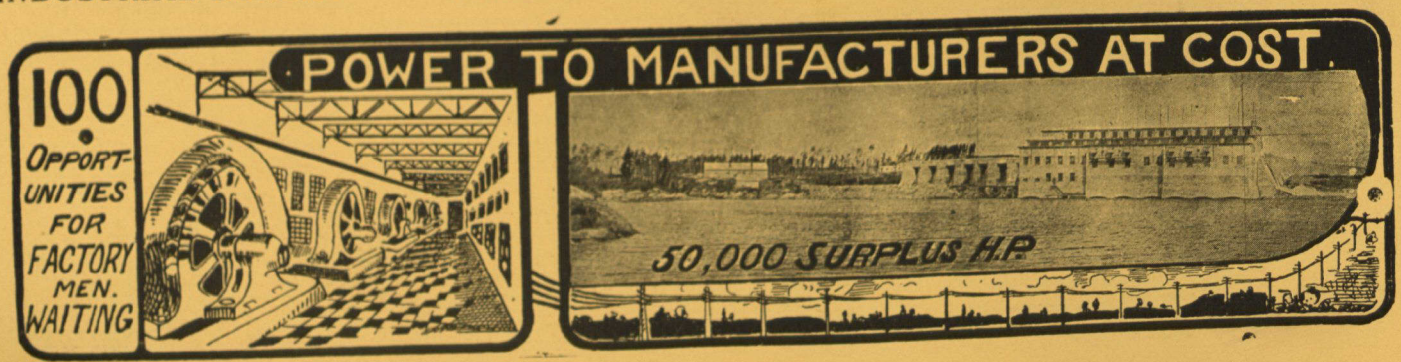
The population of Manitoba, Saskatchewan and Alberta does not exceed one million six hundred thousand. The population of Manitoba, according to Directory estimates, is placed at 553,000. Population of Greater Winnipeg, 247,000.

Winnipeg will undoubtedly occupy a prominent position as a manufacturing city as the development of Western Canada proceeds.

Hydro-electric Power is sold to manufacturers at from 3c. to ½c. per K.W.H. 90,000 H.P. at present developed within 75 miles of Winnipeg on the Winnipeg River. Government statistics place power possibilities of the Winnipeg River at 418,000 continuous 24-hour H.P., all within 75 miles of this City.

Correspondence cordially solicited. All enquiries receive individual, careful and prompt attention.

INDUSTRIAL BUREAU ***Charles H. Webster, Commissioner.*** ***WINNIPEG, CANADA***



Canada's War Orders To Date: $1,812,000,000

Value of Munitions Orders Placed Here Since the Outbreak of War to the End of 1917 is $1,000,000,000; Last Year the Expenditure on These Orders Totalled $338,000,000— In Addition, We Got Orders For Over $46,000,000 Worth of Ships

Orders placed in Canada for	Period.	Value.
Shells, fixed ammunition, etc.	August, 1914—September, 1917	$ 925,270,000
Shells, fixed ammunition, etc.	September, 1917—December, 1917	75,000,000
Ships, wooden and steel	Year, 1917	46,730,000
General supplies	August, 1914—December, 1915	235,000,000
General supplies	January—December, 1916	260,000,000
General supplies	January—December, 1917	270,000,000
Total war orders	August, 1914—December, 1917	$1,812,000,000

War orders valued at approximately $1,812,000,000 have been placed in Canada since the outbreak of war. This total has been arrived at by *The Monetary Times* as the result of three successive investigations and with the assistance of figures supplied by the Imperial Munitions Board, the British War Office Service in Canada, the Department of Agriculture, the Department of Trade and Commerce and the War Purchasing Commission, Ottawa. This vast sum represents an average annual expenditure in Canada of $604,000,000 on shells and general war supplies for three years of war, as little was supplied by us before the end of 1914.

More than half the orders received are represented by munitions. Since the outbreak of war to the end of September last, the orders placed by the Imperial Munitions Board were valued at $925,270,000. Since that date, approximately $75,000,000 of further orders have been placed, bringing the total value of munitions orders up to $1,000,270,000, to the end of 1917. In addition shipbuilding orders of over $46,000,000 have been placed here. The following memorandum has been handed to *The Monetary Times* by Sir Joseph Flavelle, chairman of the Imperial Munitions Board:—

(1)	Value of munitions orders placed in Canada last year, to September 30	$263,000,000
(2)	Value of shipbuilding orders	46,730,000
(3)	Value of orders placed in Canada since the outbreak of the war, including shipbuilding	972,000,000
(4)	Number of people engaged in the munitions industry in Canada, approximately	225,000

Credits to End of Year.

Sir Thomas White, finance minister, stated in the House at Ottawa, on September 8, that $25,000,000 monthly would be advanced to the Imperial Munitions Board for munitions orders during October, November, December, 1917.

The munitions business of Canada has expanded at a remarkable rate. Brigadier-General Sir Alexander Bertram, speaking to the Canadian Society of Civil Engineers, Montreal, in October, stated that we had shipped sufficient tonnage of shells to build 19 bridges across the St. Lawrence, each equal to the Quebec bridge. Our tonnage of shells shipped to the Empire would build 66 battleships of 18,000 tons each.

Dealing with the manufacture of munitions in Canada, General Bertram emphasized the large undertakings it had brought into force here Amongst these were two new industries, the refining of copper and spelter. At Trail there were being produced monthly 360 tons of copper, 1,700 tons of lead and 1,200 tons of zinc, which taxed the capacity of all our steel producing and refining plants. In addition, plants had been organized for the manufacture of all kinds of explosives. Further, the manufacture of aeroplanes had been introduced and to-day was so well organized that 100 aeroplanes were being turned out monthly, with plans to double this output immediately. In addition the board had established plants for the manufacture of nitrocellulose powder, T.N.T. and cordite.

As to shell production, this included 18-pounder shrapnel, 27,931,714; 18-pounder high explosive, 5,300,908; 4.5 high explosive, 8,738,470; 60-pounder high explosive, 1,097,317; 6-in. high explosive, 2,959,626; 8-in. high explosive, 747,190; 9.2-in. high explosive, 744,179. These made a total of 47,519,404 shells, comprising 1,029,860 tons of steel. Besides these there had been made of 18-pounder and 4.5-in. cartridge cases—a totally new industry—39,655,427, using 20,768 tons of copper and brass, while shell forgings had been exported to the extent of 4,921,037, using 138,498 tons of steel.

With regard to explosives, General Bertram said that one plant was producing about 40,000 pounds of T.N.T. per day and 80,000 pounds of nitrocellulose powder. Approximately 46,000,000 pounds of T.N.T. had been manufactured since the commencement of the war. Another company was producing about 2,000,000 pounds per month, while a third plant, incidentally another new industry, when operating at full force, produced 40,000 time fuses per day. Another plant had been volunteered for the manufacture of acetone and was to-day producing over 100 tons a month, the acetone being used for cordite.

Over Four Thousand Tons.

Another new industry established by the Imperial Munitions Board had been an electric steel plant to utilize scrap metal. This was nearly completed and already at work, and expected to send approximately 4,500 tons monthly for the British government.

The work was carried on in 400 factories in Canada, three-fifths in the manufacture of shells and two-fifths on components, basic supplies and shipbuilding.

The object was to produce the finished article from Canada's own mills and mines, and this had been achieved, from fuse to cartridge cases and the 25,000,000 boxes required for shells.

The department of agriculture had made disbursements for British War Office account, in connection with the purchase and shipment of hay, oats and flour, amounting to $94,329,040, up to the end of September, 1917. According to a statement by this department to *The Monetary Times*, the total quantity of hay shipped by them since the outbreak of the war amounts to 481,049 tons. This hay was purchased in ordinary bales and recompressed into bales of smaller size and greater density at Montreal, West St. John and Woodstock, N.B., Windsor, N.S., Charlottetown, P.E.I., and Calgary, Alta. The bulk of the hay was recompressed at the Montreal plant, the capacity of which is about 1,000 tons per day, running 24 hours.

Oats and Flour.

No hay has been shipped since June last on account of the scarcity of transport, and the big crop of hay in the United Kingdom in 1916 which enabled the War Office to draw supplies from that source.

The quantity of oats shipped to September last was, in round figures, 1,283,055 tons, or about 76,000,000 bushels. These oats came mostly from the prairie provinces. Bagging plants have been located at West St. John, Montreal, Kingston, Port Colborne, Depot Harbor, Midland and Port McNicoll. The oats have been shipped in bulk to these points and then forwarded to the ship's side in bags. Until last fall the department of agriculture purchased the necessary bags, but since then the supply has been sent direct from Dundee by the War Office.

Although there is still a comparatively small quantity to ship, the total flour purchased was over 12,000,000 bags,

amounting to something like 440,000 tons, requiring for its manufacture 24,000,000 bushels of wheat.

The department of trade and commerce made purchases for Britain, France, New Zealand and South Africa, until late in 1916. By that time various British and foreign purchasing commissions had been established in Canada and these commissions have continued such purchases during the past year.

Since the commencement of their operations in May, 1915, the orders placed by the War Office Service at Montreal, aggregate approximately $58,000,000. The list of supplies bought is quite varied, but the commodities may be summarized under six headings as follows: Foodstuffs, $36,000,000; sugar, $10,700,000; miscellaneous manufactures of iron and steel, $3,400,000; woolen and cotton goods, $2,600,000; leather and rubber goods, $1,500,000; miscellaneous supplies, $3,800,000; total, $58,000,000.

The steel companies are all busy with various war orders. The steel companies are also engaged in making chemical explosives. Many other shops are also busy with shells.

Some Big Orders.

Some of the numerous large orders received since the war commenced are as follow:—

Company.	Order.	Ordered by
Canadian Car & Foundry Co.	$83,000,000 (shells)	Russia
Canadian Car & Foundry Co.	2,000 box cars	Russia
Eastern Car Co.	2,000 box cars	France
Canadian Locomotive Co. ..	50 locomotives	Russia
Eastern Car Co.	1,000 coal cars	France
Canadian Car & Foundry Co.	box cars	Great Britain

These are typical orders and give an idea of the size of the business being placed in Canada. These and other companies are negotiating with the governments concerned, for still further orders. At the same time the Dominion government is placing large orders for the equipment of its expeditionary forces.

The Eastern Car Company delivered in 1916 2,000 extra large box cars to the Russian government at Vladivostok. These cars gave excellent satisfaction. The same company also delivered in France in 1916 their first order for 1,000 cars for one of the French State railways. They were working last year on two other orders for France, one for the State railways and the other for the Paris and Orleans railway system. These amounted in all to 3,000 cars. Two steamer loads were ready for shipment in October, 1916. A large proportion of both these orders went forward before the end of 1916. The company is still engaged in the manufacture of freight cars for Russia and France.

Orders have also been placed here during the past year for United States army and navy supplies, but details of these cannot yet be obtained.

Negotiations conducted at Washington in November by the Imperial Munitions Board, Ottawa, resulted in the placing of a large order for 75 mm. shells, to be produced by Canadian plants for the United States government. About 7,500,000 shells will, under this arrangement, be produced in Canada during the first seven months of 1918.

The Imperial Munitions Board are acting for the United States authorities in placing the contract and supervising the production of these shells in Canada. The United States ordnance department is supplying the steel and component parts. The Canadian manufacturers are forging the steel and machining and assembling the shells. The Dominion government, which has co-operated in the negotiations, is, through the department of customs, facilitating the entry of steel and components into Canada and their reshipment as shells to the United States.

Credits for Britain.

The provision by Canada of credits here for Great Britain has facilitated the placing of war orders in this country. Indeed, the volume of these orders depends upon the amount of credits Canada is able to advance. To date, the total credits of this nature have been approximately $680,000,000. Sir Thomas White has frequently reminded us that the placing of orders for munitions and supplies in Canada depends upon our power to provide the credits here from which the British government must pay for them. How shall we obtain the money with which to bear our own war expenditures and loan large amounts in addition to the Imperial government to maintain and even increase the volume of orders for munitions and supplies which are coming to Canada at the rate of $2,000,000 a day?

The reply is by increased production and by economy in expenditures. This will enable us to pay our interest upon foreign indebtedness and retain a large balance representing the national gain upon the year's operations. Our present policy, therefore, must be one of national saving and investment of these savings in national securities.

Imperial Munitions Board.

The Imperial Munitions Board which took the place of the old Dominion Shell Committee, is the medium through which the Imperial government's shell orders are placed in Canada. Sir Joseph Flavelle, Toronto, is chairman, and is giving the whole of his time to the work. The other members are: Colonel E. Carnegie, Welland; Mr. G. H. Dawson, Victoria and Mr. E. R. Wood, Toronto. Mr. F. Perry, a former member of the colonial office and Imperial secretary under Lord Milner in South Africa, is the British representative on the board.

There is an advisory committee of the board appointed to inquire into the supply of raw materials for the production of war munitions and for the best method of conserving re-

SOME OF OUR LARGE WAR ORDER ITEMS.

1.	Shells, fixed ammunition, etc., from beginning of the war to December, 1917		$1,000,270,000
2.	Ships ordered during 1917		46,730,000
3.	Supplies purchased through British War Office Service, Montreal, to October, 1916:—		
	Cotton and woolen goods	$ 2,600,000	
	Foodstuffs	36,000,000	
	Sugar	10,700,000	
	Miscellaneous manufactures of iron and steel	3,400,000	
	Miscellaneous supplies	3,800,000	
	Leather and rubber goods	1,500,000	
			58,000,000
4.	Purchased and prepared for shipment by department of agriculture, Ottawa, to October, 1917:—		
	Hay, flour, oats, etc., for the Imperial authorities		94,329,040
5.	Supplies purchased through the department of trade, Ottawa, to end of 1916:—		

For.	Order.	Value.
Great Britain	1,000,000 bags flour	$ 3,003,005
France	406,916 army blankets	1,690,096
Italy	101,974 army blankets, 605,129 shirts	1,019,886
Italy	11,416,485 bushels wheat (approximately)	16,000,000
New Zealand	503,224 bushels wheat	1,000,401
South Africa	35,000 bags flour	129,663
		22,843,051

6.	Similar supplies purchased during 1917 by special purchasing commissions, including the Hudson's Bay Company acting for France, estimated at	50,000,000
7.	Supplies to Imperial navy by Canadian naval stations, estimated at	8,000,000

sources. The members of the advisory commission are Colonel Carnegie; Senator Edwards, Ottawa; G. W. Watts, Toronto; R. Hobson, Hamilton, and G. G. Mackenzie, superintendent of mines, Ottawa.

The Hudson's Bay Company are agents acting for the French ministry of commerce in arranging for and transporting on its behalf purchases made in Canada. No official figures are available as to these purchases.

War Purchasing Commission.

At Montreal there is also a British War Office Service in Canada which is making substantial purchases.

Another medium for war orders is the War Purchasing Commission with headquarters at Ottawa. The commission is made up as follows: Hon. A. E. Kemp, P.C. (chairman), Mr. C. F. Galt and Mr. H. Laporte. It does not itself directly place orders but authorizes orders which are placed by other departments for war purposes. This commission was appointed on May 8, 1915, and its duties include the supervision of purchases for the Canadian Expeditionary Force, as well as for the naval service and internment operations, of clothing, equipment, munitions and materials of war and supplies of every nature and the supervision of contracts for transportation, payable under the war appropriation acts. It is also directed to purchase on behalf of the government such supplies and munitions of war as the government may negotiate for the British or any Allied government.

In a general way the commission receives authority from the Privy Council to make expenditures necessary to effect any of the purposes authorized by the act, or it may be a specific authority approving the making of certain purchases. The commission, before seeking a general or specific authority to make purchases or authorize the making of contracts, prepares a report to the prime minister based upon a requisition or contract demand giving quantities and estimated cost from the department concerned.

Purchases are made upon a tender or competitive basis. The officers and employees of the departments concerned afford the commission necessary information with regard to the matters falling within the scope of its duties and powers, and co-operate with it in their performance whenever so required. The departments which chiefly co-operate with the commission are those of militia and defence, naval service and justice (the last mentioned in connection with internment operations).

The commission has compiled purchasing lists composed of Canadian producers in different branches of industry who are invited to tender upon articles in their particular line which are included in the numerous and varied requirements of the government. Many of the articles which have become war-time necessities were not hitherto made in Canada. Canadian producers have, however, familiarized themselves to such an extent with the different articles required that sufficient rivalry has been developed to ensure reasonable competition. Inspection is carried out at headquarters in Ottawa.

Rates of Transportation.

The rates charged for the transportation of bodies of troops of 350 or more, of all ranks, for distances over 100 miles, are one cent per mile second class, whether the railway company provides second-class accommodation or not, and one and one-half cents per mile first class; and the rates for numbers fewer than 350 and for distances of 100 miles or less, are one and one-third cents per mile for second class and two cents for first class.

The rates for freight are on a commodity basis of fourth class on military equipment, C.L. minimum 20,000 pounds.

The rates for the transport of troops overseas are fixed by an agreement in connection with the sailing of each vessel, these rates on an average being $61 for officers and for other ranks varying from $33.75 to $36.25 according to the class of vessel.

Supplies for overseas forces are for the most part transferred on vessels under Admiralty charter, and accordingly the freight charges on such supplies are controlled by Admiralty regulations.

About 9,000,000 acres out of a total of 210,000,000 acres in Quebec province are under agricultural development. The chief crop of the remaining 200,000,000 acres is and will always be timber for the reason that the soil is unfitted for tillage.

CANADA'S TRADE RELATIONS WITH NORWAY

Some Norwegian Capital is Invested in the Dominion—Imports and Exports

BY L. AUBERT.

The trade relations between Canada and Norway have hitherto not been very extensive, as lack of direct shipping facilities to a large extent has prevented the exchange of goods between these two countries. Just before the war broke out certain Norwegian shipping interests had practically completed plans for establishing a direct freight line between Norway and Canada, and a regular Norwegian freight line, trading on the Western States by means of the Panama Canal, was prepared to accept freight also to and from Western Canadan points. The exigencies of the war prevented further development along these lines. There is, however, every reason to believe that when settled conditions again will prevail the plans mentioned above will be reconsidered, so that the shipping service between Norway and the Dominion will be taken care of in a better way than hitherto.

Imports and Exports.

The value of the exports from Canada to Norway and the imports to the Dominion from Norway during the last three fiscal years will be seen from the figures quoted below from the official Canadian statistics:—

Fiscal year ended March 30th.	Imports to Canada from Norway.	Exports from Canada to Norway.
1915	$388,809	$1,000,790
1916	244,842	458,542
1917	325,239	966,153

The exports to Norway chiefly consisted of wheat flour, while the imports from that country to a large extent were made up of sardines and other tinned fish. There are, however, numerous other articles which may be exchanged between the two countries in the interest of both parties. Thus, Canada has a large exportable surplus of foodstuffs of all kinds, for which goods Norway probably always will afford a market. Of other articles which presumably could be exported from Canada to Norway I may mention agricultural machinery, asbestos, cobalt, etc., while, on the other hand, Canada might advantageously buy certain chemical products, various machinery, high-grade paper, and several other goods from Norway.

Norwegian Investments Here.

With regard to Norwegian investments in Canada, the British American Nickel Corporation, which is building a nickel refining plant near Sudbury, Ont., to some extent is financed by Norwegian capital. In the year before the war broke out Norwegian money was also invested, though not in any considerable degree, in real estate in Western Canada. A Norwegian fish expert recently started a cod liver oil refinery in Eastern Canada.

Regarding the immigration to Canada from Norway, a large number of Norwegians are living, especially in the middle and the western part of Canada. The exact number of Norwegians living in Canada is not known. They are principally farmers.

BRITISH COLUMBIA'S SALMON PACK

It is estimated that the money value of the British Columbia pack of salmon in 1917 will exceed that of any previous year. Prices last year were higher than before, and pack of over a million cases compares as follows:—

	Cases.
1909	967,000
1910	762,000
1911	948,000
1912	996,000
1913	1,353,000
1914	1,111,000
1915	1,133,000
1916	995,000
1917 (estimated)	1,000,000

CANADA'S COMMERCIAL BALANCE SHEET (Compiled for *The Monetary Times* by the Department of Trade and Commerce)

IMPORTS (Coin and Bullion excluded). See page 236 for Export figures.

	COUNTRIES (Fiscal years ended March 31st) IMPORTS	1912			1913			1914			1915			1916			1917			
		Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	
	BRITISH EMPIRE	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
1	United Kingdom	89,514,201	27,392,011	116,906,212	108,055,865	30,685,871	138,741,736	102,375,867	29,694,495	132,070,362	68,010,299	22,146,862	90,157,161	52,009,078	25,395,283	77,404,361	75,504,932	31,591,652	107,096,584	1
2	Aden		11,316	11,316	9	24,105	24,114		25,145	25,145	3,437	14,531	17,968	4,857		4,857	9,102		9,102	2
3	Africa—BritishEast	242,415		242,415	4,598		4,598	12,205	3,770	15,975	8,347	15,169	23,516	3,252		3,252	68		68	3
4	British South	40,421	101,708	142,129	86,669	180,793	267,462	94,562	383,261	477,823	7,420	307,467	314,887	7,384	168,495	175,879	18,604	202,872	221,476	4
5	British West				4	135	139	3,346	25,772	29,118					50	50				5
6	Bermuda	69	8,918	8,987	1,506	33,218	34,724	1,815	5,724	7,539	51	23,872	23,923	60	28,891	28,951	202	12,103	12,305	6
7	British China																			7
8	E.Indies—Brit.Ind.	1,203,223	1,632,982	2,836,205	155,826	4,497,418	4,653,244	183,024	4,823,285	5,006,309	826,700	3,307,147	4,133,847	2,372,323	2,360,449	4,732,772	3,789,916	1,135,966	4,925,882	8
9	Straits Settle.	177,887	247,578	425,465	251,974	267,650	519,624	223,993	341,850	565,843	202,688	573,028	775,716	204,920	49,702	254,622	282,732	558,463	841,195	9
10	Other East Indies	51,592	1,694,295	1,745,887	53,549	1,672,039	1,725,588	110,096	1,536,739	1,646,835	62,991	1,574,994	1,637,985	69,443	1,723,624	1,793,067	101,066	1,031,640	1,132,706	10
11	British Guiana	5,321,455	4,272	5,325,727	3,548,938	1,827	3,550,765	3,172,565	6,547	3,179,112	2,980,115	13,419	2,993,534	5,631,673	4,957	5,636,630	7,188,015	4,878	7,192,893	11
12	British Honduras	14	100	114		296,122	296,122		155,396	155,396		497,786	497,786		476,601	476,601		1,065,953	1,065,953	12
13	British West Indies	4,364,284	1,382,793	5,747,077	4,288,442	1,693,964	5,982,406	2,233,513	2,113,797	4,347,310	4,391,722	1,771,574	6,163,296	4,620,529	1,637,434	6,257,963	11,697,109	2,541,896	14,239,005	13
14	Falkland Islands		710	710																14
15	Gibraltar	176		176	175		175	17		17		150	150							15
16	Hong Kong	509,471	279,003	788,474	526,114	368,436	894,550	561,442	448,579	1,010,021	631,774	616,801	1,248,575	474,073	773,456	1,247,529	567,967	831,017	1,398,984	16
17	Malta	3,693	114	3,807	2,323	15	2,338	2,734	10	2,744	936	13	949	480		480	968	20	988	17
18	Newfoundland	17,622	1,824,265	1,841,887	11,289	2,044,885	2,056,174	23,074	1,817,449	1,840,523	14,224	1,228,576	1,242,800	796,971	779,644	1,576,615	1,006,680	1,140,278	2,146,958	18
19	Oceania—Australia	258,671	173,030	431,701	251,414	191,967	443,381	455,570	257,541	713,111	191,320	220,885	412,205	32,678	1,030,074	1,062,752	166,012	596,101	762,113	19
20	New Zealand	577,226	754,115	1,331,341	1,601,625	1,465,074	3,066,699	1,976,300	1,216,600	3,192,900	1,296,343	2,612,273	3,908,616	351,480	2,958,854	3,310,334	107,153	2,135,362	2,242,515	20
21	Fiji	192,914	70	192,984	269,845	2,074	271,919	239,182	1,537	240,719	1,780,368		1,780,368	1,262,718		1,262,718	831,890		831,890	21
22	Oth'rOceania				4,495		4,495				1,715	7,709	9,424	403	141	544	961		961	22
23	Other Brit. Empire																			23
	Totals, Brit. Empire	102,475,334	35,507,280	137,982,614	119,114,680	43,425,593	162,540,253	111,669,305	42,857,497	154,526,802	80,410,450	34,932,256	115,342,706	67,842,322	37,387,655	105,229,977	101,284,101	42,848,818	144,132,919	
	FOREIGN COUNTRIES																			
									3,635	3,635							6,054		6,054	24
24	Abyssinia				23,559	4,143,336	4,166,895	25,892	2,577,236	2,603,128	10,226	3,354,561	3,364,787	35,107	3,936,164	3,971,271	4,599	2,697,472	2,702,071	25
25	Argentine Republic	38,800	2,968,769	3,007,569	1,581,724	118,705	1,700,429	1,700,401	72,620	1,773,021	610,681	31,501	642,182	3,023	133	3,156	1,390		1,390	26
26	Austria-Hungary	1,494,324	44,197	1,538,521	2,535,789	1,484,389	4,020,178	2,977,584	1,512,892	4,490,476	1,223,819	652,144	1,875,963	46,413	12,902	59,315	8,152	6,744	14,896	27
27	Belgium	2,575,165	1,111,254	3,686,419								12,952	12,952					75	75	28
28	Belgian Congo				58		58								250	250				29
29	Bolivia				13,675	1,281,846	1,295,521	2,370	1,161,415	1,163,785	723,754	425,797	1,149,551	855,778	28,054	883,832	1,061,008	1,477	1,062,485	30
30	Brazil	3,370	1,094,610	1,097,980				454	91	545	1,725		1,725	5,875		5,875				31
31	Bulgaria																			
	CentralAmer.States																			
32	Costa Rica		41,567	41,567		27,036	27,036	37	34,737	34,774	453	15,026	15,479	48,634	75	48,709	55,066	500	55,566	32
33	Guatemala	28,193	48,171	76,364	37,935	116,812	154,747	46,473	64,291	110,764	46,558	45,591	92,149	70,447		70,447	189,977		189,977	33
34	Honduras																			34
35	Nicaragua	1,580		1,580		714	714							439		439	93,343		93,343	35
36	Salvador		55,003	55,003				7,450	10,495	17,945	3,600	6,789	10,389	13,611		13,611	12,464		12,464	36
37	Chile	71	305,584	305,655	57	624,964	625,021	24	767,265	767,289	190		190		169,284	169,284	12	198,345	198,357	37
38	China	155,384	442,563	597,947	211,632	541,136	752,768	344,029	569,233	913,262	228,927	813,456	1 042,383	263,621	654,989	918,610	374,668	753,734	1,128,342	38
39	Colombia	27,488	73,153	100,641		139,852	139,852		150,545	150,545	67,657	114,425	182,082	137,470		137,470	183,778	1,179	184,957	39
40	Cuba	1,108,631	380,169	1,488,800	2,024,618	525,055	2,549,673	3,512,587	440,300	3,952,887	1,384,407	232 884	1,617,291	1,304,904	235,615	1,540,519	263,022	347,785	610,807	40
41	Denmark	20,103	28,261	48,364	32,305	84,773	117,078	20,226	92,403	112,629	10,615	33 729	44,344	7,692	38,157	45,849	5,409	25,051	30,460	41
42	Danish W. Indies	75,454	1,125	76,579	240,687		240,687	259,368		259,368	115,469		115,469	58,351		58,351	107		107	42
43	Greenl'd,Icel'd,&c.		3,734	3,734		1,585	1,585	38	5,642	5,680		208	208		430	430		564	564	43
44	Ecuador	4,284	13,115	17,399	8,192	2,145	8,337	2,657		2,657	1,155		1,155	1,225		1,225	4,532		4,532	44
45	Egypt and Soudan	43,934	158	44,092	50,771	869	51,640	48,170	894	49,064	21,652	8,830	30,482	5,696	816	6,512	10,724	617	11,341	45
46	France	9,62 ,057	2,119,607	11,744,654	11,677,702	3,698,146	15,375,848	11,914,089	2,362,446	14,276,535	7.191,183	1,258,003	8,449,186	4,953,203	996,182	5,949,385	5.792,428	688,048	6,480,476	46
47	French Africa		9,180	9,180		5,429	5,429	1,019	40,486	41,505	2,883	5,478	8,361	474		474	140		140	47
48	French Guiana																			48
49	French Oceania		55	55																49
50	French W. Indies		616	616																50
51	Madagascar	1,756		1,756	11,171		11,171	520	42,970	43,490	203	4,122	4,325							51
52	S.Pi're & Miq'elon	7,141	4,768	11,909	2,157	1,911	4,068	3,415	2,653	6,068	2,222	2,022	4,244	1,899	3,033	4,932	3,273	2,089	5,362	52
53	Germany	7,984,629	3,105,369	11,089,998	10,082,199	4,132,348	14,214,547	11,151,601	3,434,622	14,586,223	3,887,906	1,199,080	5,086,986	41,126	45,178	86,304	11,212	2,920	14,132	53
54	German Africa								51.710	51,710		113,305	113,305							54
55	German Oceania	12		12																55
56	Greece	552,008	257	552,265	545,355	240	545.595	444,811	225	445,036	415,953	1,958	417,911	327,621	11,215	338,836	159,963	509	160,472	56
57	Hayti		28	28					106	106										57
58	Italy	722,482	424,340	1,146,822	1,211,371	502,214	1,713,585	1,428,517	661,870	2,090,387	1,055,516	417,283	1,472,799	633,554	286,717	920,271	871,228	355,779	1,227,007	58
59	Japan	1,302,207	1,209,668	2,511,875	2,118,146	1,385,387	3,503,533	1,463,970	1,140,246	2,604,216	1,301,992	1,481,473	2,783,465	2,177,946	1,837,179	4,015,125	6,094,235	2,028,500	8,122,735	59
60	Korea		70	70							75		75	45		45				60
61	Liberia																			61
62	Mexico	14,887	994,670	1,009,557	37,059	3,067,013	3.104.072	36,958	1,434,224	1,471,182	52,055	1,177,922	1,229,977	375,597	247,684	623,281	61,179	616,372	677,551	62
63	Morocco		2,500	2,500	93	1,574	1,667		162	162		89	89	1,699		1,699	2,647		2,647	63
64	Netherlands	1,170,005	1,253,897	2,423,902	1,452,877	1,656,677	3,109,554	1,642 791	1,372,665	3,015,456	1,229,505	539,751	1,769,256	782,123	275,610	1,057,733	1,030,349	204,644	1,234,993	64
65	Dutch East Indies	1,771,035	54,543	1,825,578	2,957,287	252,107	3,209,394	877.017	99,073	976,090	116,153	81,589	197,742	31,315	137,854	169,169	567,987	52,201	620,188	65
66	Dutch Guiana	47,980		47,980	64,330		64.330	216,126		216,126	186,376		186,376	372,248		372,248	4,549		4,549	66
67	Dutch W. Indies		378	378	138		138		367	367										67
68	Norway	290,927	25,832	316,759	426,606	61,533	488,139	446,513	39,866	486,379	316,744	68,903	385,647	210,630	68,461	279,091	238,232	87,007	325,239	68
69	Panama																			69

	COUNTRIES (Fiscal years ended March 31st) IMPORTS	1912			1913			1914			1915			1916			1917			
		Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	
	Foreign Countries	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
70	Paraguay																			70
71	Persia		3,013	3,013	39,186	200	39,386	11,879		11,879	6,015	509	6,524	3,789		3,789	33,617		33,617	71
72	Peru	167,136		167,136	314,686		314,686	747,546	1,000	748,546	1,407,350	86,696	1,494,046	789,223	373,180	1,162,403	1,553,086	100,204	1,653,290	72
73	Portugal	201,352	58,190	259,542	273,957	69,292	343,249	256,168	21,213	277,381	196,395	19,213	215,608	164,051	43,583	207,634	229,848	30,246	260,094	73
74	Azores&Madeira I.	488		488	1,211		1,211	5,282		5,282	1,865		1,865	4,303		4,303	20,452		20,452	74
75	Portugese Africa																			75
76	Roumania	118	753	635	700	680	1,380	3,806	750	4,556	6,960	185	7,145							76
77	Russia in Asia	1,730		1,730	861		861													77
78	Ruasia in Europe	23,160	312,622	335,782	30,460	893,763	924,223	21,160	461,649	482,809	62,514	42,941	105,455	8,205	115,699	123,904	429	23,711	24,140	78
79	San Domingo	1,173,761	2,806	1,176,567	1,803,963		1,803,963	2,942,333		2,942,333	3,193,796		3,193,796	4,020,491		4,020,491	3,888,807		3,888,807	79
80	Serbia	270		270	4,074		4,074				140		140							80
81	Siam		25,649	25,649	40,517		40,517	80,284	79,389	159,673	494	12,178	12,672	1,065	29,586	30,651	14,059	3,705	17,764	81
82	Spain	1,172,973	100,238	1,273,211	1,203,223	55,747	1,258,970	1,273,643	78,490	1,352,133	901,247	76,201	977,448	529,281	87,744	617,025	830,276	79,270	909,546	82
83	Canary Islands																			83
84	Spanish Africa																			84
85	Sweden		74,731	329,734	404,223	68,155	472,378	515,427	87,974	603,401	411,288	134,547	545,835	112,241	50,430	162,671	58,720	41,118	99,838	85
86	Switzerland	3,410,529	47,477	3,458,006	4,228,262	68,440	4,296,702	4,252,961	61,844	4,314,805	3,920,387	58,869	3,979,256	3,474,301	50,816	3,525,117	4,436,320	63,601	4,499,321	86
87	Turkey in Af.(Trip'li)	27		27																87
88	Turkey in Asia	437,845	23,647	461,492	407,864	113,645	521,509	397,234	82,035	479,269	306,849	16,378	323,227	42,248		42,248	243		243	88
89	Turkey in Europe	10,358	23,439	33,797	59,702	14,235	73,937	15,527	185	15,712										89
90	United States	196,886,150	133,542,352	330,428,502	276,330,434	159,439,647	435,770,081	249,482,610	146,082,718	395,565,328	168,658,299	127,974,207	296,632,506	199,466,665	171,029,909	370,496,574	332,039,327	332,180,326	664,219,653	90
91	Alaska	300	61,072	61,372	7,896	38,681	46,577	28,432	38,038	66,470	20,768	17,524	38,292	4,731	1,629	6,360	10,094	9,478	19,572	91
92	Guam, etc																			92
93	Hawaii	13,003	17,311	30,314	26,518	18,171	44,683	49,985	11,380	61,365	23,217	9,438	32,655	20,253	1,854	22,107	54,585	1,112	55,697	93
94	Philippines	4,405	66,441	70,846	4,227	19,413	23,640	4,838	877	5,715	2,177	4,027	6,204	1,020	11,339	12,355	39,899	425	40,324	94
95	Porto Rico	198	635	833		99	99	22	1,591	1,613				3		3	498	4,890	5,388	95
96	Uruguay		314,511	314,511	451	160,191	160,642	1,024	54,702	55,726	1,434	11,347	12,781		280,457	280,457		146,619	146,619	96
97	Venezuela		148,002	148,002	8,908	193,842	202,750	3,560	129,683	133,243	51,036	158,590	209,626	114,569	789	115,358	138,305	18,779	157,084	97
98	Other For.Countries																			98
	Totals, For. Coun.	232,828,726	150,636,969	383,465,695	322,492,225	185,056,588	507,548,813	298,589,439	165,340,903	463,930,342	199,381,745	140,721,861	340,103,606	221,524,205	181,062,977	402,587,182	360,449,508	340,773,879	701,223,387	
	Grand Totals	335,304,060	186,144,249	521,448,309	441,606,885	228,482,181	670,089,066	410,258,744	208,198,400	618,457,144	279,792,195	175,654,117	455,446,312	289,366,527	218,450,632	507,817,159	461,733,609	383,622,697	845,356,306	

SHIPBUILDING IN BRITISH COLUMBIA

Important Industry is in Full Swing—Steel Plant Needed —Launching of the "War Dog"

BY H. H. STEVENS, M.P.

In the short space of two years, British Columbia has advanced from the anticipatory stage to the actual, as far as shipbuilding is concerned. It has been demonstrated that wooden or steel ships can be built on this coast successfully, and it is confidently expected that the shipbuilding industry is now permanently established.

As far as wooden shipbuilding is concerned, we have a limitless supply of suitable timber and this is now being secured in adequate quantities. For a while, the shortage of skilled labor presented the chief difficulty, but after nearly two years' experience, nearly all the yards state they find no real or insuperable difficulty in training ordinary carpenters to efficiently handle the more intricate task of ship carpentry.

As regards steel shipbuilding, one of the causes of anxiety on the part of the operating yards has been the uncertainty of supply of sufficient steel plates, but in spite of this, wonderful progress has been made. Here also, the lack of trained or skilled men has been a handicap, but, as in the case of wooden shipbuilding, it has been found quite feasible to utilize iron workers of other lines and train them in the new work.

Six Large Yards.

There are six large yards now engaged in wooden shipbuilding and three in steel construction in British Columbia. Already eleven wooden sailing ships of 2,500 tons burthen, with auxiliary power, have been launched and are now scattered in every quarter of the globe with cargoes from British Columbia. There are twenty wooden steamers now in various stages of completion, and seven more under contract for the Imperial Munitions Board. These are of about 3,500 tons' burthen. The yards which are now engaged in this work are well equipped and will be able to take on more work in the immediate future. Referring to the labor conditions one expert said to the writer recently: "There is a great dearth of shipwrights and caulkers, and, in consequence, the yards are somewhat handicapped, as it takes time to convert an ordinary carpenter into a shipwright."

As far as steel shipbuilding is concerned, splendid progress has been made. The Wallace Shipyards have had the honour of completing the first vessel, a steamer of 4,600 tons burthen (the "War-Dog"), and they have another of the same type well under way. Several other orders are in hand by this firm.

The "J. Coughlan & Sons" converted their structural steel plant into a shipbuilding plant with a capacity for constructing ships up to 10,000 tons, and at the present time have signed contracts for six vessels each of 8,800 tons. This firm can now lay down six such vessels per year, and can easily increase this capacity to ten per year. It is expected that the first of these vessels will soon be launched.

Another yard is about to be established with orders in hand for four steel vessels for the French Government, besides several official enquiries from the British, Norwegian and American governments.

Six Thousand Employees.

There are now about 6,000 men employed directly in this new industry and several millions of dollars have already been spent and many millions more contracted for. In addition to this, many machine shops and factories are busy turning out accessories and equipment, so that shipbuilding has now become one of our most promising and thriving industries.

As some evidence of the need of ships, there is one order for ten million feet of timber which cannot be filled for lack of bottoms to carry it to its market; besides this, it is impossible to handle the cargoes offering for oriental ports alone.

Last year, in *The Monetary Times* Annual, I pointed to the need of a steel plant to supply the steel required, and this need is now much more apparent; in short, it is imperative. The iron ore is here in vast quantities, with unlimited supplies of coking coal and an immediate demand at home and abroad for iron and steel. It would therefore seem reasonable that such a plant should now be established.

CANADA'S COMMERCIAL BALANCE SHEET—*Continued from page 235*

EXPORTS (Coin and Bullion excluded)

	COUNTRIES (Fiscal years ended March 31st) EXPORTS	1912			1913			1914			1915			1916			1917			
		Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	
	BRITISH EMPIRE	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
1	United Kingdom	147,240,413	4,592,966	151,833,379	170,161,903	7,820,099	177,982,002	215,253,969	7,068,323	222,322,292	186,668,554	25,089,164	211,757,718	451,852,399	11,228,842	463,081,241	742,147,537	13,923,522	756,071,059	1
2	Aden	65		65	26		26	1,732		1,732	9,014		9,014	13,740		13,740	6,769		6,769	2
3	Africa—British East	22,172		22,172	51,022	6	51,028	57,103	25	57,128	59,838		59,838	76,681		76,681	25,799		25,799	3
4	British South	2,411,252	7,241	2,418,493	3,332,040	8,473	3,340,513	3,831,270	3,322	3,834,592	4,585,791	59,798	4,645,589	5,456,201	52,880	5,509,081	4,447,802	5,137	4,452,939	4
5	British West	54,721		54,721	82,830		82,830	39,011		39,011	40,927		40,927	128,508	50	128,558	268,728		268,728	5
6	Bermuda	526,517	16,755	543,272	414,644	23,867	438,511	383,151	21,958	405,109	357,712	10,551	368,263	435,615	12,866	448,481	584,577	16,869	601,446	6
7	British China																			7
8	E. Indies—Brit. Ind.	156,335	633	156,968	226,184	416	226,600	416,373	1,106	417,479	415,105	575	415,680	904,889	11,425	916,314	1,094,046	4,310	1,098,356	8
9	Straits Settle.	131,647	168	131,815	228,606		228,606	230,455	1,099	231,554	245,355	101	245,456	281,734		281,734	333,390		333,390	9
10	Other East Indies	19,675	121	19,796	7,243		7,243	39,496	250	39,746	23,905		23,905	44,217		44,217	27,827		27,827	10
11	British Guiana	576,365	7,171	583,536	627,244	3,236	630,480	649,675	3,061	652,736	675,660	3,137	678,797	1,207,134	4,770	1,211,904	1,631,395	8,075	1,639,470	11
12	British Honduras	9,063	128	9,191	10,252	147	10,399	9,298	60	9,358	9,450		9,450	3,355	132	3,487	2,562	211	2,773	12
13	British West Indies	3,967,748	66,677	4,034,425	3,915,172	45,453	3,960,625	4,469,329	20,540	4,489,869	4,333,095	33,697	4,366,792	4,115,872	19,029	4,134,901	5,163,278	15,805	5,179,083	13
14	Falkland Islands																110		110	14
15	Gibraltar	24,613		24,613	36,919		36,919	38,004		38,004	210,303	1,226,011	1,436,314	1,073,156	364,478	1,437,634	2,808,554		2,808,554	15
16	Hong Kong	564,729	14,640	579,369	774,954	189	775,143	1,879,261	3,020	1,882,281	653,838	1,215	655,053	779,358	34,615	813,973	494,462	610	495,072	16
17	Malta	24,684		24,684	42,625		42,625	108,389		108,389	23,313	42,770	66,083	35,136	4	35,140	6,190	6,090	12,280	17
18	Newfoundland	4,131,602	151,955	4,283,557	4,472,717	254,805	4,727,522	4,508,090	232,555	4,740,645	3,976,160	216,303	4,192,463	4,820,395	246,529	5,066,924	6,517,529	251,211	6,768,740	18
19	Oceania—Australia	3,924,023	22,992	3,947,015	3,954,481	41,906	3,996,387	4,673,997	31,825	4,705,822	5,522,594	30,092	5,552,686	7,748,051	25,158	7,773,209	6,549,546	27,179	6,576,725	19
20	New Zealand	1,330,762	10,070	1,340,832	1,694,408	3,685	1,698,093	1,933,698	2,178	1,935,876	2,619,556	4,299	2,623,855	3,367,404	54,595	3,361,999	3,302,240	31,670	3,333,910	20
21	Fiji	125,615	144	125,759	144,898	641	145,539	118,441	282	118,723	112,355	324	112,679	196,308	770	197,078	155,653	541	156,194	21
22	Other Oceania				3,499		3,499	1,775		1,775	8,244		8,244	10,087		10,087	12,157		12,157	22
23	Other Brit. Empire																			23
	Totals, Brit. Empire	165,242,001	4,891,661	170,133,662	190,181,667	8,202,923	198,384,590	238,642,517	7,389,604	246,032,121	210,550,769	26,718,037	237,268,806	482,490,240	12,056,143	494,546,383	775,740,446	14,291,230	790,031,676	
	FOREIGN COUNTRIES																			24
24	Abyssinia																			25
25	Argentine Republic	2,975,908	76	2,975,984	2,251,855	11,969	2,263,824	2,134,522	751	2,135,273	634,387	5,082	639,469	2,398,628	27	2,398,655	1,673,575	1,085	1,674,660	26
26	Austria-Hungary	55,662	203	55,865	154,165	429	154,594	368,425	10,399	378,824	220,654	59,134	279,788							27
27	Belgium	2,851,044	881,178	3,732,222	4,241,568	567,429	4,808,997	4,269,394	550,449	4,819,843	2,220,709	1,038,650	3,259,359	334,762		334,762	664,722		664,722	28
28	Belgian Congo																54		54	29
29	Bolivia	2,855	7	2,862	4,634		4,634	2,727		2,727				2,383		2,383	19,367		19,367	30
30	Brazil	760,910	12,778	773,688	974,462		974,462	767,858		767,858	541,998	517	542,515	1,059,700	82,405	1,142,105	1,028,163	34,382	1,062,545	31
31	Bulgaria																			
	Central Amer. States																			
32	Costa Rica	85,372	5,095	90,467	64,264	451	64,715	42,851	431	43,282	36,045	37	36,082	28,338		28,338	30,192		30,192	32
33	Guatemala	18,661	25	18,686	22,648		22,648	49,862		49,862	27,295		27,295	17,798		17,798	22,980		22,980	33
34	Honduras	6,453		6,453	2,966	116	3,082	3,706		3,706	5,587	20	5,607	7,759		7,759	15,544		15,544	34
35	Nicaragua	9,703	655	10,358	7,593	753	8,346	4,926	201	5,127	1,618		1,618	3,311		3,311	4,699		4,699	35
36	Salvador	6,250	25	6,275	6,009		6,009	12,137		12,137	2,215		2,215	4,190		4,190	6,214		6,214	36
37	Chile	175,253		175,253	136,107		136,107	134,457	21	134,478	55,302	45	55,347	88,634		88,634	508,177		508,177	37
38	China	413,899	908	414,807	740,690	1,270	741,960	473,074	105	473,179	294,251	2,152	296,403	536,332	150	536,482	408,002	10,397	418,399	38
39	Colombia	23,550		23,550	37,304	2,119	39,423	25,686		25,686	24,027	90	24,117	32,259		32,259	66,836		66,836	39
40	Cuba	2,024,617	72,161	2,096,778	1,496,857	29,986	1,526,843	1,815,414	13,107	1,828,521	1,482,649	39,342	1,521,991	1,419,087	12,203	1,431,290	2,967,053	47,269	3,014,322	40
41	Denmark	605,609	3,454	609,063	785,606		785,606	637,286	607	637,893	529,690	190,230	719,920	111,432	1,556	112,988	111,044	1,221	112,265	41
42	Danish W. Indies	11,189	98	11,587	17,870	191	18,061	15,207	173	15,380	13,536	35	13,571	7,537		7,537	24,910		24,910	42
43	Greenl'd, Icel'd,&c.	50		50	21		21	272		272	1,668		1,668	5,132		5,132				43
44	Ecuador	8,810		8,810	14,638		14,638	19,145		19,145	8,646		8,646	19,395		19,395	12,241		12,241	44
45	Egypt and Sudan	5,904		5,904	35,947		35,947	62,677		62,677	26,484		26,484	39,493	346	39,839	160,295		160,295	45
46	France	2,048,768	74,937	2,123,705	2,357,154	207,449	2,564,603	3,632,444	178,118	3,810,562	10,499,680	4,096,025	14,595,705	33,703,183	2,382,630	36,085,813	64,039,192	2,612,908	66,652,100	46
47	French Africa	223,521		223,521	65,409		65,409	57,105		57,105	4,170		4,170	12,536	4	12,540	8,744		8,744	47
48	French Guiana	1,021		1,021							2,374		2,374	1,234		1,234	231		231	48
49	French Oceania	400		400				1,431		1,431	1,488		1,488	2,355		2,355	815		815	49
50	French W. Indies	12,141		12,141	30,161		30,161	20,862		20,862	32,479		32,479	103,895		103,895	187,093		187,093	50
51	Madagascar																			51
52	S. Pi're & Miq'elon	138,035	4,816	142,851	155,927	6,748	162,675	114,827	8,466	123,293	141,097	14,235	155,332	154,920	16,650	171,570	187,661	22,123	209,784	52
53	Germany	3,577,847	237,067	3,814,914	3,049,105	353,298	3,402,394	4,044,019	389,717	4,433,736	1,447,341	714,619	2,162,010							53
54	German Africa	104		104	349		349	2,020		2,020										54
55	German Oceania	1,000		1,000	200		200	10,720		10,720	4,800		4,800							55
56	Greece	8,644		8,644	65,658		65,658	11,934		11,934	87,485		87,485	222,330		222,320	19 309		19,309	56
57	Hayti	26,218		26 218	33,069		33,069	37,783		37,783	4,295		4,295	2,119		2,119	6,365		6,365	57
58	Italy	282,225	2,866	285,091	328,148	277,571	605,719	514,660	140,596	655,256	521,802	1,319,108	1,840,910	6,572,687	4,160,601	10,733,288	11,226.051	242,548	11,468,599	58
59	Japan	486,441	1,127	487,568	1,137,867	1,731	1,139,598	1,587,467	1,600	1,589,067	963,631	73,370	1,037,001	996,575	1,665	998,240	1,205,067	77,048	1,282,115	59
60	Korea	21,175		21,175	13,863		13,863	12,880		12,880	1.712		1,712	605		605	106,850		106,850	60
61	Liberia	142		142	393		393	1,500		1,500	63		63				310		310	61
62	Mexico	494,723	772	495,495	218,371	47	218,418	51,747	155	51,902	18,551		18,551	72,819	14,344	87,163	70,330	10,060	80.390	62
63	Morocco	35		35													4,634		4,634	63
64	Netherlands	1,434.379	348,347	1,782,726	2,380 983	360,730	2,741,713	3,985,987	1,522.819	5,508,806	1,623,405	3,631,424	5,254,829	1,815,950	747,676	2,563,626	1,561.480	7.834	1,569,314	64
65	Dutch East Indies	7,001		7,001	11,578		11,578	20.366		20,366	25,927		25,297	272,710		272,710	332,785		332,785	65
66	Dutch Guiana	57,710		57,710	50,665		50,665	46,749		46,749	40,453	495	40.948	49,574	301	49,875	71,411	201	71,612	66
67	Dutch West Indies	917		917	3,853		3,853	2,289		2,289	6 715		6,715	7,701		7,701	20,373		20,373	67
68	Norway	618,738	835	619,573	673,304	727	674,031	845,331	53	845,384	1,000,715	75	1,000,790	458,530	12	458,542	964,552	1,601	966,153	68
69	Panama	224,649	4,609	229,258	191,953	14,845	206,798	222,741	953	223,694	125,630	3,406	129,036	153,556		153.556	271,022		271,022	69

	COUNTRIES (Fiscal years ended March 31st) EXPORTS)	1912			1913			1914			1915			1916			1917		
		Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS
		$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
	FOREIGN COUNTRIES																		
70	Paraguay				397		397		50	50							88		88
71	Persia				300		300										475		475
72	Peru	12,825	48	12,873	11,120		11,120	11,817		11,817	13,141		13,141	47,182	80	47,262	246,791	72	246,863
73	Portugal	70,390		70,390	49,142		49,142	55,481		55,481	25,206	763,279	788,485	56,726		56,726	209,689		209,689
74	Azores & Madeira I.	17,191		17,191	32,690		32,690	33,988		33,988	6,279		6,279	17,833		17,833	33,441		33,441
75	Portugese Africa	72,819		72,819	103,808		103,808	91,296		91,296	79,611		79,611	58,349	419	58,768	15,593		15,593
76	Roumania	97,395		97,395	106,052		106,052	69,800		69,800	3,150		3,150						
77	Russia in Asia							61,487		61,487									
78	Russia in Europe	1,241,438	36	1,241,474	2,145,211	25	2,145,236	1,368,939	1,154	1,370,093	1,270,941	60,250	1,331,191	4,874,152	1,863,000	6,737,152	3,755,569	430,253	4,185,822
79	San Domingo	29,254		29,254	53,050		53,050	59,721		59,721	3,938		3,938	12,919		12,919	39,827		39,827
80	Serbia	1,435		1,435	64		64	1,538		1,538	8		8	12,475		12,475			
81	Siam	539		539				3,171		3,171	16,322		16,322	22,486		22,486	22,154		22,154
82	Spain	114,546	18	114,564	48,628		48,628	63,995	4	63,999	243,001	246,679	489,680	634,977	21	634,998	326,179	5,000	331,179
83	Canary Islands	6,607		6,607	12,923		12,923	21,639		21,639	29,841	328	30,169	24,559		24,559	79,066		79,066
84	Spanish Africa													39		39			
85	Sweden	129,309	5	129,314	121,582	540	122,122	177,313	179	177,492	172,796	500	173,296	53,440		53,440	18,215		18,215
86	Switzerland	16,329	3,189	19,518	7,599	7,753	15,352	21,439	25,276	46,715	11,853	4,592	16,445	224,535	754,568	979,103	672,508	882	673,390
87	Turkey in Af. (Tripli)				33,040		33,040	1,538											
88	Turkey in Asia	18,101		18,101	8,453	1,650	10,103	11,588		11,588									
89	Turkey in Europe	9,010	2,500	11,510	16,762		16,762	457,790		457,790	3,979	1,982	5,961						
90	United States	102,041,222	10,915,073	112,956,295	139,725,983	11,235,722	150,961,675	163,372,825	13,575,474	176,948,299	173,320,216	13,022,640	186,342,856	201,106,488	15,562,774	216,669,262	280,616,330	9,962,443	290,578,773
91	Alaska	335,887	26,553	362,440	345,140	24,736	369,876	134,238	32,308	166,546	297,282	16,595	313,877	331,538	24,708	356,266	462,511	69,832	532,343
92	Guam, etc	100		100															
93	Hawaii	133,147	564	133,711	76,498	125	76,623	29,672	5,741	35,413	70,591	700	71,291	35,756	3,783	39,539	247,752	6,313	254,065
94	Philippines	22,431	93	22,524	75,404		75,404	60,806		60,806	41,574		41,574	7,323		7,323	12,808		12,808
95	Porto Rico	689,424	196	689,620	609,375	2,421	611,806	542,962	324	543,286	468,698		468,698	699,460	3,256	702,716	719,918	576	720,494
96	Uruguay	191,642		191,642	160,636		160,636	90,615		90,615	52,820		52,820	33,101		33,101	68,549		68,549
97	Venezuela	22,982	319	23,301	65,892		65,892	139,264		139,264	56,196		56,196	98,567	*108	98,567	238,911	54	238,965
98	Other For. Countries													*49,024		*49,132			
	Totals, For. Coun	124,981,856	12,600,633	137,582,489	165,572,933	13,110,822	178,683,765	192,945,922	16,459,181	209,405,103	198,868,067	25,805,636	224,173,703	259,120,398	25,633,289	284,753,687	375,635,322	13,544,102	389,179,424
	Grand Totals	290,223,857	17,492,294	307,716,151	355,754,600	21,313,755	377,068,355	431,588,439	23,848,785	455,437,224	409,418,836	52,023,673	461,442,509	741,610,638	37,689,432	779,300,070	1,151,375,768	27,835,332	1,179,211,100

* Montenegro

CANADIAN MANUFACTURERS AFTER THE WAR

They Will Be in Good Position to Meet New Problems—Labor Conditions

By SENATOR CURRY.

In regard to the manufacture of munitions and the change from this business to regular business lines after the war, I believe the Canadian manufacturers engaged in munition work are generally strengthening their financial position, which will be a great help to them in their regular business after the war is over.

Now that the United States are purchasing enormous quantities of shells, a number of Canadian manufacturers who have finished their contracts are disposing of their machinery at good prices to United States manufacturers, and it is quite possible that others may use their machinery on finishing shells for the United States government.

Condition of Machinery.

As to the condition of this machinery at the close of the war, it is likely that before the war is over a great deal of this machinery will have been in use four years, and most of it operated from 20 to 24 hours per day, so that a great deal of it will be worn out and have to be scrapped on that account, and no doubt most of the machinery that remains in good condition until the end of the war will find use in general commercial lines under peace conditions.

As to manufacturing generally under peace conditions after the war, my opinion is that stocks of manufactured goods of all kinds will be at a very low level at the end of the war, both on account of the very high prices now existing and the necessity of using all facilities for munitions and other articles necessary for the carrying on of the war. Therefore, I think that prices will rapidly become normal after the war and the filling of the requirements for commercial goods will keep practically all of our manufacturers busy for years to come.

Labor Conditions.

Labor conditions should improve with the close of the war, and the return of so many men from military service to their former occupations.

I also believe that we may confidently look for a very large increase in the number of settlers coming to Canada after the war.

LIVE STOCK IN CANADA

The quinquennial return of live stock in Canada was issued at Ottawa last month. The following are the figures the unit being thousands:—

	1912.	1917.
Horses	2,692	3,035
Cattle	6,431	5,971
Sheep	2,082	2,010
Pigs	3,477	2,514

The average value of horses in Canada in 1916 was about the same as in the previous year, but milch cows, other cattle, sheep and swine showed a substantial increase and returned values that were higher than in any year since these records began to be collected in 1909 by the census office, Ottawa. Horses three years old and over average, for Canada, $150 in 1916 as against $160 in 1915, milch cows are $70 as compared with $62, cattle between one year old and three years average $43 against $38, sheep average $10.48 against $7.96, and swine $11.98 per 100 pounds, live weight, as against $8.58. The average value of wool attains a record of 37 cents per pound for unwashed and 50 cents per pound for washed wool. Using the numbers of live stock as estimated in June, 1916, and the average values returned, the total value of the farm animals of Canada may be estimated at $798,544,000, as compared with $746,246,000 in 1915, the values of each description being as follows: Horses, $374,831,000 as against $370,378,000 in 1915; milch cows, $181,813,000 as against $164,224,000; other horned cattle, $170,254,000 as against $151,477,000; sheep, $20,588,000 as against $16,225,000, and swine, $51,058,000 as against $43,042,000. There has been comparatively little change during the past year.

Table showing Important Changes in Wholesale Prices, 1914—17

(Compiled by the Department of Labour, Ottawa)

Article	1914		1915		1916		1917	
	January	July	January	July	January	July	January	July
	$	$	$	$	$	$	$	$
§Wheat, No. 1, Northern, per bu., Winnipeg	.85	.89½	1.38⅜	1.40	1.27⅝	1.15	1.84⅜	2.40
Wheat, No. 1, Northern, per bu., Duluth	.86	.91	1.30¼	1.40⅜	1.32½	1.11½	1.96½	2.70
Wheat, No. 1, Northern, per bu., Liverpool	1.04⅛—	1.07⅜—	1.74	1.67⅛—	2.04⅝—	1.67⅜—	2.70⅛—	2.62
	1.04½	1.08½		1.67½	2.05⅝	1.68⅜	2.73¾	
Flour, first spring wheat patents, per bbl., Toronto	5.30	5.70	7.30	7.20	7.20	6.70	10.10	13.10
Flour, standard patent, in wood, per bbl., Minneapolis	4.45—	4.35—	6.65—	6.60—	6.70—	5.80—	9.20—	13.10—
	4.60	4.65	6.95	7.10	6.90	6.30	9.70	14.40
Flour, household, per lb., London	.024	.024	.041	.025	.045	.040	.052	.053
*Bread, average price, per lb., Canada	.043	.042	.045	.049	.044	.047	.061	.074
" " " " United States	.055	.055	.060	.063	.062	.062	.070	.088
" " " " Great Britain	.035	.035	.039	.041	.042	.042	.052	.058
Beef, dressed, hindquarters, per 100 lbs., Toronto	15.00—	15.00—	13.50—	15.00—	13.00—	17.00—	15.00—	18.00—
	16.00	17.00	14.50	16.00	14.00	18.00	17.00	20.00
" carcass, fresh, per lb., Chicago	.12½	.12½	.12	.12⅝	.11¼	.14	.13	.15¼
" Scotch sides, per lb., London	.134	.149	.167	.144	.165	.238	.248	.307
Bacon, breakfast, per lb., Montreal	.17—	.16—	.16—	.19—	.18—	.24½—	.27	.34
	.19	.17½	.18	.21	.22	.25		
" short ribs, per lb., Chicago	.12¾	.12½	.11¾	.11½	.12	.14	.17	.23½
" American, per lb., London	.163†	.154†	.184	.159	.185	.187	.230	.273
Butter, creamery, finest, per lb., Montreal	.28½—	.23½—	.30—	.27½—	.34½—	.29½—	.43—	.36—
	.29	.23½	.30½	.27¾	.35	.29⅝	.43½	.36½
Potatoes, per bag, Toronto	.95—	1.50	.65—	.60—	1.85—	1.90	2.50	3.00
	1.00		.75	.75	.65			
Wool, Ontario, washed, per lb., Toronto	.25½—	.26½—	.28—	.36—	.40—	.47—	.42—	.65—
	.27½	.28½	.31	.41	.44	.52	.45	.70
Cotton, raw, upland middling, per 100 lbs., New York	12.50	13.25	7.80	9.60	12.50	14.30	17.45	27.40
Leather sole, for jobbing, per lb., Toronto	.36—	.36—	.38—	.38—	.38—	.50—	.67—	.67—
	.37	.37	.40	.40	.40	.51	.68	.68
Iron, pig, per ton, Montreal	19.50—	19.00—	19.00—	19.75—	23.00—	24.50—	28.00	40.00—
	21.00	20.00	19.75	20.00	24.00	25.50		50.00
Spelter, zinc, per lb., Toronto	05	.05½	.06	.28	.21	.15	.13½	.12½
Coke, furnace, Connellsville, per ton at ovens	.75	1.75—	1.60	1.60	3.00	2.50—	8.00	14.50
		1.80				2.75		15.75
Coal, anthracite, egg, per ton, Montreal	.80	6.40	6.70	6.40	6.65	6.75	7.10	8.40—
								8.50
Lumber, spruce, deals, per M., St. John	5.50	15.25	18.50	15.50	21.00	19.00	20.50	20.50
Paris Green, lb., Toronto	.20¾	.19	.18¼	.25	.40	.44	.45	.55
Carbolic acid, crystal, per lb., Toronto	.28	.30	.55	2.00	2.25	1.50	1.20	.90
Caustic soda, per 100 lbs, Montreal	2.25	2.50	3.00	3.40	7.25	7.50	6.50	7.50
Rubber, raw, Para Islands, fine, per lb., New York	.60—	.57—	.70—	.53—	.80—	.59	.70	.61—
	.61	.58	.72	.54	.82			.61½
Pulp, sulphite, bleached, per ton, Montreal	58.00—	55.00—	57.00—	54.00—	68.00	150.00	160.00—	120.00—
	60.00	58.00	58.00	58.00			170.00	130.00
Rope, manilla, pure, per lb., Toronto	.16	.15	.14	.16	.17½	.22½	.27	.37

* Retail † Irish § In store at Port Arthur or Fort William

Table showing Index Numbers of Wholesale Prices in Canada by Groups of Commodities, 1910 to August, 1917—Average Prices 1890—1899-100

(Compiled by the Department of Labour, Ottawa)

Article	1910	1912	1913	1914	1915	1914				1915				1916				1917*							
						Jan.	Apr.	July	Oct.	Jan.	Apr.	July	Oct.	Jan.	Apr.	July	Oct.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
1.—Grains and fodder	140.7	167.3	136.8	156.5	186.9	140.9	145.4	150.4	167.1	191.7	204.0	191.2	161.1	181.0	177.0	179.0	220.7	258.7	243.0	254.1	275.9	304.2	290.9	294.1	294.7
2.—Animals and meats	163.6	160.8	180.8	192.3	187.2	194.2	194.8	195.7	187.6	177.9	185.4	195.0	187.3	196.3	218.1	231.7	211.5	249.2	260.2	269.1	283.0	306.5	280.4	292.6	289.2
3.—Dairy products	135.7	159.0	154.7	454.4	161.4	179.9	148.6	131.3	162.6	177.5	160.7	141.2	172.1	186.7	170.1	160.5	211.4	233.3	234.8	224.2	216.0	221.8	205.7	208.6	225.2
4.—Fish	145.1	155.7	158.0	156.0	149.7	153.9	157.4	148.9	159.7	160.0	145.2	137.9	151.9	163.7	171.4	155.9	168.2	183.8	188.7	195.1	218.0	199.2	198.4	190.4	190.4
5.—Other foods—																									
(a) Fruits and vegetables	111.5	134.1	119.6	118.1	110.7	125.2	136.8	131.2	111.6	115.1	114.7	103.5	122.2	169.6	173.5	170.5	165.8	234.9	266.8	280.8	298.6	303.4	323.2	292.3	258.1
(b) Miscellaneous	112.7	118.3	115.2	119.4	139.7	112.9	112.6	112.5	133.5	133.4	143.9	138.8	133.9	143.2	147.3	153.6	168.4	176.7	177.7	178.5	192.3	221.7	222.4	218.2	225.7
6.—Textiles	114.6	120.7	130.8	133.5	149.2	135.2	133.6	132.8	134.2	126.1	145.5	153.4	160.6	174.2	186.1	192.7	202.3	216.4	223.8	230.7	238.0	242.6	261.1	266.2	274.1
7.—Hides, leather, boots and shoes	135.4	152.4	163.9	171.8	180.5	168.1	172.5	173.6	173.0	178.1	179.5	176.3	183.1	193.5	207.6	240.2	237.8	275.9	264.7	254.2	254.2	273.5	275.4	267.6	269.7
8.—Metals and implements—																									
(a) Metals	97.6	117.4	119.1	113.9	152.4	114.7	114.7	109.2	114.5	112.6	140.4	176.5	155.9	198.4	215.3	191.9	192.6	210.9	234.2	241.1	250.0	265.0	274.2	277.8	278.0
(b) Implements	104.5	104.7	105.6	106.8	112.1	106.6	106.6	106.6	106.6	107.5	110.6	113.2	114.2	116.6	134.8	136.7	141.2	156.5	165.2	165.2	165.2	167.7	192.3	198.7	200.7
9.—Fuel and lighting	103.0	113.3	118.2	110.9	108.8	113.6	113.7	109.0	108.9	108.9	107.6	106.2	109.8	122.0	124.4	125.6	134.3	159.7	162.5	174.9	171.1	170.0	183.2	216.1	205.8
10.—Building materials—																									
(a) Lumber	158.5	166.5	181.3	182.1	175.7	183.5	182.4	183.2	180.8	178.0	176.7	174.1	174.5	178.1	182.4	182.2	185.5	185.8	189.2	193.5	198.8	204.3	204.4	215.9	221.3
(b) Miscellaneous	109.2	105.4	112.7	111.4	115.9	114.0	113.3	110.8	109.9	108.2	111.2	120.3	118.9	132.4	152.5	153.6	165.3	179.6	186.0	191.3	146.7	202.5	209.3	214.7	216.1
(c) Paints, oils & glass	145.5	148.6	144.8	140.7	157.1	140.2	140.8	140.6	142.4	142.9	150.4	162.1	161.7	193.9	198.9	197.4	203.7	213.0	222.8	244.4	252.4	258.4	257.8	256.0	259.6
11.—House furnishings	110.6	114.5	126.2	129.5	136.5	128.8	128.8	128.8	131.9	131.9	135.2	138.7	138.7	146.7	148.7	152.6	166.1	167.9	168.9	170.2	179.5	190.2	195.7	198.4	198.4
12.—Drugs and chemical	109.5	115.5	113.3	121.6	181.3	111.1	111.6	111.6	136.4	135.0	159.2	174.2	224.8	250.4	260.9	249.0	243.9	236.7	237.0	246.3	248.7	255.3	254.4	256.6	262.8
13.—Miscellaneous—																									
(a) Furs, raw	234.5	297.3	307.9	205.4	161.9	226.5	241.3	235.0	172.5	121.8	133.8	144.0	153.1	269.6	295.7	292.3	292.3	399.5	403.7	403.7	412.4	396.6	396.6	396.6	388.4
(b) Liquors and tobacco	132.9	155.2	134.7	136.9	135.6	138.8	138.4	128.3	138.6	137.9	135.8	134.7	135.1	136.7	143.5	136.7	143.6	167.2	164.8	164.8	167.2	175.5	175.5	175.5	175.5
(c) Sundries	118.0	104.3	113.1	108.5	116.6	109.3	108.4	106.2	107.8	113.6	113.8	116.3	120.9	135.1	139.9	142.1	146.6	155.5	155.6	157.2	161.3	183.5	194.2	193.4	196.5
All commodities	124.2	134.4	135.5	136.1	148.0	136.5	136.7	134.6	138.7	138.9	146.4	150.2	152.4	172.1	181.0	180.9	188.2	208.1	217.3	220.6	228.7	240.0	242.7	242.6	245.0

* Preliminary figures

Based on the world's total production of crude petroleum from 1857 to 1916, inclusive, the United States produced about 60 per cent. of the total, as compared with more than 65 per cent. in 1916. Russia's percentage in 1916 was approximately 16 per cent. of the world's total as compared with 27 per cent. from 1857 to 1916, inclusive. The growing importance of Mexico in oil production is shown by the fact that it produced approximately 40,000,000 barrels in 1916, or nearly 9 per cent. of the world's total production, as compared with a total production of 163,000,000 barrels from 1857 to 1916, inclusive, or about 2½ per cent. of the world's total production for that period. The world's production from 1857 to 1916 was 6,478,944,229 barrels of 42 gallons. Of this, Canada produced 23,907,197, or 0.37 per cent. of the total.

Cost per week of a Family Budget of Staple Foods, Fuel and Lighting and Rent, in Terms of the Average Retail Prices in Sixty Cities in Canada

(Compiled by the Department of Labour, Ottawa)

Article	Quantity	1910	1913	1914				1915				1916				1917							
				Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	Feb.	Mar.	April	May	June	July	Aug.
		c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.
Beef, sirloin steak	2 lbs.	37.6	44.4	46.4	49.0	49.4	50.2	47.2	46.6	49.2	47.6	47.2	48.4	52.6	52.4	52.8	54.0	56.2	58.0	61.2	63.2	63.6	62.6
Beef, chuck roast	2 "	26.0	29.6	32.6	33.0	33.6	35.0	32.8	32.8	33.4	32.8	32.4	32.2	35.2	34.4	34.8	35.8	38.2	39.6	43.0	43.6	43.5	43.4
Veal, roast	1 "	12.8	15.7	16.6	17.6	17.4	18.1	17.6	17.1	17.3	17.5	17.1	18.1	19.2	19.7	20.3	20.9	21.6	21.7	22.5	22.6	22.8	23.0
Mutton, roast	1 "	16.8	19.1	20.9	21.0	20.9	21.4	20.4	20.8	21.3	20.8	21.1	22.6	23.9	24.2	24.8	25.9	26.5	26.9	28.2	28.5	28.9	28.8
Pork, roast, fresh	1 "	18.0	19.5	20.6	20.3	20.2	20.4	19.0	18.4	19.5	19.6	19.9	20.9	22.4	23.5	24.6	26.1	26.8	27.3	29.3	30.1	30.0	30.6
Pork, salt, mess	2 "	34.4	35.2	36.2	37.0	37.4	38.0	35.8	34.8	34.4	35.8	36.0	37.0	38.8	40.2	44.8	45.2	46.8	47.6	55.6	54.0	54.1	55.6
Bacon, breakfast	1 "	24.5	24.7	24.8	26.1	25.5	26.9	25.1	24.7	26.6	26.0	26.7	27.6	28.7	30.5	31.2	32.6	33.3	34.5	37.3	39.0	39.8	40.4
Lard, pure leaf	2 "	40.6	38.4	37.2	38.2	36.8	37.4	35.6	35.0	35.8	35.8	36.6	37.8	40.4	42.2	48.6	50.2	52.8	56.4	60.2	62.2	62.3	62.2
Eggs, fresh	1 doz	33.3	33.7	45.5	24.0	26.9	35.3	45.5	23.4	25.3	36.2	46.4	26.6	31.0	43.6	56.9	54.9	46.9	37.1	40.8	42.5	38.9	45.0
Eggs, storage	1 "	28.4	28.1	33.4	23.2	24.9	31.5	34.9	21.8	24.9	31.6	36.1	26.0	28.0	38.3	45.3	44.5	41.8	32.9	34.5	36.6	35.9	41.2
Milk	6 qts	48.0	51.6	55.2	53.4	51.0	54.0	55.2	54.6	52.2	51.0	52.2	52.8	45.0	54.6	59.4	60.6	60.6	60.6	60.0	58.8	59.3	60.0
Butter, dairy	2 "	52.0	58.0	61.0	59.0	49.8	59.0	61.8	66.2	56.2	60.8	66.6	66.6	60.4	74.2	88.4	86.4	85.4	85.2	85.6	83.4	75.5	80.2
Butter, creamery	1 "	31.9	33.9	35.9	34.7	30.0	34.7	35.0	37.9	32.6	35.1	38.1	38.3	34.5	42.4	48.9	48.0	48.7	47.9	47.7	46.8	42.5	44.9
Cheese, old	1 "	18.5	20.5	21.3	21.4	21.1	22.0	22.5	23.6	24.6	24.0	24.4	24.7	25.6	27.8	30.5	31.2	31.9	33.0	34.1	34.0	33.4	33.5
Cheese, new	1 "	17.5	19.1	19.6	19.3	19.4	20.3	20.5	22.0	22.6	21.1	22.4	23.3	23.6	26.1	28.8	29.5	30.1	30.8	31.7	32.0	30.3	30.1
Bread, plain, white	15 "	66.0	61.5	64.2	64.5	63.0	67.5	67.5	72.0	79.2	66.0	66.0	69.0	70.5	84.0	91.5	91.5	90.5	93.0	111.0	111.0	110.4	110.0
Flour, family	10 "	33.0	32.0	32.0	33.0	33.0	38.0	39.0	43.0	41.0	35.0	37.0	37.0	37.0	48.0	53.0	52.0	53.0	59.0	77.0	73.0	69.9	69.0
Rolled Oats	5 "	21.0	22.0	21.5	22.0	21.5	25.0	24.5	26.0	26.0	24.0	24.0	24.0	24.0	25.0	27.0	26.5	27.5	28.0	30.5	31.5	31.4	31.5
Rice, good, medium	2 "	10.4	11.4	12.0	11.6	11.6	13.2	12.2	11.8	11.8	12.1	12.0	12.8	13.4	13.6	13.6	13.6	13.0	13.8	14.6	16.0	16.8	17.2
Beans, hand picked	2 "	10.8	12.4	11.8	11.8	11.8	13.6	13.2	13.8	14.8	14.8	16.9	18.3	19.4	20.8	24.4	25.2	25.6	26.8	29.0	30.4	31.5	32.6
Apples, evaporated	1 "	11.5	12.0	12.4	13.0	13.1	13.7	12.1	11.6	11.9	12.1	12.5	13.3	13.4	13.4	14.6	14.0	14.2	14.6	15.3	15.4	15.8	16.0
Prunes, medium	1 "	9.9	11.9	12.2	12.5	12.4	13.2	12.9	12.9	13.1	12.9	12.7	13.0	13.1	13.2	13.6	13.8	14.0	14.3	14.8	15.1	15.5	19.1
Sugar, granulated	4 "	24.0	23.6	22.8	22.4	22.0	31.2	30.8	32.4	31.9	30.0	31.2	34.4	38.4	36.8	36.8	36.4	36.4	38.4	40.0	*40.0	39.5	40.4
Sugar, yellow	2 "	10.8	11.0	10.2	10.4	10.2	14.0	14.0	14.6	14.6	13.8	14.4	16.0	17.6	16.8	17.0	17.0	16.8	17.6	18.6	19.0	18.3	18.6
Tea, black	½ "	8.7	8.9	9.1	8.8	9.1	9.9	9.6	9.2	9.5	9.7	9.7	9.8	9.9	9.9	10.1	10.4	10.7	10.9	11.4	11.5	11.6	12.0
Tea, green	½ "	9.1	9.3	9.2	9.7	9.3	9.8	9.6	9.7	9.8	9.9	10.0	10.2	10.3	10.2	10.1	10.5	10.7	10.8	11.1	11.3	11.3	11.6
Coffee	½ "	8.9	9.4	9.5	9.5	9.4	9.9	9.9	9.8	9.8	9.8	9.8	9.9	10.0	9.9	9.9	10.5	10.0	10.0	10.1	10.1	10.1	10.1
Potatoes	2 pks	30.3	36.0	38.0	43.3	50.3	35.3	31.7	32.0	29.3	35.0	47.0	61.5	58.6	53.0	64.7	78.3	98.7	99.0	126.0	127.0	118.2	97.3
Vinegar, white wine	½ pt.	.7	.8	.8	.8	.7	.8	.8	.8	.8	.7	.8	.8	.8	.8	.8	.8	.8	.8	.8	.8	.8	.8
ALL FOODS		$ 6.954	$ 7.337	$ 7.729	$ 7.505	$ 7.417	$ 7.993	$ 7.967	$ 7.793	$ 7.797	$ 7.815	$ 8.279	$ 8.339	$ 8.457	$ 9.295	$ 10.272	$ 10.463	$ 10.695	$ 10.765	$ 11.819	$ 11.894	$ 11.618	$ 11.677
Starch, laundry	⅓ lb.	c. 3.1	c. 3.2	c. 3.2	c. 3.2	c. 3.2	c. 3.2	c. 3.3	c. 3.2	c. 3.3	c. 3.2	c. 3.2	c. 3.3	c. 3.3	c. 3.5	c. 3.5	c. 3.5	c. 3.5	c. 3.6	c. 3.8	c. 3.9	c. 4.0	c. 4.1
Coal, anthracite	½ ton	48.1	55.0	54.1	52.1	53.2	53.9	54.1	53.1	52.1	51.2	53.2	53.5	54.7	57.9	64.0	68.7	66.6	64.7	64.8	67.3	63.2	67.7
Coal, bituminous	" "	35.0	38.7	37.1	38.4	38.0	37.8	38.0	37.2	35.8	36.9	36.9	37.7	38.0	39.9	47.7	50.4	51.1	50.8	50.8	53.9	53.8	54.2
Wood, hard, best	" c'd	38.8	42.5	42.9	43.8	42.5	42.6	42.5	34.1	41.7	41.5	41.6	41.5	41.9	43.9	45.7	47.9	49.6	50.6	51.7	51.9	52.0	53.2
Wood, soft	" "	29.4	30.6	32.1	34.2	31.8	31.5	31.2	31.4	30.6	30.2	30.7	30.2	30.2	31.6	32.7	33.7	36.1	36.9	37.6	39.4	39.7	39.1
Coal Oil	1 gal.	24.4	23.7	23.9	24.4	23.5	24.1	23.7	23.6	23.4	23.0	23.0	23.0	22.8	23.0	23.2	23.2	23.4	24.5	25.3	25.4	25.6	25.8
Fuel and lighting		$ 1.757	$ 1.905	$ 1.901	$ 1.929	$ 1.890	$ 1.899	$ 1.895	$ 1,794	$ 1.836	$ 1.828	$ 1.854	c. 1.859	$ 1.876	$ 1.963	$ 2.134	$ 2.239	$ 2.268	$ 2.276	$ 2.302	$ 2.379	$ 2.343	$ 2.40
Rent		4.05	4.75	4.830	4.850	4.825	4.545	4.370	4.170	4.099	3.980	3.975	3.977	4.040	4.083	4.050	4.040	4.160	4.265	4.340	4.360	4.370	4.36
Grand Total		12.792	14.024	14.493	14.136	14.164	14.469	14.265	13.789	13.765	13.660	14.140	14.208	14.406	15.376	16.464	16.778	17.158	17.342	18.500	18.672	18.368	18.478

Cost per week of a Family Budget of Staple Foods, Fuel and Lighting, and Rent by Provinces

(Compiled by the Department of Labour, Ottawa)

ALL FOODS

Province	1910	1911	1912	1913	1914				1915				1916				1917							
					Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	Feb.	Mar.	April	May	June	July	Aug.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Nova Scotia	6.817	6.776	7.166	7.289	7.413	7.278	7.245	7.701	7.851	7.393	7.628	7.908	8.265	8.478	8.466	8.774	10.166	10.425	10.567	10.635	11.495	11.892	11.58	11.899
Prince Edward Is.	5.812	5.795	6.107	6.338	6.685	6.510	6.543	6.723	6.806	6.612	6.597	6.663	7.034	7.456	7.367	7.796	8.63	8.75	8.943	9.09	9.88	10.04	9.686	10.629
New Brunswick	6.548	6.836	7.130	7.041	7.450	7.204	7.045	7.652	7.752	7.565	7.447	7.498	8.289	8.410	8.407	8.873	9.919	10.152	10.379	10.696	11.493	11.714	11.065	11.514
Quebec	6.331	6.457	6.968	6.870	7.277	7.035	6.916	7.404	7.444	7.169	7.621	7.457	8.029	8.032	8.221	8.946	10.028	10.517	10.558	10.655	11.464	11.58	11.256	11.332
Ontario	6.504	6.666	7.251	7.203	7.265	7.287	7.286	7.772	7.709	7.399	7.300	7.732	8.134	8.295	8.551	9.405	10.347	10.619	10.894	11.143	12.155	12.178	11.904	11.747
Manitoba	7.462	7.405	7.884	7.873	8.230	7.970	7.763	8.267	8.126	7.934	8.149	8.031	8.439	8.543	8.345	8.867	9.796	10.042	10.083	9.74	10.816	10.885	10.621	11.222
Saskatchewan	7.859	8.083	8.164	8.250	8.516	8.027	8.163	8.635	8.864	8.332	9.897	8.009	8.465	8.302	8.673	9.111	10.435	10.334	10.371	10.296	11.180	11.321	10.853	11.23
Alberta	7.998	8.081	8.147	8.327	8.672	7.973	7.784	8.464	8.566	8.326	7.994	7.911	8.314	8.259	8.224	9.305	10.528	10.687	10.895	10.756	12.032	11.891	11.732	12.007
British Columbia	8.321	8.789	9.028	9.128	9.082	9.128	8.985	9.505	8.975	8.898	8.988	8.041	8.706	8.498	9.014	9.793	10.639	10.181	10.896	11.144	12.209	12.297	12.29	12.191

FUEL AND LIGHTING

Nova Scotia	1.431	1.366	1.448	1.526	1.548	1.640	1.662	1.546	1.561	1.562	1.556	1.553	1.578	1.585	1.603	1.780	1.995	1.998	2.061	2.082	2.142	2.151	2.165	2.157
Prince Edward Is.	1.278	1.278	1.494	1.470	1.502	1.502	1.502	1.533	1.486	1.486	1.660	1.500	1.548	1.564	1.739	1.742	1.815	1.816	1.939	2.079	2.364	2.22	2.408	2.408
New Brunswick	1.628	1.601	1.604	1.676	1.819	1.805	1.771	1.756	1.785	1.786	1.738	1.733	1.798	1.883	1.869	1.981	2.074	2.187	2.244	2.267	2.337	2.446	2.381	2.381
Quebec	1.646	1.690	1.702	1.785	1.886	5.820	1.767	1.786	1.809	1.799	1.763	1.729	1.764	1.755	1.766	1.821	2.152	2.498	2.431	2.420	2.455	2.612	2.559	2.566
Ontario	1.678	1.716	1.743	1.814	1.791	1.871	1.796	1.802	1.791	1.797	1.771	1.778	1.783	1.775	1.795	1.889	2.116	2.189	2.255	2.249	2.283	2.352	2.369	2.376
Manitoba	2.330	2.333	2.373	2.335	2.362	2.369	2.369	2.322	2.391	2.326	2.326	2.029	2.203	2.265	2.312	2.509	2.523	2.546	2.546	2.648	2.664	2.664	2.688	2.82
Saskatchewan	2.670	2.732	2.580	2.652	2.622	2.625	2.625	2.600	2.582	2.369	2.373	2.380	2.397	2.423	2.460	2.473	2.673	2.668	2.690	2.680	2.602	2.724	2.708	2.747
Alberta	1.561	1.777	1.859	1.649	1.623	1.761	1.749	1.750	1.754	1.687	1.647	1.720	1.709	1.710	1.722	1.727	1.661	1.665	1.660	1.661	1.660	1.762	1.825	1.852
British Columbia	2.193	2.182	2.220	2.245	2.315	2.341	2.417	3.221	2.354	2.324	2.415	2.061	2.21	2.232	2.189	2.204	2.175	2.257	2.241	2.274	2.279	2.338	2.409	2.447

RENT

Nova Scotia	4.02	3.40	3.79	3.92	4.30	4.275	4.275	4.275	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.310	4.400	4.400	4.400
Prince Edward Is.	2.00	2.00	1.92	1.75	1.750	1.750	1.750	1.750	1.750	1.750	1.750	1.750	1.750	1.875	2.250	2.250	2.250	2.250	2.250	2.250	2.250	2.250	2.250	2.250
New Brunswick	2.85	2.87	2.90	3.08	3.28	3.012	3.452	3.450	3.452	3.452	3.452	3.452	3.452	3.500	3.500	3.500	3.500	3.500	3.500	3.50	3.630	3.630	3.630	3.630
Quebec	2.85	2.98	3.38	3.52	3.53	3.900	3.640	3.562	3.500	3.600	3.547	3.545	3.547	3.610	3.812	3.813	3.875	3.875	3.910	3.910	3.875	3.880	3.880	3.880
Ontario	3.48	3.62	3.92	4.10	4.245	4.265	4.390	4.220	4.070	3.855	3.835	3.755	3.780	3.800	3.890	3.940	3.780	3.95	4.150	4.265	4.390	4.420	4.420	4.470
Manitoba	6.20	6.12	6.90	7.38	7.50	6.875	6.875	6.438	5.812	4.875	4.875	4.875	4.875	4.875	4.875	4.875	4.750	4.857	4.875	5.50	5.500	5.500	5.500	5.500
Saskatchewan	8.18	8.75	9.15	9.58	8.905	8.592	7.975	6.405	6.095	5.470	5.470	5.467	5.155	5.000	5.000	5.313	5.31	5.000	5.000	5.312	5.310	5.310	5.310	5.310
Alberta	5.68	6.42	6.60	7.58	7.687	7.970	7.975	6.720	5.970	5.845	5.405	5.217	5.217	5.218	5.125	5.125	5.125	4.50	5.125	5.280	5.280	5.280	5.280	5.410
British Columbia	5.35	5.92	6.12	7.12	5.40	5.750	5.200	5.272	5.125	4.660	5.489	4.017	4.017	3.928	3.928	3.928	3.93	3.895	3.895	3.895	3.940	3.940	3.980	4.020

INCREASED FACTORY PRODUCTION

Analysis of the Problems Facing Canadian Manufacturers —Production, Marketing, Finance, Organization

BY H. VICTOR BRAYLEY.

The question of increased production in our factories, combined with a higher percentage of net profits, is possibly one of the most interesting subjects to the majority of the readers of *The Monetary Times*, as many of the readers are shareholders in some manufacturing company, and a number, also, are directors of such companies.

Some of the different problems that face manufacturers are: (a) Production. (b) Marketing. (c) Finance. (d) Organization.

Production can be grouped into three classes: 1. Location of plant. 2. Buildings and equipment. 3. Manufacturing costs.

Location of Plant.

The suitable location for a manufacturing plant depends on: 1. The cost of power—whether steam or electric. The question as to whether power costs are of great importance or not depends on the quantity of power required and the percentage of the cost of power to the total manufacturing cost. Also, an important point to be kept in mind is the fact that transportation and deliveries often become a most serious question where steam is used. A large number of plants faced a serious problem last winter, owing to the shortage of coal, due to the conditions of our railways on account of storms and lack of motive power.

2. The supply of labor, whether skilled or unskilled; adaptability to new methods, whether plentiful or not; housing of employees, cost of living, etc

3. Transportation.—The two important questions in regard to transportation are:—

(a) What will be the cost of freight and handling of raw materials to the factory or plant?

(b) What is the most suitable location as a centre for transportation and which at the same time will allow of transportation at the lowest possible cost to the wholesaler, retailer or consumer? All freight charges should be kept as low as possible so as to give the benefit of this saving to the workmen, the manufacturer, or the consumer.

A large number of manufacturing plants are so situated that any further expansion of their business is prohibited, owing to the extra heavy charge for transportation which would be incurred if their market were extended.

Buildings and Equipment.

The cost of production in most manufacturing plants is considerably higher than it would be if the plant were laid out more efficiently, and in most cases the present layout can probably be remodelled in such a way as to reduce costs and increase production. A poorly laid-out plant will make the cost of handling work during process of manufacturing so high that any further increase in production would make the manufacturing unprofitable. Consequently, one of the most important points to consider in housing a manufacturing plant is to lay out the plant so that the handling of work in process will be reduced to a minimum, and to have the buildings and equipment so arranged that, in the event of an increased business necessitating an expansion of the plant, the handling of material can still be kept at a minimum at all times.

Very few manufacturers, when constructing a new plant or extending their old one, give this question sufficient attention, and, therefore, neglect getting advice from an expert, and through this shortsightedness cause an unwarrantably high cost in manufacturing. The writer is of the opinion that the layout of a great many manufacturing plants can be so rearranged that the cost of handling can be materially reduced, and that the saving made thereby will soon pay for the cost of the rearrangement.

The equipment for a new manufacturing plant should be given the utmost study, not only by the officials of the company, but also by outside experts familiar with the class of manufacturing for which the equipment will be used. The design and layout of equipment installed will have a bearing on power costs, labor costs, maintenance and renewal costs. A saving on any one of these costs may decide the question as to whether or not the company will be successful.

Another matter in which equipment has a strong bearing upon profits is in the question of insufficient production. That is to say, a small production will oftentimes necessitate so high a cost of indirect expense, burden or overhead, that profits will cease, whereas a larger production, even with a slightly larger amount of burden or overhead expense, would show a profit. Very often insufficient production is due to unbalanced equipment; i.e., one department equipped to turn out 1,000 units and the next only 500, causing 50 per cent. of the equipment in the first department to be wasted.

Many manufacturing plants can have their present equipment rearranged with a very small outlay of money so as to increase their production by from 10 to 20 per cent., and this without increasing their cost of labor for each unit manufactured, and in many cases decreasing the cost per unit. It would pay a number of manufacturers to move their present plants to a more suitable location, where a saving could be made in transportation, and where they would be able to open up larger markets, reduce power costs, and at the same time construct a new plant in such a way as to reduce the cost of manufacturing.

Manufacturing Costs

Many executives of manufacturing companies look upon cost systems as a lot of "red tape" and extra work to keep a number of accountants and clerks in employment. They are right—(1) If the manufacturing costs do not tie up with the commercial accounting. (2) If the officials do not study and make use of the figures so obtained. (3) If a monthly manufacturing report or statement is not presented to them and so arranged that it will clearly show the cost of sale for each article manufactured.

The only value of a cost system is the information thereby obtained, which enables officials to determine where costs can be reduced, the margin of profit that can be added to fix the selling price, and the party or parties upon whom to fix the responsibility for any high cost. If the cost system is not used by the executives for these purposes, it is a waste of money and time to install and operate one.

The procuring of the charges for direct labor and material should be so arranged that the direct costs can easily be arrived at for any unit manufactured at a time when said unit is ready for shipment. Direct costs are simple to procure. It is the indirect costs which are hard to allot in proportion to each unit manufactured. First, there is the accumulation of these indirect costs, which are also termed "factory expense," or "burden." Secondly, their allotment to the unit manufactured. Their allotment is based either on direct labor hours or wages, machine hours, tonnage, or number of units manufactured during the month. It is often a question for experts to decide what class will be used to distribute indirect charges.

If the distribution is not based on the right factor for allotment to each unit manufactured it will not give the correct cost of sales for such unit. A most important factor to consider when calculating costs is to see that they include the depreciation on buildings and equipment. The writer has come across cases where insufficient depreciation, and sometimes none at all, has been charged into the costs. In some cases, if the proper depreciation had been charged to cost of production, it would have shown that the cost of manufacture was too high to procure a profit. Apparent profits may be shown for a few years if insufficient or no depreciation has been allowed, but eventually a loss will be shown by the manufacturer.

Upkeep of a Plant.

The writer favors keeping a plant up to the highest possible point of efficiency, charging all maintenance and minor repairs to monthly operating costs, and to set aside monthly, as a reserve on plant and equipment, a certain percentage on cost of plant and equipment. Renewals and large repairs would be paid out of this reserve account. This reserve would be added to monthly until it equalled the book values of plant and equipment shown in the fixed assets.. If the manufacturer does not procure a statement of the monthly costs his business is not under control, in which event it will very likely prove a failure, as no executive can intelligently operate a business not under his control. He will eventually not only lose his business, but his reputation as well. The essential factor for success in business is a know-

ledge on the part of the chief executives of accurate cost figures for the month, combined with a monthly balance sheet.

Manufacturing costs should be shown for each unit manufactured, and should be divided as follows: (a) Direct material. (b) Direct labor. (c) Overhead (indirect labor and material, expense or burden). (d) Total gives the cost of sales.

As to Marketing.

One of the first questions to be taken up in manufacturing is the available market for the manufactured article. The neglect of this question often means a failure in time. The size of the market will decide the size of plant and equipment required for present and future requirements. The writer has seen manufacturing plants which were from 50 per cent. to 100 per cent. larger than their requirements, the market not being there to absorb the production. This meant a large amount of capital tied up unnecessarily in fixed assets.

Another error made is in not studying the requirements of a possible market and endeavoring to manufacture a high-priced article when the market demands a low-priced one, or vice versa.

Marketing merchandise depends on a combination of the four factors: (a) Quality for the price. (b) Selling or distribution. (c) Advertising. (d) Service.

One is as important a factor as the other. Without the quality and workmanship behind the merchandise it is a waste of time and money to employ salesmen for the distribution of the merchandise or to advertise it in order to have the consumer purchase, for it will not repeat. The quality for the price of the merchandise depends upon the ability of the manager of production to turn out an article at the lowest possible cost, which is, at the same time, the best value possible for the selling price procured, and which will compare favorably with the goods sold by any competitor in a similar line at the same price.

Choosing the Right Salesmen.

The selling or distribution of merchandise depends largely upon the sales manager's ability in picking out the right salesmen, having them believe in the merchandise they are selling, and operating his department at a low percentage on gross sales, thereby keeping down the cost of the article sold. Selling costs are is important to the sales manager as manufacturing costs are to the production manager. He must pay his salesmen a good remuneration, in return for which he must see that he procures their whole time and attention, with the most productive methods of selling possible. Distribution of merchandise can best be procured by systematically organized selling after the sales manager has obtained an intelligent idea as to what is the maximum consumption of the merchandise in each locality or salesman's district and the real ability of each salesman employed.

There are a great many men in salesmen's positions who are not fitted for salesmen, as their ability lies in another line of work. Others have the selling ability, but lack training, and possibly a large number know really very little about the merchandise they are selling. A salesman should first know all about the material he is selling and the reasons why the manager of production claims that his goods are superior in quality and workmanship to those of his competitor. A real salesman sells on service and quality, not on price alone. A salesman should always bear in mind that his company is judged by their customers largely from his actions, appearance and ability. Every salesman's remuneration should be based upon the profit that is made on the merchandise which he alone sells, and not simply upon the quantity or total value of the goods he sells. For example, a salesman selling $1,000 worth of goods with $250 profit is worth more to his firm proportionately than the man who sells $2,000 worth of goods at $300 profit.

As to Advertising.

Good advertising is that which will give a maximum increase in sales for the lowest percentage of expenditure for advertising, based on the gross sales. There is possibly more money wasted in poor advertising than in any other branch of business. This is due largely to the fact that there is no basis on which to estimate the results that can be obtained from advertising. In manufacturing and selling, past cost figures can be used to calculate very closely as to future results. The best method to decide upon the amount of money to be allotted to advertising is to allow a certain percentage on gross sales for a given past period.

There are a great many ways to advertise after the amount to be spent has been appropriated. It is most important that every means should be taken to see that the best mediums are employed, as the use of the wrong mediums of advertising is often found to be one of the reasons why sufficient sales have not been procured for the amount of money expended. When the best methods of advertising have been decided upon it is most important to procure the right style of advertising and the proper territory in which to place it.

The executive who is responsible for the advertising should not only have exceptional ability to decide upon the most effective style or form of the advertisement, but should also be thoroughly familiar with the requirements and mediums of advertising which will appeal to the prospective consumer in each locality. This man also has to have a very vivid imagination and originality, combined with an open mind, in studying matters pertaining to advertising.

The advertising executive should know thoroughly all the details as to the quality and workmanship of the merchandise he is advertising, combined with statistics of past gross sales by week, month and year in each locality. A good sales manager is not very often an advertising manager any more than a production or manufacturing manager is a good sales manager. The three positions should be filled by men of totally different abilities. It will pay a great many manufacturers to have the advice of outside experts who make a specialty of advertising, whether this advice is followed or not, on all advertising, thereby getting the benefit of the experience of a large number of companies, among them, possibly, of some in a similar line.

Salesmen can only procure distribution to the retailers; it takes quality of merchandise and proper advertising to move the merchandise from the retailer to the consumer. If the merchandise is sold direct from the factory to the consumer, it still requires both salesmen and advertising to get a proper and profitable distribution of the article manufactured.

Matters of Finance.

I do not think I am far out in making the statement that very few men responsible for the financing of a company are furnished with the proper information to enable them to figure accurately the future requirements for financing and what future earnings can be relied on for payment of loans made for financial purposes.

The manager of production or the executive who has charge of the manufacturing end of the plant should be in a position, by getting accurate monthly costs, to know the amount of money that would be required for labor, raw material and indirect expense or burden of each branch of the business for a certain period in advance.

The sales manager or executive who has charge of the sales should be in a position to advise the executive in charge of the finance what it will cost to sell a specific quantity of merchandise in any locality. This is based on accurate selling costs for previous performances and a knowledge of the market possibilities in each locality. If the chief executives of the several branches of the manufacturing company are all competent men, they can, at a meeting with the financial executive get a fairly accurate estimate of the future financial requirements. If a business is well under control in every branch it should be a simple matter to make up a budget in advance for each period, and this budget can be lived up to, as far as expenditures go, if the executives of each department have the ability for the work that they are called upon to do.

The fact is that every business of any size should be operated on a budget or appropriation system. These budgets or appropriations can be made up on the 15th of the month previous to that for which they are compiled, and within the next ten days can be approved of by the board of directors. This places the directors in a position to really direct the affairs of the company, and at the same time enables them to procure a clear insight into all the problems of their business. I should judge, however, from my observations in Canada that there are few manufacturing concerns operated on these lines.

Besides the fixed assets, there are two other ways in which money can be tied up, i.e., in inventories and in accounts receivable. If there is team work between the manager of production and the sales manager they should know

fairly accurately how often they will turn over their stock of finished merchandise in a year, and, therefore, will require to carry only sufficient merchandise to make this turnover. In a great many lines of manufacturing the inventory carried is too high as compared with their turnover. Some businesses turn over their merchandise every month and some only once a year. If the finished merchandise is kept within bounds and the manager of production has his stores under control with perpetual inventory in operation, he should, if he has the ability, keep his raw material and finished merchandise down to such quantities that he will not be overstocked in any one article.

Proper Accounting System.

The other way in which working capital is tied up is in accounts receivable. Very few companies realize the importance of operating a simple system of accounting whereby collections are closely followed up. There is not sufficient attention given by the directors and chief executives of the majority of companies to the ratio that accounts receivable bear to the gross sales, based on the terms of sale. For instance, it is a simple matter to know whether accounts receivable are too high or not by making a comparison of the accounts receivable as shown by your monthly balance sheets with the gross sales for the same period. If your accounts receivable are over 50 per cent. of your gross sales on a 30 days' term of sale, your collections and accounting pertaining to collections have something radically wrong with them. A proper system of accounting, giving a condensed report monthly to the executive in charge of the finance, will enable him to make use of these reports to get after the men who are responsible for any weakness shown thereby, and so keep the working capital tied up in accounts receivable at a minimum.

It is the duty of the financial executive to see that his business is under proper control in that he, on account of his position, is called upon to arrange for sufficient funds to operate the different branches of the business, and by having the business under his control he is kept fully advised of the following: (1) Whether sufficient profit is being made on the cost of manufacturing after taking into consideration the cost of selling and administration. (2) Whether the cost of selling is increasing or decreasing per unit sold. If increasing, he should immediately find out the reason therefor.

Through proper control, obtainable only by proper accounting methods, the accounting department should be able to keep in close touch with the value of inventory on hand, whether of raw material or finished merchandise, and whether collections are being kept up to date or whether they are increasing more rapidly than the sales. By having this information laid on the desks of the chief executive and financial executive at frequent periods, or whenever required, they can immediately stop any course of action which may have a tendency to tie up capital unnecessarily or cause a loss. It is the duty of these executives to report any weaknesses immediately to the board of directors or their chief representatives.

In my opinion, the executive responsible for the financing of a company should see all pay-rolls and pass on all purchases over a certain amount, as he is responsible for finding the money to pay salaries and wages and for material purchased.

Features of Organization.

The term "organization" is used here as meaning the classification of the employees, from the president down, so that responsibilities will be fixed throughout, at the same time allotting the class of work for which an officer or other employee is paid, whether it is the general manager or the office boy.

A great many heads of departments and executives, who are being paid high salaries as executives, devote a large part of their time to looking after small matters and detail work which could be as well taken care of by an employee receiving a much lower salary, and, consequently, the remuneration paid to such a party is being wasted in that the company is not getting the full value for their money which they should derive from the ability, experience and knowledge of the executive so employed.

One of the great wastes going on in manufacturing concerns to-day is the overlapping of work, and consequent waste of time, both in the office and factory, in the planning of future work in the factory and the lack of efficient service in the office and clerical end of the business occasioned by high-priced employees doing work that lower-paid employees could do.

When an organization is arranged so as to fix the responsibilities, the inefficient employees, wasters, etc., are soon shown up, as are also those who are doing work or occupying positions for which they are not suited, and whose ability and workmanship would probably procure higher individual results if placed in other occupations.

With the right organization in the factory or office, team work can be arranged, and groups of two or more can be compared with other groups as to cost and value of work. The proper organization will also bring about co-operation amongst employees. Possibly one of the most frequent causes of failure in a great many concerns to-day is the lack of co-operation, particularly on the part of those who show jealousy, or who are inclined to "play politics." There is probably more politics, in proportion to the amount of business done, in manufacturing concerns than there is in government work.

A great many heads of departments and branches allow their judgment to be swayed by personal feeling and prejudice, with a consequent tendency to grant positions to those whom their better judgment would show lacked the ability to fill them. It is, perhaps, one of the hardest things for any man to be broad-minded enough to prevent his personal feelings from swaying his judgment in business matters.

The writer feels that if those who read this article will seriously consider and carry out at least one of the items mentioned it will improve manufacturing conditions in Canada, as it will mean increased production, with reduced costs, and a better control of their business, and a great many failures will be prevented. The trouble with us all is that we are inclined to avoid unpleasant work, and a man to be a successful director, shareholder or chief executive must be aggressive, even though every aggressive move he makes means that he is compelled to work that much harder and assume greater responsibilities.

PREPARE FOR TRADE AFTER WAR

Well Devised Plan of Action is Necessary—Government Has Taken No Action

BY HON. FREDERIC NICHOLLS.

Perhaps nothing is more essential at this stage of Canada's history and development than constructive statesmanship that will take heed of the future and prepare for it, in addition to guiding the ship of state through the tempestuous times we now live in. In the marts of trade in the banking house, and in all places where men of business most do congregate, one of the common topics of discussion is in regard to trade conditions after the war. All realize the serious import of unpreparedness, and yet nothing has been done, collectively, to even lay the first plank for the construction of a platform from which a definite and virile policy can be advocated. After the war, the deluge, is a prevailing impression, and, while there is yet time, no preparations are being made to meet the certain dislocation of trade and possible panic that may threaten.

To-day, hundreds of millions of dollars are being expended in this country by Great Britain and her Allies for war materials and natural products. To-morrow this inflow of gold may cease, our trade become stagnant, and through lack of earning capacity payment of the interest on our debt may become a serious problem. Of what avail is a war profits tax or an income tax when war profits shall be non-existent and income shall become shrunken? The people of Canada are too prosperous to-day to look ahead for to-morrow, and the government is too occupied with present problems and the election campaign to desire to attend to matters that are not at the moment pressing and which can be pushed aside with promised consideration to-morrow—and to-morrow never comes.

Is temporizing wise; is it constructive statesmanship; and are those in authority awake to a realization of the peril which threatens us? Is it not as incumbent on a nation to look ahead in order to safeguard and protect its people as it is for the head of a family to make provision for his dependents by life insurance or other means? It is true

that Canada has astonished the world with an exhibition of its capabilities, its latent resources, and its generosity. The numbers of our volunteer forces, as compared with the total available, evidences the highest form of patriotism. The totals of our war loans, including the late Victory Loan, has evidenced the desire of our people generally that Canada shall play a man's part in the terrible conflict, which has now waged for three years, and the end of which is not in sight. Our subscriptions to the Patriotic fund, Red Cross Society, sailors' relief funds, and for innumerable other worthy causes has shown the spirit of the people, and the magnitude of the services rendered in so many ways by the women of Canada has proved them to be fit mothers and sisters of courageous manhood.

Is this sufficient, however, great though it may be? Shall we adopt the motto, "Sufficient for the day is the evil thereof," or the more trite and homely one, "You will never miss the water till the well runs dry"? After the war the present sources of our income will to a large extent fail us and run dry, and we must look far afield for new sources. After the war great industries will have their machinery lying idle, and many thousands of work people now employed in the production of war materials will likewise be idle, and the ranks of the unemployed will be augmented by the tide of returning soldiers, who must be found suitable employment, so that after fighting to protect us in our right to live as free people they may honorably, by their labor, add to our future prosperity. One cannot make bricks without straw.

A factory cannot operate without orders; the farmer and the lumberman cannot produce without customers; and the government cannot "carry on" without an income from taxation that will provide the public with efficient public service, public utilities, and transportation and educational facilities. The ability to pay taxes necessitates the earning of an income, and the average income is based upon prosperous commercial conditions which afford employment to capital, brains and labor. Is it, then, not incumbent on the State to assist in the development of overseas trade to take the place of export war orders when the latter cease?

Special Committee Appointed.

The significance of the present situation was debated in the Senate during its last session and a special committee on the conservation of Canadian trade was appointed. This committee held many sessions and listened to evidence given by men of outstanding ability, who were invited to present their views. In due course the committee submitted a report, which was unanimously approved by both sides of the House. A copy was forwarded to the Right Honorable the Prime Minister, with the request that due regard and consideration be given to the question of overseas trade to replace in part the present great volume of orders for war materials. It may be asked, "Where can trade be found to replace the war-time orders?" and the question may be answered by quoting from one of the speeches in the Senate debate:—

"The countries now at war, however, particularly those that have been devastated in Europe, will require to expend immense sums in reconstruction, and will become customers of those countries which are most ready to supply the requirements promptly and at a reasonable price. In this country we have had little experience in either looking for or catering to an export trade, and if we desire to share in the volume of business that will be offering overseas we can make our preparations none too soon."

Competition with Other Countries.

It may also be asked, "Have our manufacturers the ability to produce in competition with other countries?" and again the question may be answered by another quotation from the same debate:—

"Since the war, as I have pointed out, we have manufactured and shipped upwards of six hundred millions of dollars worth of munitions alone, and I speak with knowledge when I say that the production of munitions is the most intricate, the most delicate, and the most precise class of manufacture that could be undertaken. It was an entirely new industry to Canada, and it is a credit to Canadian industry that in such a short time so many existing factories were recognized and so many new ones estabilshed that have turned out such an immense quantity of munitions, and thereby brought to Canada so large a sum as six hundred million dollars for munitions alone. If the manufacturers, when the need arose, were able to accomplish such results, I take it that they would be equally resourceful in manuacturing many other lines of goods for export that will be required by the European countries, we hope, at no late date; but in order to bring this about some systematic method of state aid will have to be adopted."

It is now generally known that Canadian manufacturers have shown wonderful executive and constructive ability in the manufacture of munitions, and it is also a fact that they are making them—at least selling them—at a lesser price than is obtained in Great Britain and the United States, and, consequently, there should be no misgiving as to their ability to cater for the world's trade in any branch of industrial enterprise.

Work of Other Nations.

Germany has already set the pace in preparedness for after-war conditions, and Sir Robert Borden, in speaking at Manchester during his last visit to England, said:—

"It is believed that the industries of Germany will be supported and developed in future by a more thorough and powerful state organization than ever known."

Great Britain has also taken action, and, on the recommendation of a special committee appointed by parliament, the British trade corporation has been organized to assist in obtaning orders from abroad for British manufacturers and traders and to grant financial facilities for the execution of such orders. The United States has also taken action by the formation of an export trade organization, whose objects are the same as those of the British trade corporation. Japan and Australia have also taken action along the same lines, and is it fitting that Canada should be the only country to lag superfluously on the stage? If it is wise in times of peace to prepare for war, it is equally essential in times of war to prepare for peace, and "If it were done, 'twere well it were done quickly." The financial, industrial and commercial interests should co-ordinate their efforts, and, in co-operation with the government, evolve some well-devised plan of action to the end that prospective loss of trade, which may threaten the welfare of the community should, so far as possible, be offset by an official or quasi-official organization, which, acting on behalf of the trade interests of Canada as a whole, will accomplish results that individual efforts could not possibly achieve.

Call to Action.

In January of last year the fourth national foreign trade convention was held at Pittsburg, and in the report of the proceedings appears the following passage from an address by one of its members:—

"As I have pointed out, export trade development to-day has three great needs. The first is leadership; the second, a definite policy; the third, the acquirement and dissemination of all export knowledge available. Leadership logically falls to the bureau of trade and commerce. Being a governmental department, it commands the respect and confidence of all elements of our commercial life."

The Right Honorable Sir George E. Foster, our own minister of trade and commerce, some months since issued an eliquent "Call to Action," but, so far as I am aware, the call has not been answered neither has any action yet been taken. We know that if we prepare the land and plant the seed a greater or lesser crop may be expected, but if the land be neglected and seed not planted, we may be reasonably sure of a crop of thistles. The government issued the call to action, but has itself taken no action. Government leadership is essential, and it will be found that the business community is both ready and willing to rally round them. It is admitted that most momentous problems now occupy their attention, but that is no reason why a future problem of such momentous import should not be given full consideration, otherwise we cannot expect to reap a harvest where we have not planted the seed.

Through carelessness and inefficiency there is wasted in garbage every year throughout Canada food to the value of $56,000,000, or about $7 per capita of the home population, according to estimates of the Canadian food controller. Here are his figures: Estimated annual cost of feeding Canada's overseas soldiers, $50,000,000; estimated annual preventable waste in Canadian garbage, $56,000,000; estimated annual saving possible by preventing garbage waste and further reducing cost of living by five cents per head (total, seven cents per head), $204,400,000.

GRAIN SHIPMENTS FROM FORT WILLIAM AND PORT ARTHUR

Crop Year	No. of Cargoes	Nationality of Vessels	Wheat Bus.	Oats Bus.	Barley Bus.	Flax Bus.	Sample Mixed Grain	Elevator Screenings
1913-14	788	Canadian	64,121,077	25,276,164	5,942,629	2,218,179	26,076,624	16,855
	350	U.S.	62,105,746	14,351,324	4,031,185	9,927,058	....	48,942
	1138		126,226,823	39,627,488	9,973,824	12,145,237	26,076,624	65,797
1914-15	617	Canadian	58,732,477	15,505,698	1,837,022	1,448,748	7,292,247	14,321
	95	U.S.	18,813,926	1,130,203	690,854	3,035,977	.....	17,247
	712		77,546,403	16,635,801	2,527,876	4,484,725	7,292,247	31,568
1915-16	1019	Canadian	109,516,553	42,622,651	5,852,179	1,033,999	12,458,833	6,992
	830	U.S.	147,613,134	17,171,859	3,102,636	3,650,649	....	67,233
	1849		257,129,687	59,794 510	8,954.815	4,684,648	12,458,833	74,225
1916-17	683	Canadian	76,749,071	32,342,495	4,000,268	1,698,326	11,167,307	5,007
	451	U.S.	61,824,966	15,344,190	2,810,566	4,659,770	9,967,119	20,256
	1134		138,574,037	47,686,685	6,810,834	6,358,096	21,134,426	25,263

Statement of Immigration to Canada for season April to October, 1917, compared with preceding season

(Figures furnished to "The Monetary Times" by Mr. W. D. Scott, Superintendent of Immigration, Ottawa.)

Month	1916				1917				Percentages of Increase and Decrease
	British	United States	Other Countries	Totals	British	United States	Other Countries	Totals	
									%
April	743	5,696	437	6,876	129	14,409	402	14,940	117 increase
May	858	4,583	474	5,915	134	10,496	613	11,243	90 "
June	1,134	4,148	561	5,843	138	6,801	461	7,400	27 "
July	1,021	4,450	502	5,973	197	5,169	423	5,789	3 decrease
August	910	6,059	515	7,484	209	5,715	414	6,338	15 "
September	1,065	6,020	537	7,622	341	5,377	371	6,089	20 "
October	879	4,794	770	6,443	376	5,072	438	5,886	9 "
Totals	6,610	35,750	3,796	46,156	1,524	53,039	3,122	57,685	25 increase

HOMESTEAD ENTRIES IN CANADA, 1897-1917

Years	Total entries	Entries by English	Entries by Scotch	Entries by Irish	Entries by Americans	Entries by Continental Immigrants
Calendar Year						
1897	2,384	300	83	33	164	673
1898	4,848	489	161	75	581	1,270
1899	6 689	578	192	97	1,064	1,796
*1900	7,426	350	95	50	833	1,643
Fiscal Year						
1901	8,167	659	182	99	2,026	1,866
1902	14,673	1,096	300	184	4,761	2,653
1903	31,383	2,816	724	336	10,942	7,260
1904	26,073	3,486	911	267	7,730	4,909
1905	30,819	4,284	1,225	421	8,532	4,999
1906	41,869	5,897	1,657	543	12,485	5,955
†1907	21,647	3,032	807	252	6,059	2,951
1908	30,424	4,840	1,026	339	7,818	5,373
1909	39,081	5,649	1,310	506	9,829	7,265
1910	41,568	5,459	1,326	546	13,566	6.896
1911	44,479	6,161	1,291	492	13,038	8,793
1912	39,151	5,739	1,041	476	10,978	9,044
1913	33,699	4,452	836	307	8,895	7,757
1914	31,829	3,894	966	400	7,293	8,139
1915	24,088	2,974	800	363	4,334	6,881
1916	17,030	2,374	700	314	2,435	3,899
1917	11,199	1,469	496	194	1,734	2,132
‡1918	6,193	640	193	108	1,679	838

* Six months ended June 30th. † Nine months ended March 31st. ‡ 7 months to October.

If the average number of persons for each entry, 2.5, be approximately correct, then during the above period 19 per cent. of English, 16 per cent. of Scotch, 20 per cent. of Irish, 29 per cent. of American and 29 per cent. of Continental immigrants made entry for homesteads in Western Canada. It will be observed from the foregoing that the number of immigrants represented by the homestead entries in the Western Provinces is much larger than the number on whom bonus was paid.

DIVIDENDS & BONUSES PAID BY ONTARIO'S SILVER & GOLD MINING COMPANIES
FROM JANUARY 1ST, 1913, TO DECEMBER 31st, 1917

Silver Companies	Date of Incorporation	Authorized Capital	Issued Stock	Par value of shares	Total Dividends and Bonuses										Last Dividend or Bonus	
					1913		1914		1915		1916		1917		Date declared	Rate
		$	$	$	%	$	%	$	%	$	%	$	%	$		%
(1) Beaver	Feb. 25, 1907	2,000,000	2,000,000	1.00	3	60,000	3	60,000	6	120,000	3	60,000	.....	.....	April 29, 1916	.....
(2) Buffalo	April 27, 1906	1,000,000	1,000,000	1.00	66	660,000	5	50,000	.....	.....	.....	.....	.....	.....	July, 1915	5
Casey Cobalt	Dec. 19, 1906	100,000	100,000	1.00	.....	109,499	.....	93,750	.....	.....	.....	.....	.....	.....	April 22, 1914	.....
City of Cobalt	Oct. 5, 1906 / Jan. 7, 1909	500,000 / 1,500,000	1,500,000	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	April 15, 1909	3
Cobalt Lake	Dec. 22, 1906	3,000,000	3,000,000	1.00	.....	315,000	.....	150,000	.....	.....	.....	.....	.....	.....	May 29, 1914	2½
Cobalt Townsite	May 8, 1906	100,000	45,011	1.00	.....	371,259	.....	200,000	.....	.....	.....	.....	.....	.....	April 14, 1914	.....
(3) Mining Corpor. of Canada	March 20, 1914	2,075,000	2,075,000	1.00	.....	.....	12½	259,375	25	518,750	27½	570,625	18¾	1,556,296	Dec. 15, 1917	12½ + 6½
Cobalt Central	Dec. 13, 1906	5,000,000	5,000,000	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Aug. 25, 1909	1
Cobalt Comet	April 16, 1913	1,000,000	200,000	5.00	2.7	27,000	7.6	76,000	13	130,000	.....	.....	.....	.....	July 29, 1915	.....
Cobalt Silver Queen	April 1, 1906	1,500,000	1,500,000	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Dec. 31, 1908	3
Coniagas	Nov. 24, 1906	4,000,000	4,000,000	5.00	41	1,640,000	33	1,320,000	15	600,000	15	600,000	7½	300,000	Aug. 8, 1917	2½
Crown Reserve	Jan. 16, 1907	2,000,000	*1,999,957	1.00	45	795,966	24	424,515	6	106,128	.....	.....	5	88,440	Dec. 28, 1916	5
(4) Glen Lake Mines	Feb. 14, 1906	1,000,000	915,588	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Jan. 1, 1907	5
Kerr Lake	Sep. 14, 1905	3,000,000	3,000,000	5.00	20	600,000	20	600,000	20	600,000	20	600,000	23	690,000	Oct. 9, 1917	5
La Rose	May. 22, 1908	7,500,000	7,493,135	5.00	12½	936,642	12	899,176	5½	412,122	4	299,725	4	299,725	Oct. 20, 1917	1
McKinley-Darragh-Savage	April 17, 1906	2,500,000	2,247,692	1.00	46	1,033,938	21	472,015	12	269,723	12	269,723	12	269,723	Nov. 6, 1917	3
Nipissing	Dec. 16, 1904	6,000,000	6,000,000	5.00	30	1,800,000	22½	1,350,000	20	1,200,000	25	1,500,000	30	180,000	Dec., 1917	10
(5) Penn-Canadian	April 24, 1912	1,500,000	1,349,705	1.00	.....	.....	.....	.....	.....	.....	5	67,085	11	148,467	Sep. 10, 1917	3
(6) Peterson Lake	April 11, 1906	3,000,000	2,401,820	1.00	.....	.....	3½	84,063	7	168,127	7	168,127	1¾	42,031	Jan. 2, 1917	1¾
Right of Way Mining Co., Ltd.	July 13, 1906	500,000	500,000	1.00	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Oct. 1, 1909	6
(7) The Right of Way Mines, Ltd.	Sept. 11, 1909	2,000,000	1,685,500	1.00	.....	.....	1	16,855	.....	.....	1½	25,282	½	8,427	Mar. 5, 1917	½
Seneca-Superior	Sept. 29, 1911	500,000	478,884	1.00	65	310,774	70	335,218	70	335,218	125	598,605	.....	.....	Nov. 27, 1916	20
(8) Temiscaming & Hudson Bay	July 29, 1903	25,000	7,761	1.00	2,100	162,981	900	69,849	.....	.....	.....	.....	.....	.....	Nov. 10, 1914	300
The Hudson Bay	July 16, 1909	3,500,000	3,200,050	5.00	6	192,003	.....	.....	.....	.....	.....	.....	.....	.....	Aug. 31, 1913	2½
Temiskaming	Nov. 16, 1906 / Jan. 1, 1908	2,500,000	2,500,000	1.00	3	75,000	.....	.....	3	75,000	9	225,000	12	300,000	Oct. 24, 1917	12
Trethewey	May 30, 1906 / June 1, 1911	2,000,000	1,000,000	1.00	15	150,000	5	50,000	.....	.....	.....	50,000	5	50,000	Aug., 1917	5
Wettlaufer-Lorrain	Nov. 30, 1908	1,500,000	1,416,590	1.00	10	141,659	.....	.....	.....	.....	.....	.....	.....	.....	Sep. 22, 1913	5
Gold Companies																
Dome Mines Co., Ltd	April 12, 1910	5,000,000	4,000,000	10.00	.....	.....	.....	.....	10	400,000	20	800,000	7½	300,000	June 1, 1917	2½
(9) Hollinger Consol. Gold Mines	May 25, 1916	25,000,000	24,600,000	5.00	39	1,170,000	39	1,170,000	52	1,560,000	13	2,400,000	13	738,000	April 23, 1917	1
(10) Porcupine Crown	May 26, 1913	2,000,000	2,000,000	1.00	.....	.....	9	180,000	12	240,000	12	240,000	3	60,000	June 15, 1917	.....
McIntyre Porcupine, Ltd.	Mar. 16, 1911	4,000,000	3,610,283	1.00	.....	.....	.....	.....	.....	.....	.....	.....	20	722,056	Dec., 1917	5

(1) While the Beaver is developing the Kirkland Lake Mine, dividends will be uncertain. (2) Company's fiscal year, May to April. The capital stock was decreased 25 cents per share by payment in cash to stock holders. (3) This company acquired the assets of Cobalt Townsite, Cobalt Lake and City of Cobalt Mining companies, and Cobalt property of Townsite Extension Mines, and Little Nipissing Mine on April 1st, 1914, which companies have been wound up. The City of Cobalt paid, in the years 1908 and 1909, a total of $145,000 in dividends. The Cobalt Townsite was, and the Mining Corporation of Canada is the operating company, the shares of which are owned by English companies whose shares are listed in London. The capitalizatio of the Mining Corporation in London is £1,660,050. (4) Formerly known as Foster Cobalt. (5) On April 29, 1912, this company took the property of Cobalt Central, purchased at sale from the liquidator of Standard Cobalt Mines, Limited, the Canadian operating company. The Penn-Canadian is not a re-organization of the old company, but an entirely new company. Cobalt Central has not been in operation since May, 1910, when it went into the hands of a liquidator. (6) Seneca Superior was a lease on Peterson Lake and has now reverted to parent company. (7) On October 21, 1909 this company took over the Right of Way Mining Company, Ltd., together with a controlling interest in Cobalt Merger, Limited, paying therefor 1,685,500 shares in the new company. Shareholders received 3 shares in the new company for each 1 they held in the old. For the quarter ended December, 31, 1909, the new company paid a dividend of 2%—$33,710. During 1910 the company paid three quarterly dividends of 2%, and declared a fourth dividend, payable on January 30th, 1911. Every quarterly dividend amounted to $33,710, making a total for the year of $101,130. Since then, dividends of $84,275 have been paid as noted in the table above. Dividends paid by the Right of Way Mining Co., March 5th, 1907, 7%; July 31st, 1907, 7%; May 5th, 1908, 7%, September 15th, 1908, 7%; April 1st, 1909, 6+9%; May 20th, 1909, 10%; July 1st, 1909, 6%; October 1st, 1909, 6%. The Right of Way Mines, Limited, has paid dividends of 2%: December 31st, 1909. April 1st, 1910, June 30th, 1910, September 30th, 1910, December 31st, 1910, December 2nd, 1911; and 1% in November, 1914. (8) The Temiscaming & Hudson Bay Company, on September 15, 1909, transferred 9 Cobalt claims to the Hudson Bay Mines, Limited, for a consideration of 3,000,000 shares of that company's capital stock. The former company in that way controls the latter company. (9) The name of the Hollinger Gold Mines, Ltd. (incorporated June 28, 1910, with authorized and issued capital of $3,000,000, par value of shares, $5), was changed to Hollinger Consolidated Gold Mines, Ltd., upon its amalgamation with Acme Gold Mines, Ltd., and Millerton Gold Mines, Ltd. The amalgamation became effective on May 25th, 1916. The capital stock of Hollinger Consolidated is $25,000,000, divided into five million shares of $5 each, of which $24,600,000 have been issued. The Hollinger Consolidated Co. paid dividends at the rate of 1¾ every four weeks, which is equal to 4%, or 52% per annum on the stock of Hollinger Gold Mines, Ltd., which was converted into Hollinger Consolidated shares on the basis of four Consolidated shares for one of the old shares. The last dividend of Hollinger Gold Mines, Ltd., was No. 48, paid on June 16th, 1916. Commencing July 14th, 1916, and every four weeks thereafter, Hollinger Consolidated paid a dividend at the rate of 1% until April 23rd, 1917, since which date no dividends have been paid. Prior to their amalgamation with Hollinger Gold Mines, Ltd., the Acme and Millerton paid no dividends. (10) First dividend paid April 1st, 1914.

(*) Of this 231,143 shares are held by trustees for the benefit of the company, and do not bear dividends.

The Drummond and O'Brien companies are practically close corporations; the dividend figures have not been made public.

All the above figures are official and have been supplied to *The Monetary Times* by the individual companies.

CANADA'S NEED OF POTASH

To Increase Production of Food—Question of Research—Germany's Potash Monopoly

BY JAS. P. MURRAY.

The great message given to the world by all governments during the last three years is that important one of conserving food. That message should have been given many years before the war. The continual shrinkage in the yield of field crops should have had the nations' attention. Here are a few facts which can be amplified by any enquirer:—

Twenty-five to thirty years ago the wheat fields of the Western States yielded 38 to 40 bushels to the acre. Why did that yield fall to 10 to 15 bushels?

In our own prairie lands twenty years ago the yield was equal to or greater than that. This year, while the yield in some places is given as 25 bushels, the average is expected to be about 19 to 20 bushels to the acre.

To keep up the quota, or to increase it, means that annually a very much larger increase of acreage must be brought under the plough. But even so, that will not improve the productiveness of the land already tilled. This virgin land may make the farmer richer, but not the country. In addition, he uses more land, time and labor to produce as much as his original acreage did years before.

Though wheat is referred to here, yet in their various relations all other grain and root crops deserve consideration. Nature will not be interfered with when life is concerned, animal or vegetable. The land is like a man. If you overwork him and only partly feed him, you do not expect par value in his work. So, if you take out of the land that which is essential to plant life it cannot be expected that that land can produce as abundantly as before. Opinions seem to differ as to what that plant food really is. Some experts insist that nitrates and phosphates are the most valuable, but the extraordinary capital investments being made in the United States (costing much over a million dollars for one plant alone) to procure potash from the seaweed, kelp, strengthens the point to which attention is called by this article. Even allowing that other fertilizers are necessary, there are enough qualified authorities who give an average of 80 pounds of potash to an acre required as land food for vegetation. A lot of time and labor is given to collect, load, cart, unload and spread manure as a fertilizer, yet twenty tons of manure must be dug into the land to supply from manure the potash needed. Think of it! Twenty tons of manure handled five times and dug in to get 80 pounds of potash. But, "Oh," says the farmer, "I have all the manure from the cattle byres and the stables." If the same quantity of the leaves which fell from the trees were gathered, a far better fertilizer would be had.

What is Potash?

From the earliest days, ever since intelligence has been applied to the reproductiveness of land by returning to it that ingredient necessary to plant growth, every means has been tried to produce potash. What is potash? The extract of wood ashes, when boiled down, forms potash. This product consists of crude potassium carbonate, and gives the name to the element. To chemists it is known as K_2O. To get this same element from other sources has had attention in the research laboratories in many countries.

So that some idea of how much potash is absorbed by various grains and roots, the following table has been prepared recently by a well-known chemist who is associated with one of the important government farms:—

Grains—	Yield per acre, bushels.	Grain, pounds.	Straw, pounds.	Potash taken, pounds.
Wheat	30	9.3	19.5	28.8
Barley	40	9.8	25.9	35.1
Oats	45	9.1	37.0	46.1
Corn	30	6.5	29.8 (stalks)	35.13
Beans	30	24.3	42.8 (straw)	66.11
	Tons			
Meadow hay	1½	....	....	50.9
Clover hay	2	....	....	83.4
Roots—				
Turnips	17	108.6	40.2 "	148.8
Swedes	14	63.3	16.4 "	79.7
Mangels	22	222.8	77.9 "	300.1
Potatoes	6	....	....	76.5

That shows nearly 90 pounds, on an average, to the acre of potash absorbed by eleven kinds of crops, those measured by bushels requiring, on an average, one pound and a quarter of potash to a bushel. Unless that quantity is returned to the ground, it is a foregone conclusion that the following crop, no matter what it may be, will be below the possibilities. Potash costs less to handle than manure and is cleaner in every way. It needs no wagon hauling once it is on the farm.

As is shown, on an average, an 80-pound bag to an acre fills the need, and with such grains as wheat, oats, barley, etc., it can be fed to the ground with the seed grain.

The market value of potash is not a point in this article, because, if it is beyond the reach of the ordinary farmer, the government should supply it on the same conditions as it supplies seed grain.

Potash from Feldspar.

Canadian felspar (Feldspar) has been proved to contain 14 per cent. of K_2O, and it is free from impurities. It permits of simple and inexpensive quarrying under facilities not met with in any similar industry, or which can return equally beneficent results.

Some people who have not given deep thought to the essential needs of the country, may, perhaps, pass over the importance which potash holds in this present war, and before it.

Germany is said to hold the world monopoly for potash. The great Magdeburg-Halberstadt rock salt basin of Stassfurt and of deposits in Galicia, Chili, Persia and Eastern Asia, all under German control, was one of the reasons why Germany satisfied herself that she could starve her enemies —in time—because they would not be able to obtain the potash so necessary for agriculture.

The principal German source of potash is the "Carnallite" formation, which underlies the "Kiserite" beds at Stassfurt. It requires mining operations to raise it from a depth of from 1,100 to 5,000 feet.

The purest never gave more than 7½ per cent. of K_2O, and had to be freed of sodium chloride, magnesium chloride, soda, bauxite and alum. Three of these are detrimental to agriculture, and their removal adds considerably to the cost of producing pure potash. Through investigations made in 1862 by Dr. Frank, assisted by Justus von Liebig, potash was proved to be a valuable fertilizer. Owing to these researches the cost of production was greatly lessened, the result being that the value fell from $100 per metric ton in 1862 to a third of that price in 1864. Since that time Germany has held the world's monopoly for potash.

In Britain and United States.

It is only in recent years that Britain and the United States have commenced to value the need of potash in agriculture. Statistics show that England used in 1901 only 55 pounds to 100 acres, increased to 150 pounds in 1911; Scotland used in 1901 only 227 pounds to 100 acres, increased to 379 pounds in 1911; United States used in 1901 only 40 pounds to 100 acres, increased to 126 pounds in 1911.

While the quantity taken by the United States does not look big as given per acre, it took 258 vessels of 4,000 tons each to carry the 1,032,127 tons of potash used by the United States and Hawaii in the year 1911.

The potash industry forms a realm of research for the chemist and the geologist. For agriculture, and hence for the maintenance of the people, it is a sine qua non. There is scarcely a trade in industrial activity but which uses potash in one form or another. Photographers, painters, dyers, cleaners, bleachers, soapmakers, electricians, all need it. It is used in fireworks, gunpowder, matches, glass, in preservatives, to cheapen production of artificial cold, and for the extraction of gold from the ore.

The United States has offered as an inducement in research a large sum to the citizen who can produce potash from one or more of the natural resources of that country, and in quantities which will give a sufficient supply for the farming necessities. Why does not Canada, having quantities of latent supply, do likewise?

A Nova Scotia wool dealer last year sold a consignment of 14,606 pounds of washed wool in the United States at 95 cents a pound.

The War Is Bringing a Tremendous Demand For Executive-Trained Men

These trained business men are greatly needed now. Think then, how much greater the need will be when the War is over!

THE men who stay home and direct the industrial energies of our country to greater effort and efficiency are no less patriots than the boys at the front. True, it's the man behind the gun who will bring peace — but it's the man behind the man behind the gun that feeds him—clothes him, equips him, sustains him, pays him.

You men who head big businesses need further training to help you carry the additional burdens.

You men who head departments need a keener insight into business fundamentals to qualify you for the chairs of those ahead.

You younger men whose feet are still on the lower rungs of the ladder need quick, intensified business training for the Executives' places now awaiting you.

Are you going to do your bit by qualifying as a *better* leader—or are you going to let "the other fellow" lead?

Never were such opportunities open to the business man who *knows* the fundamentals of business.

Never did a man have such a chance, selfishly and unselfishly to serve his country and himself.

Never before in the history of the world has such an opportunity existed for any man to bring out the best that is in him by self-training.

How officers are trained for the business army

Acquiring the true fundamentals of business is absolutely essential for real business success. Upon the *degree of training* depends the *measure of success.*

Half way successes think they "know it all"—they have ceased to grow. Mental slackers will not learn by the experience of others. Thus they will *never* grow.

Trained men will win this War. The man who follows the Alexander Hamilton Institute Course is as important a link as the man who goes to a soldiers' training camp to learn to be an officer. He increases his earning capacity by becoming a better leader. He develops his business mind and becomes a better executive—a better *MAN.*

The concentrated experience of thousands of successful men

If you own a business, large or small,—if you ever hope to own one—if you are now helping to run some other man's business—if you have your eye on the man's desk above you, the Modern Business Course and Service will direct your mind and energy along the sound lines that lead to certain success. It helps you avoid those pitfalls which cause business failure. The Alexander Hamilton Institute gives you, in easily readable, convenient and compact form, for absorption in your leisure time, the practical working experience of thousands of successful business men.

Over 65,000 men have enrolled. What our Modern Business Course and Service has done for its subscribers will probably never be known in its entirety. But daily there filter into the headquarters in New York many intensely human stories, showing how men are helped.

One day you hear of a brilliant lad of twenty-two, in a big New York Bank, rising to a $9,500 job and giving credit to the Institute for his success.

The next day a factory manager writes that the Course has just helped him save his firm $7,000 a year and that "a fair slice" of this went to increase his salary.

The next day a man in a Western concern tells how he saved the firm $37,000 a year by one suggestion, and what happened then to *his salary.*

These are only typical cases.

The kind of men enrolled

Presidents of big corporations are enrolled for this Course and Service along with ambitious young men in their employ.

Among the 65,000 subscribers are such men as A. T. Hardin, Vice-President of the New York Central Lines; E. R. Behrend, President of the Hammermill Paper Co.; N. A. Hawkins, Manager of Sales, Ford Motor Co.; William C. D'Arcy, President of the Associated Advertising Clubs of the World; Melville W. Mix, President of the Dodge Mfg. Co.—and scores of others equally prominent.

In the Standard Oil Co. 291 men are enrolled in the Alexander Hamilton Institute; in the U. S. Steel Corporation 450; in the National Cash Register Co. 194; in the Pennsylvania Railroad Co. 108; in the General Electric Co. 300—and so on down the list of the biggest concerns in America.

Advisory Council

Business and educational authority of the highest standing are represented in the Advisory Council of the Institute. In this Council are Frank A. Vanderlip, President of the National City Bank of New York; Judge E. H. Gary, head of the Steel Corporation; John Hays Hammond, the eminent engineer; Jeremiah W Jenks, the statistician and economist, and Joseph French Johnson, Dean of the New York University School of Commerce.

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Learn how your mental and financial business growth can be assured. A careful reading of our 112-page book, "Forging Ahead in Business," sent you free, will help measure what you know—what you don't know—and what you should know—to make success *sure.* Every man with either a business or a career to guide to bigger, surer success, should read this book. Simply fill out and send the coupon below.

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BRITISH WEST INDIES AND CANADA

Opportunities for Expansion of Trade Between the Two Countries

By A. T. DRUMMOND, LL.D.

The proposal for federal union of the different Crown colonies comprised under the term British West Indies, and for closer commercial relations with Canada, has aroused wide interest in these colonies. A feature in this interest, important to us, is the general desire amongst the mercantile community, and in the press, for an expansion of trade with this country. The time appears to be thus opportune for considering how this expansion can be brought about. Federal union of these colonies would, without a doubt, greatly increase their internal development, and the opportunities and facilities for enlarged trade, but, in the past, obstacles have been raised to federal union, resulting from each colony having its own tariff, and control over its own legislation and expenditure, and, it may be added, a jealousy of each other, lest in any federation, certain colonies would secure favored treatment to the detriment of the others. Some of these obstacles, when viewed in the light of Canadian experience under similar circumstances, have greatly less weight than British West Indians appear to give to them, whilst others will be overcome by the large financial resources of the federation, as compared with the limited means of the individual colonies, and the utilizing of these resources for internal developments, so much needed in every part of the federation, and for intercolonial and foreign ocean, cable, wireless and air services, so essential in the interests of trade. Apart from these considerations is the vastly greater prestige which the federation would have in negotiating commercial relations with the rest of the empire and with foreign states. And then the war, which has emphasized the need of closer ties between the different sections of the empire, and of developing their resources to the utmost, is leading many of the foremost men in the British West Indies to join in the determination, now so prevalent in Great Britain and the Dominions and other colonies, that obstacles in Imperial problems must be met in a broad spirit and with an earnest desire to overcome them.

Can Supply to Canada.

What then is the nature of the trade which can thus be expanded, and what facilities must be afforded in order to give effect to this expansion? Each country has very many natural, or partially prepared products which the other needs in large quantity, and cannot itself produce, whilst the British West Indies requires many lines of manufactures which Canada can readily supply. These tropical colonies can furnish us with rubber, balata, unrefined sugar, molasses, rice, raw cotton, cocoa, coffee, cocoanuts, tapioca, arrowroot, tea, grapefruit, shaddocks, oranges, mangoes, lemons, limes, bananas, plantains, onions, ginger, pimento, sweet potatoes, yams, broom, corn, hemp, tobacco, chicle and other gums, cohune nuts, copra and other sources of oil, asphalt, dyewoods, and special timber for structural, machinists' and cabinet work. There is a rapidly increasing consumption in Canada of most of these products far larger than most West Indies people imagine, as they would find if they consulted our trade returns, but some of these products are not yet familiar to us, and others, like grapefruit and sweet potatoes, are thus far, regarded rather as luxuries. With the mango, said to be one of the most delicious fruits of the tropics, and with care, to bear transportation, we are still unacquainted, whilst the yam, which is a common vegetable in the tropics, and can readily be exported, and which Mr. Aspinall, of the West India committee of London, commends to the English people, as much preferable to our potato, is quite unknown to most of us.

On the savannahs of British Guiana, and also in British Honduras there are extensive opportunities for the breeding of cattle, leading thus to the export of frozen meat, of hides and of various by-products. In the forests, especially, of these two colonies, there are numerous woods of great value, including the greenheart, widely known for its strength and for its durability, whether under water or exposed to the atmosphere; the mahogany, crabwood, locust, rosewood and others valuable for cabinet work; and the mora, wallaba, simarupa, cedar and dalli, which, with others, are somewhat softer woods, useful for house construction, shipbuilding, railway work and general plantation purposes. Still other trees supply latex, gums, oils and dyes abundantly, and, like the rubber, balata, sapodilla, logwood, fustic, tonkin bean and cahune and cocoanut trees, are well known to commerce. Most of the trees there attain a commercial size in one-third to one-half of the time required by the slower growing trees of our northern temperate climate. Probably all of these trees will improve with cultivation. The Para rubber especially, being a native of northern Brazil, should do well, and its successful introduction into the Malay Straits Settlements, where there are to-day nearly one thousand estates of an average of about six hundred acres each, devoted to it, and employing towards a quarter of a million laborers, should be an incentive to effort, especially in British Guiana and Trinidad, which lie in about the same latitude.

Openings for Canadian Capital.

With expanding markets near at hand, like the United States and Canada, and with enterprise and increased capital, all of these important natural products can be developed on a vastly greater scale. There can be no question that Canadian capital and activity will be directed in a large measure to the British West Indies, if these Crown colonies enter into a federal union among themselves, and a commercial union with this country. Not only are there ample areas available in practically every colony for the growth of the numerous tropical products already referred to, but many of these now shipped in the raw, or partially prepared state, can be advantageously manufactured, within the country, into one or other of their ultimate products, thus saving large bulk when exported. There are also railways to be constructed, water powers to be developed, transmission lines to be built for light and power, harbors to be created or deepened, steamship services to be established, whilst research will find an almost untouched field in these tropical countries for both old and new materials, and for new methods in adapting these materials to industrial purposes.

Can Supply to the West Indies.

Our manufacturers and merchants have given but small attention in the past to these colonies, with the result that the greater enterprise of New York, Boston and New Orleans has secured for these cities large business which rightfully belonged to Canada. It is not that Canada does not produce, on an ample scale, what the British West Indies wants, and does not consume largely what these colonies produce, but our agricultural interests have found ready and convenient markets in Great Britain and the United States, and our manufacturers have for some years been wholly engrossed with the expanding home market, whilst our buyers of West Indies products have in most cases, preferred to take advantage of the quick deliveries, even at what must be higher prices, from New York and Boston, rather than submit to the delays and risks of importing direct by way of Halifax. To indicate the wide range of Canadian products which we can supply, and which the West Indies require, it is only necessary to mention such articles as wheat, oats, flour, fresh, dried and canned fruits and vegetables, fresh, dried and canned fish, beef and pork in barrels, condensed milk, dressed and undressed lumber, furniture and household appliances, shooks and staves, carts, wagons and automobiles, manures and fertilizers, coal, coke and patent fuel, paints, oils and varnishes, musical instruments, asbestos goods, books and educational apparatus, newsprint and other paper supplies, wearing apparel, boots and shoes, sewing machines, wire fencing, steel structural materials, agricultural machinery and implements, electrical, mining, marine and general machinery, steamships and sailing vessels, railway, telegraph, telephone, wireless and aerial material and appliances, surgical instruments, drugs and the very varied chemical products.

Trade Between Two Countries.

Presently the preferential tariff between this country and these Crown colonies has not led to any very marked extension of business between them. Not only were the concessions in rates of duty small, but prior to the war, manufacturers here were too much taken up with the profitable home trade, whilst transportation facilities, both by rail and ocean, were inadequate, and did not afford that quick dispatch which perishable articles from the West Indies, and agricultural products and manufactures from Canada, required in order to build up an important trade. The war has, however, changed conditions in Canada. With the enormous export business which has resulted from the British and foreign demand for munitions, military equipment, railway material, wearing ap-

PROVINCE OF QUEBEC

Department of Colonization, Mines and Fisheries

The Chief Minerals of the Province of Quebec are Asbestos, Chromite, Copper, Iron, Gold, Molybdenite, Phosphate, Mica, Graphite, Ornamental and Building Stone, Clays, etc.

The Mining Law gives absolute security of Title and is very favourable to the Prospector.

MINERS' CERTIFICATES—First of all, obtain a miner's certificate, from the Department in Quebec or from the nearest agent. The price of this certificate is $10.00, and it is valid until the first of January following. This certificate gives the right to prospect on public lands and on private lands, on which the mineral rights belong to the Crown.

The holder of the certificate may stake mining claims to the extent of 200 acres.

WORKING CONDITIONS.—During the first six months following the staking of the claim, work on it must be performed to the extent of at least twenty-five days of eight hours.

SIX MONTHS AFTER STAKING.—At the expiration of six months from the date of the staking, the prospector, to retain his rights, must take out a mining license.

MINING LICENSE.—The mining license may cover 40 to 200 acres in unsurveyed territory. The price of this license is Fifty Cents an acre per year, and a fee of $10.00 on issue. It is valid for one year and is renewable on the same terms, on producing an affidavit that during the year work has been performed to the extent of at least twenty-five days labor on each forty-acres.

MINING CONCESSION.—Notwithstanding the above, a mining concession may be acquired at any time at the rate of $5 an acre for SUPERIOR MINERALS, and $3 an acre for INFERIOR MINERALS.

The attention of prospectors is specially called to the territory in the North-Western part of the Province of Quebec, north of the height of land, where important mineralized belts are known to exist.

PROVINCIAL LABORATORY.—Special arrangements have been made with POLYTECHNIC SCHOOL of LAVAL UNIVERSITY, 228 ST. DENIS STREET, MONTREAL, for the determination, assays and analysis of minerals at very reduced rates for the benefit of miners and prospectors in the Province of Quebec. The well equipped laboratories of this institution and its trained chemists ensure results of undoubted integrity and reliability.

The Bureau of Mines at Quebec will give all the information desired in connection with the mines and mineral resources of the Province, on application addressed to

The Honourable HONORÉ MERCIER, Minister of Colonization, Mines and Fisheries, Quebec.

How to Acquire Authorization for the Development of Water-Powers in the Province of Quebec

To obtain authorization for the utilization of a Water-Power in the Province of Quebec, application should be made to the Honourable Minister of Lands and Forests.

Water-Falls capable of developing less than 200 H.P. may, under certain circumstances, be bought outright. But those of over 200 H.P. are granted under emphyteutic leases, the conditions of which are upon the following lines:—

1.—The duration of the lease is from 25 to 99 years according to the importance of the water-power and to the amount of capital required for its development.

2.—Payment of a yearly rental—which does not vary during the term of the lease—for the land granted, counting from the date of the signature of the contract.

3.—Payment of an additional yearly charge, or royalty of from 10 to 50 cents per H.P. developed, according to the geographical situation of the water-power, and such charge being payable from the time the power is produced.

4.—The above royalty (art. 3) is subject to revision every 21 years counting from the date of the signature of the contract.

5.—A delay of two years is granted for beginning works and two further years for producing power.

6.—The lessee is under obligation to make a deposit in money, or in securities, as a guarantee of good faith in the carrying out of the contract. Such deposit may be forfeited if the conditions are not fulfilled; but if they were, it may be refunded after a certain time.

7.—Lastly, the grantee must submit plans of his works, mills, etc., to the Department previous to their installation, and when such installation is completed, he must keep the Department informed as to the quantity of power produced.

parel, food supplies, mining products and machinery, Canadian manufacturers have gained a wide experience in the export trade and are desirous of continuing in it after the war is over.

What can then be done to foster and expand it when munitions and military material are no longer required? It cannot be too strongly pointed out that this one market, that of the British West Indies, is comparatively close at hand, is waiting for further development, and possesses these direct advantages that the merchants there are strongly desirous of having more extensive and closer relations with us, and that, already, throughout these colonies there are active branches of two leading Canadian banks, ready to assist with information and banking facilities in developing our trade. But even these advantages would be futile if they are not supplemented by three transportation conditions: (1) More frequent and quick steamship services between the British West Indies and Halifax; (2) very fast through freight services between the Halifax piers, Montreal and Toronto, timed to meet the arrival and departure of the steamships; and (3) through freight rates and charges between the West Indies and Montreal and Toronto, via Halifax, not exceeding those via New York and Boston. To meet the conditions which the special trade requires, there must be cold storage facilities at the shipping points; cool, ventilated accommodation, especially for fruits, in both steamships and cars; prompt transfer at Halifax to and from steamships and cars; and such a fast service by sea and rail that the time taken between the steamship's departure at British West Indian points and the arrival of the cargo in Montreal and Toronto will not exceed fifteen to sixteen days, with a similar time for return cargoes of Canadian products to the West Indies. To effect this, will require organization and close co-operation from start to finish, between the steamship and railway authorities, and a determination on the part of both to develop the business.

Quick Freight Service Certain.

Conditions now exist which make it quite possible to inaugurate a fast freight service, and the Intercolonial Railway management, to whose attention the matter has been brought, proposes to give every consistent aid when the time comes. With the Intercolonial and the new Transcontinental roads forming, together, under Dominion government auspices, a double track system between Quebec and Moncton, we now have a continuous, connected double track from Toronto and westward, over the Grand Trunk and the government railways, to Halifax, except the short distance between Moncton and Halifax. Thus a fast service has become practicable.

The food controller, Hon. Mr. Hanna, has made experiments in fast delivery with car loads of fresh fish from Nova Scotia to Toronto, and they appear to have been successful. Thirteen to fourteen knot steamships should cover the voyage from British Guiana to Halifax in nine days, from Trinidad in eight days, from British Honduras in ten days, and from Jamaica in less than eight days. These facts demonstrate that West India.n products can be delivered in Montreal and Toronto in not much over two weeks from loading of the steamship in West Indian ports. There should, with such facilities, be no reason left to Canadian importers wny they should continue to buy so very largely West Indian products in New York and Boston, and equally no reason why our manufacturers and merchants should not develop in the British West Indies a large outlet for Canadian manufactures and agricultural products. The steamships will be forthcoming whenever there is the business in prospect, and, suggestively, there could be, with advantage, two steamship services, each weekly, the one between Halifax, Bermuda, Barbados, Port of Spain and Georgetown, British Guiana and the other between Halifax, Nassau, Kingston and another port in Jamaica, Belize and Guatemala's outport at the terminus of the Guatemala Railway, whilst there would be interinsular steamship services to connect the other islands closely with the through steamships at Barbados, Port of Spain, and probably, in time, Nassau.

Development of live stock exports from Western Canada to the United States is indicated by comparison of export trade for the first six months of 1916 and first six months of 1917. In the former period the total exports from Manitoba to the United States were: Cattle, 4,721; hogs, none. In the same period in 1917, the exports were: Cattle, 10,943; hogs, 1,288

CANADA AND SPAIN

Spain's Only Investment Here is in Aerial Cable Car at Niagara Falls

By CHEVALIER J. ENOCH THOMPSON.

Spain is neither a poor nor an unprogressive country. The Bank of Spain stands second in proportion of gold reserve to notes outstanding, having 1,810 millions of gold, 741 millions of silver against a circulation of 2,592 millions, or 98.41 reserve of specie; the Bank of England stands first though having only 1,341 millions gold (reduced to Spanish pesetas), against a circulation of 1,001 millions being 133.96 gold reserve. Spain has a population of 20 millions, ranking as seventh in the 22 nations of Europe.

Spanish investments outside of the Iberian Peninsula are almost entirely made in Spanish-speaking countries. Spanish capitalists own large sugar plantations in Cuba and have many millions invested in Mexico and South America.

The only instance of Spanish investment in Canada is the aerial cable car across the Whirlpool Rapids of Niagara. This system is the invention of an eminent Spanish engineer, Mr. Quevedo, who is also the inventor of an improved airship which has been adopted by the British government. This aerial tramway was built and is owned by Spanish capitalists. The terms imposed by the Niagara Park commissioners were not such as would encourage future investments from Spain in Ontario.

Canadian Capital in Spain.

Canadian capital to a much larger extent has been invested in Spain encouraged by the liberal and untrammelled conditions which Spanish authorities offer. The Barcelona Traction, Light & Power Company, Limited, a Canadian company, has invested over 90 million dollars.

Until 1910 Spanish emigrants did not come to Canada but attracted by the reports of high wages and promoted by transportation companies by 1914, 3,000 had arrived. Many have since returned or drifted to the States. There are probably 300 Spaniards in Ontario mostly employed in factories, mines and as cigar makers. They are good workers, industrious and sober.

The imports from Spain to Canada consist of raisins, grapes, almonds, onions and wines, and are about annually two million dollars. Formerly a large trade in oranges existed, but the competition of California and Florida has reduced it to small proportions. The export to Spain, mainly agricultural implements, was in 1912 $65,000, and has not been exceeded.

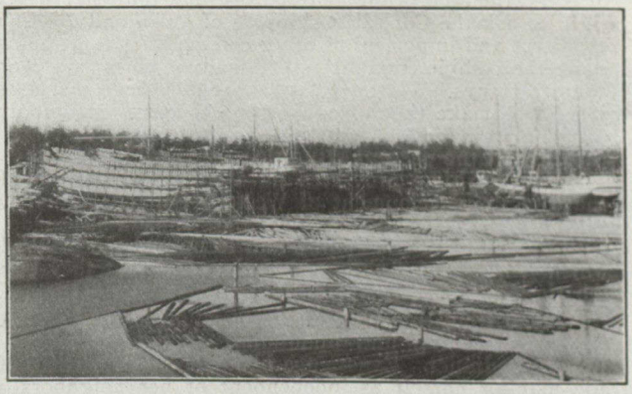
Absence of Direct Boats.

The absence of direct steamers between Canada and Spain has always been a serious obstacle to increasing the trade. A few months before the war two Spanish trade commissioners appointed by the government visited Canada and were so well impressed with the prospects of business, that they recommended the Spanish government to subsidize a direct line which would have gone into effect in the fall of 1914 but for the war.

Spanish imports are about 200 million dollars, exports about the same in normal times, of which about 35 million dollars worth are imported from the United Kingdom and about 70 millions shipped there.

Fruit and nuts are the largest item of exports, and fertilizers to the value of 3½ million dollars figure amongst the imports. 3¼ million acres are in vineyards producing 3 million tons of grapes, 3½ million acres in olives producing nearly 2 million tons, and 10 million acres in wheat produce 150 million bushels.

Manufacturers do not figure largely in Spanish exports but they are growing in importance. Barcelona, which with its suburbs is the largest city of Spain, is a combination of Liverpool and Manchester, being the largest maritime and most important manufacturing city of the country. Fabrics, automobiles, pianos and machinery are produced to a considerable extent for local consumption, protected by a high tariff. An important export business is carried on with South America in such articles as the residents of these republics and their children were accustomed to use when they lived in Spain.



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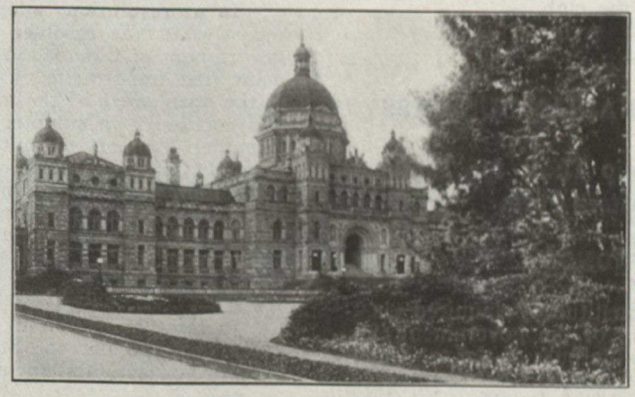

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It is probable that after the war, products of Spanish workshops and looms will be made in larger quantities and consequently cheaper, and attain such importance as to join in the race with other countries to replace goods of German origin. Abundance of cheap labor, shipping facilities and the development of water powers will aid this movement.

Anglo-Spanish Society Helps.

In one direction Spain will greatly benefit from the war. The thousands, nay millions of British, American, Canadian and South American people who were in the habit of visiting Germany will not during the present generation set foot in that country and will naturally turn to Spain. The few who visit Spain or have enjoyed the lovely winter climate of Malaga, Seville, Alicante, return every year. The rush of tourists will astonish the Spaniards and this traffic will be greatly promoted by the universal teaching of Spanish in place of German in British, Canadian and American schools. This agitation has assumed large proportions. In England the Anglo-Spanish Society has been established to promote and maintain friendly and sympathetic relations between the British Empire and Spanish-speaking nations; to stimulate the reciprocal study of language, endow professorships and scholarships in Spanish, etc. The officers of the society include the prime minister, Mr. Balfour, Lords Milner, Cecil, etc., the Spanish Ambassador in London and the British Ambassador in Madrid. In the United States every college or school of importance is teaching Spanish, and in one state 2,000 high schools adopted Spanish in place of German. In Canada the Board of Education of Toronto passed a unanimous resolution to teach Spanish. The minister of education and most of the university professors are in sympathy with this movement.

A Spanish club has been started in Toronto with 60 members to promote the study of Spanish language and literature and to foster commercial and social relations with Spanish-speaking countries. The consuls of Spanish countries resident in Toronto are heartily supporting the club.

CANADIAN PORTS FOR CANADIAN BUSINESS

Federal Government Should Equip Them for National Use—Progress of Eastern Ports

By R. E. ARMSTRONG.

A senator from an eastern constituency inquired last session whether it was the intention of the government "to take any action to prevent in future the bulk of the export of oceanic traffic being routed via American ports." There were some sympathetic speeches on the subject, but Hansard does not record that the inquiry was completely answered. This question of the utilization of Canadian ports in preference to ports on foreign soil is likely to be a burning one in maritime Canada when the war is over and trade has begun to settle into its accustomed grooves.

Before the war, there was a feeling in the maritime provinces that they were not as fully considered in the general scheme of Canadian affairs as they should be, and that there was an ignorance of maritime possibilities and conditions, and an indifference to their ambitions, on the part of the peoples of the rest of the Dominion.

The transportation companies in their advertising literature have in the past laid much heavier emphasis upon central and Western Canada than upon maritime Canada. The possession of the ports of St. John and Halifax has been found to be of incalculable value to the empire. In the early stages of the war, when the United States was not so favorably disposed to Britain and to Britain's cause as it is to-day, the Imperial authorities would have found themselves greatly handicapped if they had not had the open ports of St. John and Halifax to fall back upon when the cold weather had sealed the ports on the St. Lawrence. Many thousands of troops and many thousands of tons of war supplies were sent through these two ports that would have had to wait until spring had unsealed the St. Lawrence or would have had to be forwarded by a roundabout way through the port of Vancouver. This record of Imperial achievement, which cannot be minimized or denied, must forever stand as a powerful argument in favor of the open ports of the maritime provinces.

The people of the maritime provinces feel that they have every right to approach the federal government and ask them to equip their ports for national use and that they have every right to ask the Canadian shippers of grain and the Canadian exporters and importers of other commodities that they should route their shipments through Canadian ports and over Canadian railways. They feel, too, that they have just as strong a right to make this appeal to the exporters and importers of Great Britain and of the nations of Europe that are allied with her in the present struggle.

The maritime provinces have willingly contributed their share to the development of Western Canada, and they have willingly shared in the sacrifices that Canada has made to defend the honor of the empire and to uphold the principles for which it has been fighting, and they feel that they have won the right to share in the fruits of those sacrifices.

Aside from this view of the question is the larger one of the strengthening and upbuilding of the Dominion as an Imperial adjunct. Experience has shown the wisdom of Canada making herself as independent of her neighbors as her resources and position will permit. This is a national principle which all countries recognize and it carries with it no infringement of the rights and no aspersion of the peaceful intentions of our neighbors. To secure that national independence, Canadians must be brought to a realization of their responsibilities towards each other.

Canadian Ports for Business.

The St. John board of trade, following up its slogan of "Canadian Ports and Canadian Railways for Canadian Business," has been continually pressing the claims and advantages of the open ports of the maritime provinces upon the public of Great Britain and Canada. The demand has been made by this board that action should be taken to secure to a fuller extent the carrying of commerce designed for Great Britain and her allies through the ports of Canada.

In a resolution adopted by the St. John board quite recently, it was resolved that "the council urges upon the government of Canada, in co-operation with the home government, the importance of further hastening the development of the open ports of the maritime provinces, so as to care for this commerce in summer and winter, and it also calls upon Canadian shippers to route their shipments wherever possible through Canadian ports, thus assuring them necessary sea protection, and at the same time strengthening and upbuilding Canadian ports and railways, toward the development of which vast sums of the public moneys of Canada have already been expended."

Exports and Imports.

In this connection it may be of interest to note the progress that the port of St. John has made in the matter of exports and imports during the past six years.

Year.	Exports.	Imports.
1912	$ 21,895,963	$ 8,590,197
1913	25,594,721	9,873,026
1914	21,359,760	9,433,220
1915	43,872,932	9,112,916
1916	120,042,590	11,165,463
1917	190,586,561	15,500,659

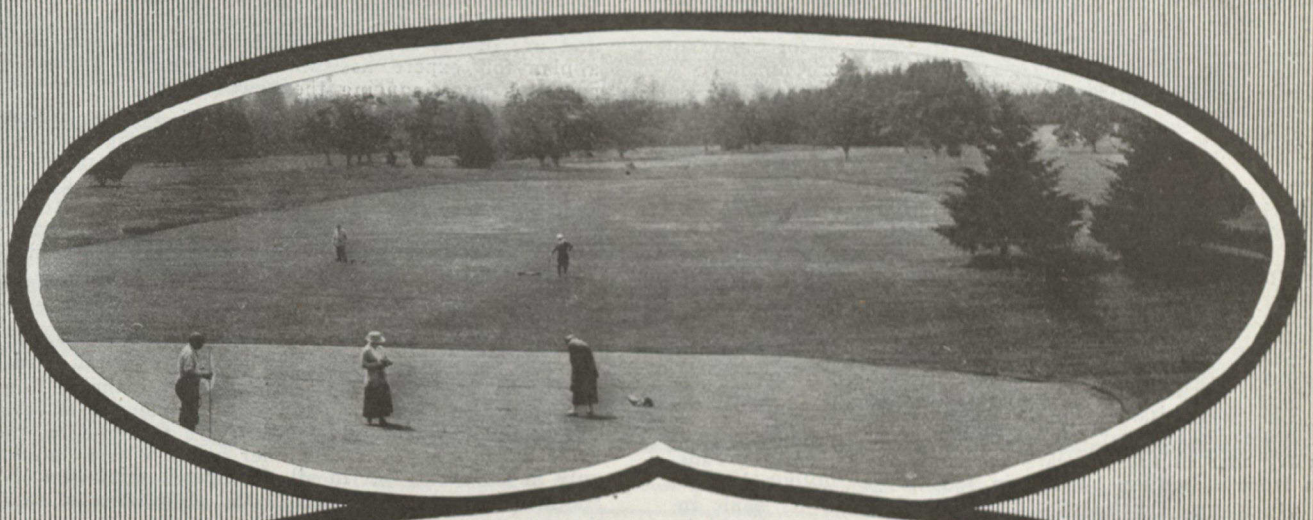
This rapid development which places St. John as second in the export ports of Canada, may be largely traced to the fact that it has the advantage of having the shortest rail haul to and from the west of any other all-the-year-round port in eastern Canada.

Halifax has likewise made progress as a port during the past six years, the blue books showing its exports and imports to have been as follows:—

Year.	Exports.	Imports.
1912	$15,857,184	$11,996,093
1913	15,173,250	12,404,055
1914	19,157,170	12,139,606
1915	17,247,719	10,712,585
1916	26,843,487	9,873,309
1917	34,175,832	14,062,009

The above port results have been reached with only a small portion of each port developed. When the full development of which these ports are capable has been attained, their possibilities will be very great.

In addition to the winter port of St. John, which has accomplished so much during the short period that it has been used as such, New Brunswick possesses two splendid open



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ports at St. Croix and Letang on the Bay of Fundy. These national harbors are capable of rapid equipment should the traffic at St. John ever get beyond the capabilities of that port. "Canadian Ports and Canadian Railways for Canadian Business" would be just as good a slogan for Canada as a whole as for the maritime provinces.

DEVELOPMENT OF WESTERN CANADA

Importance of Immigration Policy in Relation to Agriculture

BY JAMES CARRUTHERS.

The most vital problem facing Canada to-day, outside of winning the war, is the question of immigration A country that in fifteen years can increase its grain production from 43 million bushels in 1900 to 745 million bushels in 1915 proves conclusively that agriculture is its basic industry, and, in my opinion, everything possible should be done to foster and encourage immigration into our western lands.

It is difficult to say to what extent emigration will be permitted from European countries. Some writers claim the immigration tide may turn from the west to the east. The United States commissioner of agriculture, Frederick C. Howe, seems to be of this opinion, and believes there will be a large exodus from the United States to European countries after peace is declared, provided ocean accommodation can be secured, or unless some drastic legislation is made by the government to prevent same.

Must Attract Settlers.

If European countries are going to compete with America for agricultural settlers, then it is apparent Canada should do everything possible to attract settlers to the fertile lands in our North-west, and, if necessary, offer special inducements.

Canada is an agricultural country, and what we need most of all is people to settle our lands in the North-west. Unless we can get these settlers it is going to mean rather serious problems for Canada for the next ten years to come.

Weakness of System.

Three weak points in our immigration system are:—

(1) The lack of any efficient system of selecting suitable immigrants. (2) The lack of controlling and assisting newcomers to our country. (3) Our lamentably unscientific system of agricultural settlement.

Now is the time when we should set to work on a comprehensive plan to remedy these weaknesses, which in the past have been productive of waste in what would otherwise have been effective man-power.

How shall we get our immigration? It has been suggested that large numbers of British soldiers will come to Canada after the war, and it is thought that many good men of other nations will be glad to leave war-ridden Europe and make a home in this country. All this is problematical, however, for we do not know to what extent any of these countries will discourage emigration.

This much, however, is plain. Our immigration plans must be so fashioned as to attract the largest possible number of available men of the agricultural classes. It must also provide opportunities for the attraction, instruction and assistance of such men as wish to take up agriculture.

In regard to settlement, our present system of laying out farms on the checkerboard plan is a grave handicap. It emphasizes to the utmost possible degree the isolation of the individual units

Must be Attractive.

Life on the new lands must be made socially attractive, and the only way to do that is to group the settlers into communities. We need a complete reorganization of our methods of survey. The checkerboard plan must give way to the community plan of individual holdings, and the sooner we set about making the change the better. Mr. A. C. Flumerfelt, K.C., of British Columbia, who has devoted much thought to this problem, has put forth an admirable scheme along these lines. He not only advocates a system of self-contained communities as against the present policy of isolated farms, but also a plan of co-operation in the purchase and use of the most approved agricultural machinery, and a plan for expert assistance in dealing with agricultural problems and financing the new settlers.

Among the good points of our present system which should be developed are the government experimental farms, which have done splendid work, and the "Farmers' Special" trains, taking experts all over the country to give lectures and demonstrations in good farming. This latter is most important, for good farming means larger returns for the money expended. The average yield in Western Canada could be doubled by intensive farming.

Value of Crops.

In 1917, we had a crop of nearly 250,000,000 bushels of wheat of superlative quality, which practically all grades No. 1 or No. 2 Northern. It is a conservative estimate to say that the total yield of grain in the three provinces last year means a return of $750,000,000. If we were to add to it the total value of the returns of all other kinds of farm produce, not only in the west, but in all Canada, I think we should be staggered by the revelation of the importance of farming in the economy of this country.

Now, here is the point I want to make. Our neighbors to the south produce a grain crop of around 5,000,000,000 bushels; that is to say, about one billion bushels of wheat, three billion bushels of corn, and the balance made up of other grains.

We can produce as large a crop of grain as the United States. We have the land. What we want is the people. We have only 22,000,000 acres of land under cultivation in the prairie provinces out of over 250,000,000 acres of fertile land available for agricultural purposes. Think of the opportunities this means for the production of wealth and the building up of a great nation!

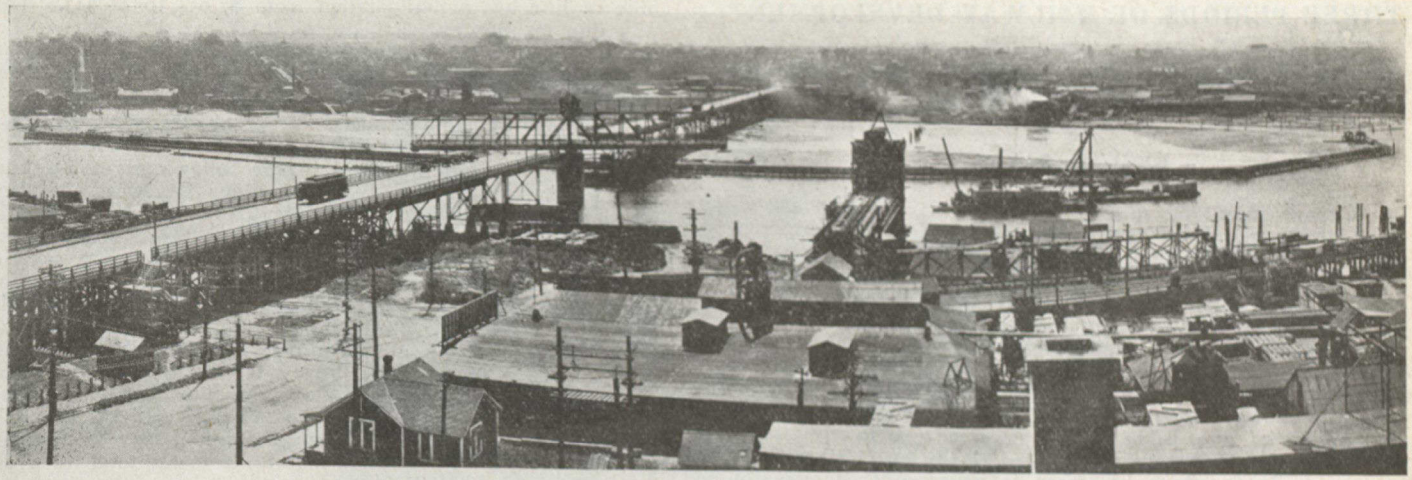
Finest Wheat in World.

There is another thing. Our wheat is the finest in the world. It weighs 62 to 63 pounds to the bushel, of a quality that cannot be produced elsewhere. This war has done wonders in spreading a knowledge of the value of our wheat lands and the superiority of our product. We have been exporting wheat to countries that never had it before. Italy, for instance, which formerly bought none of our wheat, has purchased an enormous quantity. I myself shipped to Italy on behalf of the government about 12,000,000 bushels. That is big advertising for Canadian wheat.

In our territory, extending from the Atlantic to the Pacific, we have natural resources of every conceivable kind Also, we have a climate which cannot be excelled in any part of the world. I believe that at the close of the present century we shall have a population as large as that of the mother country. But it all depends upon how we meet the vital problem of immigration, and upon whether we realize as we should that the basis of all prosperity is what comes out of the soil.

A chart of the food waste problem has been compiled by Mr. Lucius P. Brown, director of the bureau of food and drugs, department of health, New York City. This chart follows food from the farm to the kitchen and tabulates eight great causes of waste. They are: No terminal markets; duplication of marketing facilities; expensive cartage; high retail delivery costs; unnecessary credits; extravagance in service and display; failure to buy home-packed goods of equal quality; and failure of retailer to use proper merchandizing methods.

The Canadian minister of railways last year granted the sum of $25,000,000 as a fund provision for the purchase of locomotives and rolling sock for the government-owned railways and freight cars to supply the shortage on other railroads. In all, 6,000 freight cars are being purchased, 4,000 from the Canadian Car and Foundry Company, 1,000 from the Eastern Car Company, and 1,000 from the National Steel Car Company. They are all to be delivered between October 1st, 1917, and February 1st, 1918. Only 4,000 of the cars are required for the government-owned railways, therefore the balance will be distributed among other railroads, most of which will go to the Canadian Northern and Grand Trunk railways.



General View of Granville Island during Process of Reclamation—Forty-two acres now available for Industrial Sites.

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THREE PERIODS OF RAILWAY DEVELOPMENT

Pioneer, Construction and "Digestion" Eras—Case for Railway Rates Increase

BY J. L. PAYNE.

Canada might be said to have definitely entered upon a third phase of railway development. The first began in 1836 and ended in 1880. That was the pioneer stage, and resulted in the building of 7,194 miles of line, all of which were located east of Lake Superior. The second phase began with the construction of the Canadian Pacific, and terminated with the the completion of the Grand Trunk Pacific in 1913. During those thirty-two years, which might be classified as the expansion period, there was an addition of 22,110 miles to the available railway mileage. Since 1913 there have been added 8,130 miles of line, bringing the total in 1916 up to 37,434; but that addition merely represented the bringing into operation of mileage which had been in process of construction for a number of years. Not a single new railway undertaking has been given effect since 1912.

The commencement of the second phase saw the first mile of track laid down in the great prairie provinces, and it is significant that at the present time 17,488 miles, out of a total of 37,434 in the Dominion, are in operation west of the Ontario boundary. That was what the period of expansion brought about. It meant the opening up for settlement and commerce, of those vast fertile areas lying north of the forty-ninth parallel and west of the Great Lakes, which have already become such an important part of the Dominion and which will inevitably rise in peace. Those were pregnant years, 1880-1913, for Canada.

Period of Digestion.

The third phase, which is now assuming positive form, might be defined as the period of digestion. During the thirty years which witnessed the relatively rapid development of the western provinces there was in constant evidence a spirit of abounding optimism. Not a croaker arose to tell us we were building railways in advance of our national needs; on the contrary, there was a universal conviction that we were rather lagging in the creation of transportation facilities. Activity in construction was applauded us the means by which we should take full possession of our magnificent heritage. The nation speeded up as the years rolled by. We need not smudge the retrospect with reproaches. It was well. We have the railways; but we also have an inconvenient attack of dyspepsia. During this current third phase we shall find room for first-class sagacity in restoring ourselves to the eupeptic condition which characterized our splendid efforts at nation building during the eventful years which immediately followed the completion of the Canadian Pacific.

It may help us to a clearer understanding of what we have done in railway building if we set before our eyes a few comparisons. When the first phase had ended in 1880, the total capitalization outstanding was $270,617,493. When the second phase had run its course the aggregate had risen to $1,531,830,692. It stood at $1,893,877,819 last year, and when the account has been brought down to date it will probably be found that we have reached the $2,000,000,000 mark. When the Canadian Pacific was begun, the freight traffic of the country was slightly under 10,000,000 tons. Last year it amounted to 109,659,088 tons. During the same period the number of passengers carried rose from 6,462,948 to 49,027,671. Even more striking was the advance of gross earnings from $23,561,447 in 1880 to $263,527,157 in 1916.

Earnings Per Mile.

In one way and another it has become fashionable to measure railway progress by gross earnings, and, as far as it goes, that is both a satisfactory and comprehensive test. It strikes the eye with compelling force. But the analyst prefers the more enlightening figures which relate to earnings per mile of line, and when resort is had to that standard of measurement a somewhat different result is revealed. For example, in the pivotal year 1880 the per mile average was $3,275. When the Canadian Pacific had been completed in 1886, despite a gain of $10,000,000 in gross, the average per mile had fallen to $2,831. Mileage had moved upward more rapidly than had earnings. Precisely the same thing has happened during recent years. While gross earnings have increased by nearly $100,000,000 since 1910, the average per mile of line has actually fallen from $7,034 to $6,943. This was due to the fact that during that period nearly 10,000 miles of new line had been brought into operation. Quite obviously, new mileage cannot be expected to produce the volume of traffic which attaches to established mileage.

The war has both helped and hurt our Canadian railways. A perceptible decline in traffic had begun several months before the tocsin sounded, and in the following year nothing but rigid retrenchment saved a perilous situation. If there was heroism on the battlefield during the first twelve months of fighting in Europe there was also courage displayed by the men who had charge of our wide-flung transportation interests at home. They deserve infinite credit for avoiding conditions which might have approached disaster. When the movement of a great volume of war supplies began there was a swift return to swelling earnings, and 1916 showed a gain of $64,000,000 over 1915. For 1917 the weekly return of earnings by the larger railways point conclusively to a new high level. The official figures for all lines will not be available until well along in the new year; but it may be assumed with safety that they will add materially to the total for gross and the average per mile.

Pre-War Rates.

While there has been a painful advance in the all-round cost of living, as the result of acute war conditions, the railways have not had any share in the uplift of prices. They have had to pay a great deal more for both supplies and labor; but they have been held firmly to pre-war rates. The selling price of transportation by rail has been stationary, while the selling price of transportation by water has gone up to undreamt-of figures. This is the illuminating lesson of control. The producers of food, for example, unchecked by any authorized and law-fortified tribunal, have run riot. Just why we have permitted ourselves to get into such a needlessly hurtful situation cannot be regarded as a tribute to either our perspicacity or sanity. If the alleged law of supply and demand is both automatic and inexorable, it ought to be as available to the producer of transportation as to the producer of wheat.

It is somewhat of a triumph that, in face of decidedly adverse conditions, our Canadian railways have been able to maintain net earnings. They have, indeed, slightly increased them. Perhaps no finer proof of administrative skill could be given. The means by which they have done this are in part negative and in part positive. That is to say, they have skillfully cut down all unproductive train mileage on one hand, and on the other they have increased both the carload and the trainload. These things represent, perhaps, the very finest tests of sound management. The average carload in 1907 was 15.37 tons; in 1916 it had been brought up to 20.91. The average trainload in 1917 was 260 tons; in 1916 it was 411. It is along these lines that the shrewdest executive heads of big railways across the border are directing their most determined efforts as the only means of offsetting the rising cost of operation. We are doing just as well, all things considered, on this side of the line.

Principle of State Control.

The third phase of railway development in Canada will be marked by a long and significant stride in the direction of extending the principle of state control. With the taking over of the Canadian Northern and the National Transcontinental, government for the first time comes into possession of a system extending from the Atlantic to the Pacific. This vital change, it will be conceded, was the result of purely financial circumstances rather than the deliberate assertion of a policy. Coincident with this movement has sprung up a demand in some quarters for the general nationalization of railways, and it is noteworthy that a somewhat similar agitation appears to be gathering headway in the United States. These things may be alluded to as facts coming properly within the scope of a brief resume of the railway situation; but it would be obviously improper on my part to venture either a word of comment or a syllable of speculation as to what may be the outcome.

These are times of radical and sudden changes. The world is in a state of flux. With a pronounced disposition on the part of communities and nations to right many things that are found to be wrong, it should not be surprising if departures are made swiftly which would have taken generations to develop under normal conditions. Whatever may take place, it may be taken for granted that our railway facilities are capable of meeting the needs of both a larger

CALGARY

(ALBERTA)

Progress in Calgary of late years as shown by

BANK CLEARINGS

Year	Amount
1912	$ 275,492,393.00
1913	247,882,928.00
1914	201,669,873.00
1915	169,758,599.00
1916	233,097,671.00

STOCKYARD RETURNS

Year	Horses	Cattle	Hogs	Sheep
1914	10,660	42,311	194,162	34,055
1915	17,675	43,445	161,514	13,147
1916	23,084	71,870	121,568	25,087
Estimated 1917	25,622	91,007	124,568	25,021

POWER (ELECTRIC) STATISTICS

Year	Current supplied	Rates Domestic	Power
1912	....	4c.—7½c.	1.1c.—2c.
1913	30,188,737 K.W. hrs.	4c.—7c.	1.1c.—2c.
1914	37,296,182 K.W. hrs.	4c.—5c.	1.1c.—2c.
1915	31,106,945 K.W. hrs.	4c.—5c.	1.1c.—2c.
1916	34,102,549 K.W. hrs.	4c.—5c.	1.1c.—2c.

(1 year's revenue, $565,600.00)

SCHOOL STATISTICS

Year	Teachers	Attendance
1912	161	7,903
1913	170	9,207
1914	220	10,430
1915	230	11,102
1916	253	11,670

(62 school buildings in Calgary)

STREET RAILWAY STATISTICS

Year	Revenue	Expenditure	Passengers carried	Year	Revenue	Expenditure	Passengers carried
1912-13	$704,053.29	$502,119.42	16,986,658	1914-15	$561,626,60	$561,291.16	12,976,293
1913-14	691,008.83	515,192.44	16,213,731	1915-16	605,634.18	576,912.09	13,894,317

(79 cars in operation)

Population 65,000. Per capita debt, including utilities, $392.00.

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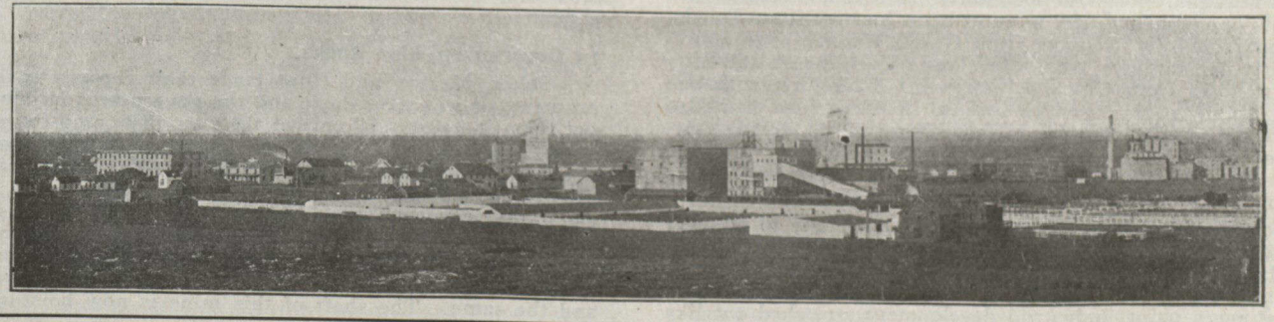


population and a larger commerce. That is something which ought to inspire confidence in the future; for adequate transportation lies at the foundation of national growth. We may face the momentous new year without misgivings on that score.

UNITED STATES FACTORIES FOR CANADA

Many More Will Probably Come After the War—Our Location is Favorable

By F. M. SCLANDERS, F.R.G.S.

Here, at the southern extremity of Canada, our long peninsular protrudes wedgelike into the United States. On all sides, save the north, we are embraced by American territory. On our west, we have Michigan; on our south, Ohio; and, on our east, Pennsylvania and New York. Our geographical location probably accounts for the ignorance of many of our own people elsewhere as to what is happening here, at these border cities of Ford, Walkerville, Windsor, Sandwich and Ojibway. We are deemed to be somewhat beyond the beaten track of things. This is apparently accepted as a handicap to any material development. Consequently, it seems instinctively reasonable to classify us along with those points which remain the same yesterday, to-day and forever.

However, a little thought may convince that instead of a serious handicap, our location is really an exceedingly valuable advantage. Obviously, the further south we are, the closer are we to many of the most important industrial centres of a great country of over one hundred million people of extraordinary national genius and amazing enterprise. For, it is to the United States that we must look for our industrial expansion; and, we are not looking in vain. Within the past three months, eight manufacturing concerns have concluded negotiations to establish here; several of them are here already.

"Made in Canada."

The Americans know us better than do our own people. This is indicated by the fact that our development of recent years will compare most favorably with that of the most progressive points in the Dominion.

The existence of the war does not appear to dampen the ambition of the American manufacturer for a Canadian branch. In many instances, it would seem to be the reverse. These far-sighted people to our south know that war cannot last indefinitely. They are confident that matters will take an emphatic turn for the better after the active advent of a large United States army at the front. They are looking well ahead; and one thing they certainly do recognize is, that after the war, that little trinity of simply words, "Made in Canada," is destined to prove the most potent selling slogan that ever paved the path to great commercial possibilities. The American knows that these little words are no longer a mere designation of origin. He realizes that they have now acquired a world-significance deeper and more potent than centuries of conscientious commerce ever could have induced; and that behind them stand the magnificent record and the supreme sacrifice of this young country in the cause of world freedom.

Canadian Branch Factories.

The astute American wants to come to Canada. At the same time, he does not wish to go too far from his United States headquarters. Our location suits him admirably. We are only one hour-and-fifty minutes train journey from Toledo, four hours-and-five minutes from Grand Rapids, four hours-and-forty-five minutes from Cleveland, seven hours-and-fifty-three minutes from Chicago, etc., etc. Therefore, with one set of highly paid executive brains, the American can also operate a Canadian branch factory here, where we are surrounded on all sides save the north, by American territory. Hence the outstanding value, and not the detriment, of our location.

However, the essential object of this article is to point to the most definite movement of American industries toward Canada. Even in passing on the trains through Michigan, Wisconsin and other neighboring States, it would almost seem that, at every point, industrial development stretched out like the fingers of a hand in the direction of our great country.

Everywhere I go among American manufacturers, there is the same keen, intelligent, well-informed interest in Canada and her industrial possibilities and purchasing potentialities. When I say "well informed," I speak mildly. The general knowledge of Canada possessed by the greater proportion of the high officials of large United States concerns whom I have interviewed, would do great credit to the average individual whose ancestors for several generations back, sleep in Canadian soil.

Despite the war, American industries will continue to flow into this country most encouragingly,—but, after the war, we shall experience an invasion of them. This is my whole message; my whole point.

In 1915, Canada's total imports amounted to $629,444,794. Of these, about 75 per cent. emanated from the United States Yet, on account of our tariff, most of the goods thus represented could have been more economically and more profitably manufactured in the Dominion.

I am not afraid to predict that a year or so after the war, a material proportion of the sum of our present annual imports will be added to the value of our industrial production. This desirable change will result largely from the American industrial invasion of Canada.

ONTARIO'S NICKEL RESOURCES

Metal Found in Commercial Quantities in Four Localities in Province—Value of Nickel Steel

By THOS. W. GIBSON.

The most distinctive metal produced in Ontario is nickel. There are other sources of nickel in America, Australasia and Europe, but none of the deposits are worked on so large a scale or form the basis of an industry at all comparable to that of Sudbury. The story of the discovery of nickel in this province is not devoid of romantic interest, and is related in the report of the Royal Ontario Nickel Commission, published in 1917, together with a great body of information on all other aspects of the nickel question, which for so many years occupied the public mind. The building of the Canadian Pacific Railway along the north shore of Lake Huron in 1883, laid bare a deposit of chalcopyrite, or copper ore, the exact spot being what is now known as the Murray mine. Other bodies of a similar kind were found, and mining of the ore began. On sending it to the smelters for treatment, the ore was found to be refractory, and investigation proved that the difficulties were due to the presence of nickel.

It was then realized that what had been discovered in Northern Ontario was nickel ore rather than copper ore; or, more correctly, for both metals are contained in commercial proportions, nickel-copper ore. Long before this, nickel had been detected by Alexander Murray at the Wallace mine (1848), and also on Michipicoten Island, but in very small quantities. Murray, who was the able assistant of Sir William Logan, the provincial geologist, following up a hint given him by Surveyor A. P. Salter, visited a locality about 30 miles north of Lake Huron, where Salter's compass had been greatly affected by magnetic attraction, attributed by him to iron ore in the surrounding rock. Murray found the compass variations to be due to "an immense mass of magnetic trap," specimens of which he carried away with him for analysis—by his co-worker, Sterry Hunt, afterwards one of the foremost of American chemists. The latter found these specimens to contain minute grains of magnetic iron ore, also titaniferous iron ore, iron pyrites and a small quantity of nickel and copper.

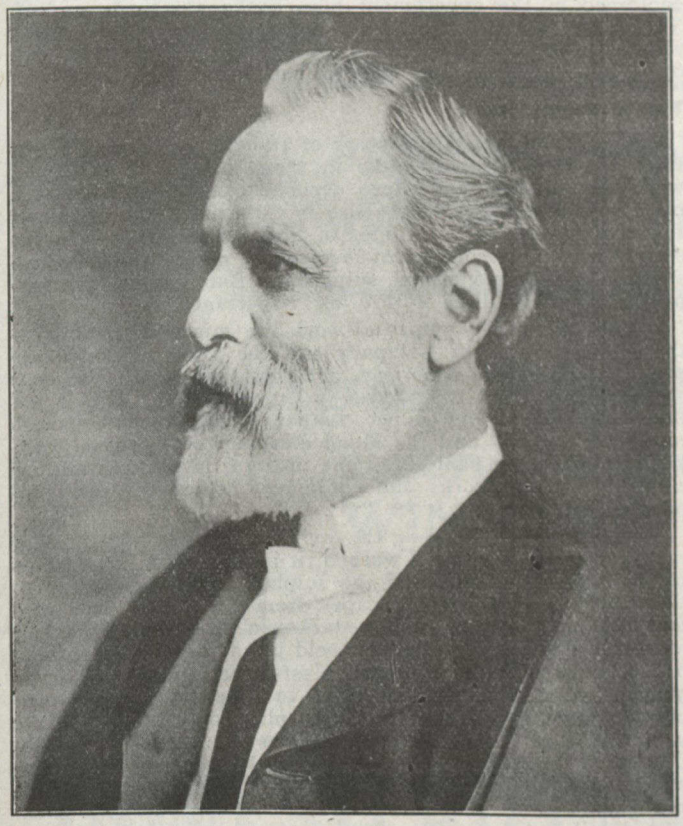
In Government Blue Books.

Salter, Murray and Hunt made their reports to the government, as was their duty, and the government in due course put them in print. All this in the year 1856; and for 30 years these precious hints lay in the government blue books unnoted and unacted on. But in 1886, the Creighton mine was discovered, which the Nickel Commission states is the "greatest nickel mine in the world," and also "one of the greatest metalliferous mines of any kind," and, on consulting Surveyor Salter's notes, it was found that Murray's "immense mass of magnetic trap," and the Creighton mine, were one and the same. The shaft of this mine is now hoisting 5,000 tons of ore per day.

CANADIAN PACIFIC RAILWAY'S FINANCIAL STRENGTH

Company Has Rendered Great Assistance to the Imperial Authorities

An important arrangement was made, early last year, by the Imperial government with the Canadian Pacific Railway for the establishment of dollar credits in New York. It was proposed to issue nearly $200,000,000 new bonds in New



SENATOR THE HON. F. L. BEIQUE,
Director of the Canadian Pacific Railway.

York to replace sterling bonds of the Canadian Pacific Railway mobilized by the British authorities. The issue was about to be made when the United States entered the war, and postponed the transaction indefinitely, as credits were established for Great Britain out of Liberty Loan funds and in other ways.

While the transaction was postponed, all the necessary preliminaries were completed, so that it can be carried out without delay at any time in the future. A bill authorizing the Canadian Pacific Railway to issue new bonds in order to replace sterling bonds taken over by the Imperial government became law last summer. Sir Thomas White then stated that it was not the intention at present to make such an issue, but the Canadian Pacific Railway had been asked by the Imperial government to secure the necessary legislation in order to be prepared for the contingency, should it arise. The Canadian Pacific Railway, explained Sir Thomas, if action was taken under the legislation, would be simply doing it to facilitate Imperial financing in the United States.

Later in the year, the Canadian Pacific Railway Company advanced $10,000,000 to the Imperial Munitions Board, which facilitated the financing of further business under its control in Canada.

Some months previously the company issued and loaned to the British treasury $40,000,000 of the company's 4 per cent. debenture stock for a period of five years. This stock was used as collateral for British government loans in New York.

The total amount loaned, either in cash or securities, by the Canadian Pacific Railway to the Imperial and Canadian governments, to further the war, is now $80,000,000.

The Canadian Pacific Railway has also subscribed heavily to the Canadian war loans. Its subscription to the Victory Loan in November last was $10,000,000, the largest single subscription recorded.

The French-Canadians have always taken a close personal interest in the fortunes of what they call for short "Le Pacifique," just as the English have abbreviated the Canadian Pacific Railway into the more familiar C. P. R. It is, therefore, only right that they should be represented on the board of directors, and no more fitting representative of the race could be found than Senator, the Hon. Frederic Ligori Béique, whose career has been one of such distinction in so many paths of life. Lawyer, business man and philanthropist, interested in many charities, his days have been, and continue to be, full of useful labors in the upbuilding of his native country and in promoting the welfare of her people. His is one of those versatile natures, which, paradoxical as the expression may appear, is only at rest when in the midst of labor.

F. L. Béique, the son of Louis Béique, was born in St. Mathias, Rouville County, Quebec, on May 20th, 1845. Acquiring his education at the College de Ste. Marie de Monnoir, he chose law for his profession, and later on became an LL.D. of Laval University. He was called to the Bar in 1868, and made a King's Counsellor for the Province of Quebec in 1885, and for the Dominion of Canada in 1889. Accurate knowledge, sound judgment and clear speaking made him one of the leading lawyers of his period. His brothers in the legal profession have recognized this. From 1891 to 1893 he was Batonnier of the Bar in the district of Montreal.

Senator Béique has been engaged as counsel in many celebrated cases. He repeatedly pleaded before the Privy Council in England; he was a member of the Royal Commission in the famous Whelan case of 1890; as counsel for

The new overland route from Yokohama to Peking and the "Empress" steamers of the Canadian Pacific Ocean Services, have now brought the capital city of China within 15 days' journey of Vancouver. Through tickets are now issued from Yokohama for this journey over the Railways of Japan, Korea and China.

the late Hon. H. Mercier and his colleagues who were accused in connection with the Baie des Chaleurs Railway by the Lieutenant-Governor of Quebec, in 1891, he won a wide reputation; in 1896 and 1897 he was counsel for the Dominion before the Behring Sea Claims Commission. For years he has worked in partnership with Sir Louis Jetté, and he still energetically pursues his legal practice.

Coincident with the opening of the newly found nickel deposits of Sudbury was the discovery of nickel steel. In 1889, James Riley, of Glasgow, established the fact that a small proportion of nickel greatly increased the strength of steel. Up to this time, nickel had played a very minor part among the metals, but Riley's discovery lifted it to a place of much importance, and quickly led to an increased demand which the Sudbury deposits were in a position to supply, and which greatly hastened their development. A special application of nickel steel was in the manufacture of armour plates for battleships. The United States government of the day was quick to realize the importance of nickel steel armour plates, and its large requirements put the industry at Sudbury on its feet. Undoubtedly, however, the future of nickel steel is an industrial one.

After the present devastating war is ended, the work of reconstruction will begin, and in this it is certain nickel steel will play a worthy and important part. For large bridges, locomotive and automobile parts, marine shafts and boiler tubing for everything, in short, where steel is required to be both strong and light, nickel would seem to be almost indispensable. Other uses there are for nickel, such as in electroplating, in cupro-nickel, nickel silver, coinage, etc., but these, while not unimportant, do not now, and are not in the future, likely to require much metal, compared with nickel steel. Even the war, while diverting nickel as well as almost everything else for the time being to purposes of destruction, is making the industrial world more familiar with the advantages of nickel steel, and will probably conduce to a greater demand than ever before.

Alloyed with Steel.

There are several other metals which, when alloyed with steel, exercise a beneficial effect comparable to that of nickel; among them, tungsten, manganese, vanadium, chromium, molybdenum. But the supply of most, if not all of these is scanty and precarious. The difficulty of obtaining sufficient quantities of manganese since the war broke out, is well known, and the scarcity of tungsten has led to molybdenum being used in its place. But most deposits of molybdenite, the principal ore of this metal, are pocketty, and of comparatively small extent. It would seem that nature was in a niggard mood when she provided these beneficiators of steel.

This scarcity is not so marked in the case of nickel, which indeed occurs abundantly—more abundantly than copper—as a constituent of the solid crust of the earth, but only here and there is it sufficiently concentrated to furnish workable deposits. In one or two localities, for instance, in the island of Cuba, nickel occurs on a really important scale, but in such a form—namely, accompanied by chromium in an earthy iron ore of low metallic contents, as to make its commercial extraction or utilization somewhat difficult. It is less easy to make a product of uniform composition from a natural alloy of this kind than from the necessary materials in separate form, since in the latter case the proper proportions are more readily obtained and controlled. But so far the largest and best deposits from which nickel as such can be extracted are those of the Sudbury district of Ontario. Here large masses of pyrrhotite mixed with chalcopyrite are found, containing on an average about 3 per cent. of nickel and 1.5 per cent. of copper.

In Four Localities.

From four separate and distinct localities in Ontario nickel in commercial quantities has been obtained. The earliest of these was Silver Islet, a tiny speck off the north shore of Lake Superior. The chief metal of this mine was silver, but with it were associated also nickel and cobalt. In 1874—43 years ago—a shipment of nickel and cobalt in the form of speiss, mattes and oxide, was made to Schneeburg, in Saxony, for which, reckoning also the silver which was left in these materials, some $30,000 was obtained. It must be remembered that at that time nickel was worth about $3 and cobalt about $4 a pound.

The second area was that of Sudbury, now by far the most important source of production in the world. The third nickel-bearing locality was Cobalt, so-called from the metal of that name, whose rose-pink arsenate colored the rocks alongside the Timiskaming and Northern Ontario Railway Company's right-of-way near Lake Timiskaming, and attracted the attention of the woodrangers and workmen when the railway was being built in 1903. The assemblage of minerals at Cobalt was almost precisely the same as at Silver Islet—silver, cobalt, nickel and arsenic. The nickel contents in both cases were small, yet from the Cobalt silver ores have been taken nickel amounting to about 4,000 tons in all, and from these ores was made the first metallic nickel refined in Ontario.

In the township of Dundonald about 130 miles northeast of Sudbury, the fourth nickel deposit was discovered. A prospector, named Alexander Kelso, who read the government reports, noted that the surveyor in laying out the township of Dundonald had observed a strong local deflection of the needle, and being a man of intelligence, examined the spot and found the disturbance due to a body of pyrrhotite carrying nickel and copper. This, it will be observed, was the Creighton mine case over again, except that the information contained in the government blue books was made use of. This mine is called the Alexo, and it has for several years yielded 10,000 or 12,000 tons of ore averaging over 4 per cent. of nickel and about 1 per cent. of copper.

Two Distinct Types.

These four nickel areas are of two distinct types: Silver Islet and Cobalt being alike in their mineral constituents, while the Sudbury and Alexo deposits closely resemble each other. In the first two the ore is essentially one of silver, accompanied by the arsenides of nickel and cobalt. In the second, the chief component is pyrrhotite with which are associated nickel and copper sulphides. But Sudbury far surpasses the other three in size and importance.

Two operating companies work the mines of Sudbury—the Canadian Copper Company and the Mond Nickel Company, the former an American, and the latter an English concern. The seat of the former is Copper Cliffe, and of the latter Coniston. The copper company treats about 1,300,000 tons of ore yearly and the Mond company over 300,000 tons. Both are excellent samples of the modern, large-scale mining company, whose works and equipment are of the most approved type.

The process of treating the ore is interesting. After being raised from the mine and washed, it is roasted in huge heaps in the open air to drive off the sulphur, which, according to the Nickel Commission, escapes from the heaps, and also from the smelter and refinery stacks, in quantities equivalent to one million tons of sulphuric acid per annum. The roasted ore is smelted in an ordinary blast-furnace to a low grade matte, and the latter is then blown to a Bessemer matte, containing about 80 per cent. of nickel plus copper. This matte is exported to New Jersey and Wales for the final separation of the metals. The International Nickel Company, with which the Canadian Copper Company is associated, is erecting a large refinery at Port Colborne, Ontario, which it is expected will shortly go into operation, with a capacity of 7,500 tons of refined nickel per annum. The Mond Company's refining is all done at Clydach in Wales, where metallic nickel and sulphate of copper are made. A third company, the British-America Nickel Corporation, is opening a large deposit of ore at the Murray mine, and will build a smelter and refinery there also. This company has the financial backing of the British government. The output of the Sudbury mines for 1917 was about the same as for 1916, or, say, 41,500 tons of nickel and 21,250 tons of copper, the value of which, in the matte form, was about $30,050,000. Both metals, owing to war demands, are higher in price than for years.

Other Countries' Deposits.

The other main source of the world's supply of nickel is the island of New Caledonia, some three days' voyage by steamer from Sydney, Australia. The New Caledonia ores are of an entirely different character from those of Sudbury, being for the most part of an earthy, laterite nature. They carry a higher percentage of nickel, but no copper. No refining is done on the island, the ores being exported as such, or as matte, principally to Britain and France, but also to a smaller extent to the United States, for refinement. These deposits for a long time dominated the nickel market, but their output now is less than one-third that of the Sudbury mines. For instance, during the five years, 1911-1915, New Caledonia turned out 39,607 tons of nickel, while Ontario produced 121,106 tons. Since 1915, the production of New Caledonia has not increased, while that of Ontario has gone up more than 20 per cent.

Norway also has nickel-copper deposits of the Sudbury type, but the ores are poorer both in nickel and copper. The war demand has brought about an increase in the Norwegian production which, however, is less than 1,000 tons per annum. Most of it has found its way to Germany, but of late this export trade has been much curtailed

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NATIONAL OBLIGATIONS AND TRADE

Analysis of Conditions and Outlook for Post-bellum Business

By R. J. YOUNGE.

The business men of Canada, in conjunction with the Dominion government, must carry the responsibility of preparing now for the trade conditions which will follow the war. The majority of our leading business men are not in the trenches. Their presence and assistance have been necessary at home, and they have given in most cases unstintedly of their time, their effort and their money in the production of munitions, the maintaining of a score of patriotic funds, the flotation of national loans and many other meritorious projects for the winning of the war. But what have they done to get ready for the conditions which must inevitably follow the coming of peace? In every other belligerent country a great deal of time and thought have been given to these problems.

Let me ask three important questions: First of all, in connection with the changes that must come when our munitions orders are finished. We have to-day in Canada one thousand factories making shells and various kinds of requirements for the war. Employed in those factories there are half a million workmen. What is going to happen to these factories when these munitions orders are cut off, as they will be some day—soon, we hope—perhaps overnight?

The second question is, how are we going to take care of our returned soldiers? We will have, perhaps, three or four hundred thousand soldiers coming back from the front, and all the manhood there is in us tells us that our first duty as Canadians is to see that employment is offered to these men. If we do not plan to-day, if we allow these intervening months to pass, while they are carrying the burden in the trenches, without preparing and organizing to insure them, not only a welcome when they come back, but a good job which will bring them proper remuneration, we shall have failed to do our duty.

National Obligations After War.

But, even supposing that we have orders to fill these factories, even supposing that we have plenty of work for all our soldiers who will come home, then let me ask, how are we, as a nation, going to meet our national obligations after the war, unless we build up a balance of trade by greater production and wider markets? We do not realize what our national debt is going to be when the war is over. The 7,500,000 of people in Canada can avoid staggering under that debt, only if, as a nation, we are able to sell more than we buy; that is the only solution for meeting our national obligations.

This view may appear more or less pessimistic, but when we think seriously of these problems which are confronting us, we must face hard facts. There is another side, however, to this picture. If these conditions which we must face as business men, do appear to be almost insurmountable, there is a brighter side in the magnificent prospect which we have to establish ourselves as a greater factor in the world's markets than we have been in the past. Speaking with a few hundred manufacturers as I have in the last two years, I have been told by many that we cannot compete with the world, that our export experience, before the war, has taught us that money can be lost in export trade as well as made, and that when compared with the much lower priced labor in Great Britain and much more highly specialized industries in the United States, Canada is operating under enormous disadvantages. The president of the National Association of Manufacturers of the United States, speaking more than a year ago, said that in the enormous changes that were taking place in the world's trade, the manufacturer in the United States would reap his full harvest from those changes only if he learned now to understand that "old things have passed away and all things have become new." If that is true for the highly specialized and highly capitalized manufacturer of the United States, then it is even more true for the small and sometimes struggling manufacturer in the Dominion of Canada. The sooner that we learn that the conditions which prevailed before the war are not the conditions that will prevail after the war—are not the conditions that will dominate the future—just so soon will we commence to appreciate our wonderful new opportunities.

The old channels of trade have been buried in the past; old scale of wages have passed away; the old surplus of labor has gone; old shipping conditions have passed away; old easy-going systems of taxation are gone, for our lifetime at least; old antiquated methods, party distinctions and political ideas are passing away and all is new. New channels of trade, new sources of supply, new markets, new scales of wages, new shipping conditions, new standards of efficiency, and new political ideas making the narrow sordid aims of party—subservient to the welfare of the nation.

These changes are much more significant than they appear to us now. The Britain of to-day is not the same old Britain of before the war. The France of to-day is a new France. The Russia that calls for deliverance, and is to-day bursting the chains that have bound her for centuries, is a new Russia. The Germany that with bowed head and broken heart will sign the greatest peace treaty which was ever signed, will be a new Germany. And who will say that Canada, with the losses she has sustained, the sacrifices she has made, and the everlasting glory which has been won for her by her sons in battle—who will say that she will not emerge from this terrible trial a new and greater Canada?

Matter of Tariffs.

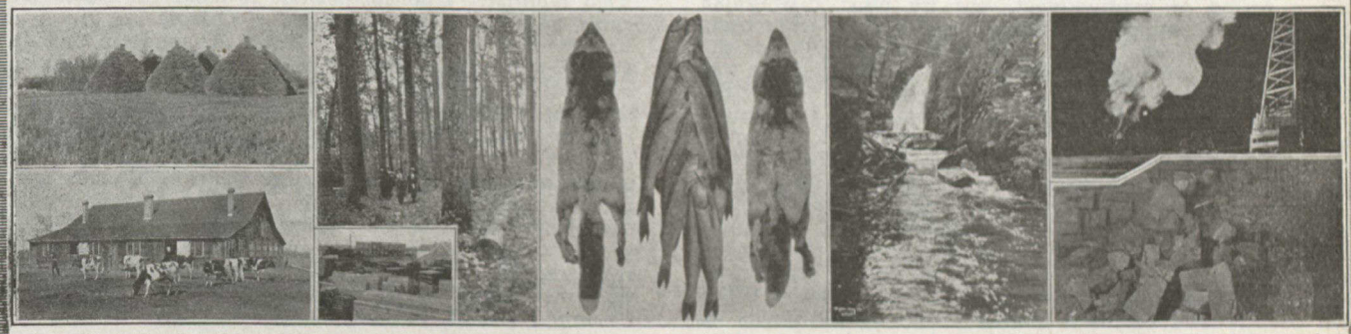
There are those who believe that after the war we will have international preferential tariffs which would be of the greatest assistance to manufacturers of this country. They predict that we will have, first of all, an inner circle for the members of the family of the empire, a British preference operating throughout all British Dominions; a second circle just outside of that for allied countries; a third circle outside of that for neutral countries; and a fourth and almost prohibitive circle for the production of enemy countries. For the reconstruction of our trade and our finances, what a splendid assistance this would be! If preferences come, we must be ready to reap the full advantage of them. But supposing we get no tariff preference, are we to sit down and say that just because we are not going to get a preference, we are not going to organize our natural resources and our industrial strength to show the world what we are and what we have? After all, I believe that what we need most is a new confidence in ourselves, and a willingness and determination on the part of Canadian business men to say that they want world business and that they are going to get it. It has been surprising to see the part that Canada has played industrially in the war, in fact it has been one of the great surprises of the war. Many of us do not realize that every plant that has been making shells in this country has undergone an experience in the widespread knowledge of new processes, in accuracy, in precision, in the study and use of metals, and, above all else, actual efficiency, from the management down to the meanest workman. It is a proud thing for us to know that the efficiency engineers who have visited our country and inspected the munitions plants here and have compared them with the munitions plants of Great Britain, have said that the Canadian plants are fully the equal of the plants across the sea, not only in the actual results, but in the efficiency with which these plants are managed. Our industrial progress since the beginning of the war has been so marked that it would have been impossible for the universities and technical schools of Canada to impart, in the course of many years, such a wealth of knowledge and experience as has been crowded into as many months.

Call for National Action.

But all this progress will be in vain unless we can gather it up and nationalize it. Here we must take a lesson from the success of Germany. Germany learned to do things nationally. Every source of production throughout the German empire co-operated and took its place in the great plan which was to place her at the head of the world. Her farmers and her manufacturers, her banks, her railways, her steamship lines, and, behind them all, her government, worked together to the one great end, which, had it not been inspired by Prussian militarism, would have made Germany in many ways a model of national and commercial progress. Canada must learn to act nationally and her business men must show the way.

The share of the world's trade which will come to us, depends altogether upon how we organize to get it. What is Canada doing to prepare herself for world trade? What are our manufacturers, and our banks, and our government doing to get ready for Canada's century? How much attention are the manufacturers giving to this big question? We should understand now that, unless we use these intervening

PROVINCE OF ALBERTA



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ESTIMATED YIELD AND VALUE OF AGRICULTURAL PRODUCTS, 1917

	Acreage	Bushels	Yield per Acre	Price	Revenue
Spring Wheat	2,845,647	52,644,469	18½	$2.00	$105,288,938.00
Winter Wheat	51,693	1,214,785	23½	2.00	2,429,570.00
Oats	2,537,883	84,384,610	33¼	.60	50,630,766.00
Barley	472,112	10,504,492	22¼	1.00	10,504,492.00
Flax	139,827	1,115,572	8¼	2.50	2,888,920.00
Rye	30,883	787,516	25½	1.50	1,181,274.00
Other Grain Crops	49,114	393,912	18	1.00	393,912.00
Hay	492,522	492,522 Tons	1 Ton	10.00	4,925,220.00
Potatoes	48,917	7,337,550	150	.60	4,402,530.00
Turnips	5,746	1,149,200	200	.50	574,600.00
Carrots	5,199	1,039,800	200	.50	519,900.00
Animals slaughtered and sold					45,000,000.00
Dairy Products					25,000,000.00
Wool Clip (2,086,633 lbs.)					1,181,682.00
Game and Furs					2,000,000.00
Horticultural					175,000.00
Poultry and product					3,500,000.00
Total Acres (Grain) 6,127,159 — 1917					260,596,804.00
1916					170,725,650.00
Increase					89,871,154.00

Live Stock	Number	Price	Value in Dollars
Horses	716,317	$100.00	71,831,700.00
Swine	730,237	15.00	10,935,555.00
Sheep	276,966	8.00	2,215,328.00
Dairy Cows	325,861	60.00	19,551,660.00
Calves	363,583	10.00	3,635,830.00
Steers	187,538	40.00	7,501,520.00
Other Cattle	616,671	30.00	18,500,130.00
Bulls	41,861	75.00	3,139,575.00
1917			137,329,298.00
1916			118,098,685.00
Increase			19,230,613.00
Total Increase			109,101,767.00

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CHARLES S. HOTCHKISS,
Chief Publicity Commissioner
EDMONTON, ALTA.

HON. DUNCAN MARSHALL,
Minister of Agriculture
EDMONTON, ALTA.

months till the war is over in organizing and consolidating our position, the coming of peace will find us absolutely unprepared. We must organize at home and abroad. We must demand national technical education. We must increase the efficiency and perhaps the capacity of our plants. We must tell the world what we can produce; and we must seek out reliable agencies and channels of trade in every friendly foreign market to sell Canadian goods.

Does not Foresee Depression.

I am not one of those who believe that after the war we will see a great and universal trade depression. There must come a period of readjustment, but we must distinguish between such a temporary condition and a world-wide trade depression. If we analyse the manufacturing strength of the allied countries, we begin to see to what extent after the war the allied countries must lean on Great Britain. Take the staple commodities of life: with the exception of the United States, she is the only one of the allies capable of producing the manufactured products demanded by the buying nations of the world. After the war, when the world's stocks must be built up again—they are practically depleted now in most lines—when reconstruction must commence in Belgium, France, Servia, Poland and Roumania—when that time comes Great Britain will only be able to fill a fraction of her orders. Enormous demands will be made upon her by every other allied country and her own country is thirsty for goods of many varieties; but where must the surplus goods—the orders that Great Britain cannot fill—come from? There is only one outlet for those orders, and that is the North American continent; the surplus orders must be filled in the United States and Canada and just in proportion as we can organize now to get ready, just in that proportion will Canada reap her share. War orders are very different from export orders. War orders have been thrust upon us, and we have been commanded to use every ounce of energy that we have to increase our production and give the armies at the front what they need. But we will not have export orders thrust upon us—they will not fall from the skies—we will dig for them; and so I say again, the whole key to the situation lies in organization, and if we do not organize we will surely fail.

No business man in Canada should dismiss this subject until he has decided that the opportunities are too great to be disregarded, the duty too clear and too insistent to be thrown aside, and, finally, that his hearty co-operation will be given in solving this problem which we must admit is of the greatest importance to Canada, next to the winning of the war.

FORESTS AS A NATIONAL RESOURCE

Our Commercial Forest Area is 400,000,000 Acres—Forest Fires Undiminished

BY R. H. CAMPBELL.

The present is a time when in the strong light of war conditions enquiry is being made as to the resources of Canada to meet the present situation and as the continuance of the war for an indefinite period in the future adds to the liabilities which must be met by the country, the question presses itself whether our resources will be equal to the great strain that will be placed on them. It is easy to dismiss the question with optimistic orations on the illimitable resources of Canada, but that will not be of a sufficiently substantial nature to satisfy the creditors who have to be paid in cold cash, nor will the inflation of the wealth of the country by the methods of the real estate boomster or the subsidized literary agent go far toward meeting real obligations. And there is nothing more pathetic than the light and easy way in which new organizations, public or private, undertake from time to time to make a survey of the natural resources of the country in the course of a few weeks or months. While there is no real fear in Canada that we will not finally meet our obligations whatever they may be, it should be realized that much of the optimism displayed has its origin in inferences which are not based on any wide foundation of real knowledge of the natural resources of the country or how they are being developed.

Nowhere is this more strikingly displayed than in connection with the timber resources of the country. The phrases, "illimitable timber wealth," "inexhaustible forest resources," that came so glibly from the tongue are still heard though they now come more falteringly and there is an uneasy feeling that there may be trouble ahead. In fact some of those who have given the subject most thought and are in the best position to know the actual situation, are not making statements that can be described as optimistic at all. In a recent speech in the Senate the following statement was made by Senator W. C. Edwards, one of the leading lumbermen of the Dominion:—

"Coming to the next industry which I have named, that of lumber, I think it will be agreed that with this I am somewhat familiar. I do not hesitate to make the statement that every province in the Dominion of Canada far overestimates its resources in this respect. There are many in Canada who even to-day believe that our resources in this respect are inexhaustible, and that it will only be a question of time until the United States will be exhausted of lumber and will have to turn to Canada for a supply. This idea, I assure you, is absolutely incorrect. The United States has as great a supply of lumber relatively to her wants as Canada has, and the total quantity of standing timber in Canada would not supply the wants of the United States for more than eight years. Canada was once a comparatively rich country in this resource, but bush fires and unwise administration of our timber resources on the part of the various provinces have brought about the unfortunate result I have named.

"In pulpwood we are considerably stronger than in timber for lumber manufacturing—of this there is no question; but, if our pulpwood resources are no better administered than our lumber resources have been in former years, they, too, will become exhausted much more rapidly than is at present anticipated."

After the War Question.

The whole question has an important bearing on the ability of Canada to meet the obligations resulting from the war. These obligations will be met mainly by exports of the products of the country. The products of the forest have had a place in the export trade of Canada second only to that of agricultural products. From Confederation to the present time the values of various classes of exports have been as follows:—Agricultural products, $2,010,298,011; animal products, $1,743,974,236; the forest, $1,418,568,514; the mine, $849,845,443; the fisheries, $485,298,526; manufactures, $898,623,720; miscellaneous, $20,857,806; total exports, $7,427,466,256.

Both the lumber and the pulp business are capable of larger expansion in Canada. The forest area of Canada, that is the portion that will bear a commercial forest and is not suitable for agriculture, may conservatively be put at 400,000,000 acres. The forest production of Sweden, with a forest area of 5,563,985 acres, is valued at $107,000,000. There is a question whether or not Sweden may be cutting over its annual production of timber, but the general opinion is that it is not and that this yield may be maintained permanently. Sweden is not now cutting virgin stands of timber but stands that are the result of forest management and replanting. The conditions of forest growth in Sweden are very similar to those in Canada and there seems to be no reason why an equal scale of productiin should not be reached and maintained here. The exasperating features of the situation is that Canada's forest resources are on the down grade, although we are not cutting as much timber relatively as Sweden, that the forests are becoming steadily poorer and less productive and that no adequate means have yet been taken to turn the tide in the other direction.

Forest Fires Undiminished.

The fire danger has not been controlled. Every year the loss runs into millions of dollars and the resulting deterioration of the type of forest means a still further loss of production that is incalculable. Almost everyone who discusses the forest situation in Canada asks: What are you doing in reforestation? Yet the same man will go out in the forest and drop a match or a cigarette stub, and in one fire burn up more young trees than could be planted in twenty years. A fire in Southern Manitoba this year destroyed 600 acres of vigorous young growth. To replant this would cost probably $10 per acre, or $60,000, and would require 600,000 young trees. Solely as a result of the inefficiency of a forest ranger one fire in another place ran over 14,000 acres. To replant this would cost $140,000 and take 14,000,000 young trees. Similar cases might be cited all over the country. And when

The Consumers' Gas Co.

OF TORONTO

The Consumers' Gas Company has a perpetual charter for the manufacture and sale of gas in the City of Toronto, Townships of York, Etobicoke, Vaughan, Markham and Scarboro.

The dividend is limited by statute to 10% on the paid-up Capital. After this dividend has been earned, and provision made for repairs and renewals, the Company must reduce the price of gas. The prices have gradually and voluntarily been reduced, during the sixty-nine years of the Company's history, from five dollars per thousand cubic feet to eighty cents. Moreover, the Company has acquired one of the finest and most up-to-date plants obtainable.

The output of gas for the year ended September 30, 1917, was over 4,200,000 thousand cubic feet, being approximately equal to the combined output of all the other gas companies in Canada. In addition, over $350,000.00 worth of merchandise was sold, and over $895,000 worth of residual products.

The present capital of the Company is $5,360,700. There is a reserve fund of $3,525,833.49, and a plant renewal fund of $1,608,312.80. Assets total $11,672,283.21. Profits for the past fiscal year were $953,306.61, after providing for all expenses of management and operation.

The reserve and plant renewal funds together equal 96% of the Company's capital, which funds are invested principally in the Company's business, with no interest charges against them. This means that the Company need earn only about 5% on the money invested in order to meet its dividend requirement of 10% on the capital stock. The Company has steadily maintained its 10% dividend for forty-three years.

The directors are Messrs. A. W. Austin, President; Wellington Francis, K.C., Vice-President; A. H. Campbell; F. Le M. Grasett, M.D.; John Hoskin, K.C., LL.D., D.C.L.; Herbert Langlois; Thomas Long; Lieut.-Col. J. F. Michie; Sir Edmund Osler, M.P. The General Manager is Mr. Arthur Hewitt; the Secretary, Mr. John J. Armstrong.

Table Showing Increase of Company's Business

Year	Population	Increase per cent.	Output of Gas M. Ft.	Increase per cent.	No. of Meters	Consumption per meter	Com. per Capital of Pop.	Miles of Main	Price of Gas per M.
1855	42,500	.....	22,000	.....	1,119	11,500	302	23	$3.00
1865	47,500	11.7	30,014	36.4	1,188	16,000	402	41¼	3.00
1875	68,678	44.6	100,122	233.9	2,508	26,500	969	66	2.50
1885	105,211	53.2	273,484	173.1	6,778	28,300	1,873	126	1.50
1895	190,000	80.0	614,553	124.7	20,626	25,000	2,883	227⅓	1.05
1905	250,000	31.5	1,374,114	123.6	39,711	31,334	5,496	302.06	.80
1917	500,000	100.0	4,202,516	205.8	108,719	36,797	8,001	585	.80

a continuous dry season occurs, as it does periodically, such areas of destruction occur all over the country and in greatly extended areas. Only an awakened public opinion which will result in fires not being started and which will insist on an efficient organization and service for fire prevention, with the efficiency of which no political influences will be permitted to interfere, can effect an adequate result.

The method in which the forests are being cut is resulting in heavy loss to the country. Forest operations are carried on with only the present crop in mind, and the result is the forests are steadily deteriorating.

Forests Steadily Deteriorating.

White pine forests have by a steady process of cutting out the pine and leaving inferior species wholly changed their character and now carry trees of less value and productiveness than the pine. Spruce forests are being so cut that they are becoming forests of fir, poplar and birch, trees of less value in every way and offering less material suitable for export. Before the commission of enquiry into the cost of paper production one company states that its pulp limits will be exhausted inside of fifty years, and another reports that it is each year writing off a considerable sum for deterioration in value of its pulpwood holdings. That is, these forests are steadily deteriorating although a proper system of forest management would bring about a greater stand of timber and a greater production in Canada while it would allow of cutting as large a crop of timber as is now being harvested. The latter statement seems paradoxical, but is proved true by the general results of forest management in Europe.

Such management can be brought about only by putting men technically trained as foresters on the actual scene of operations to study Canadian forest conditions in the light of their theoretical scientific knowledge and gradually bring about the changes in methods that are found necessary to the desired end. The improvement will not be brought about by the woods foreman or superintendent who has no conception of any new methods being required and no sympathy with them, nor will it be brought about by the lumberman whose chief concern is in the office and the marketing of the produce, nor by the forester who is an office theorist. Science and practise must reach an effective combination in the forest

White Pine Blister Rust.

There have been heavy losses in the forest from insects and fungi. Some years ago the larch sawfly largely wiped out the tamarack in eastern Canada. At the present time eastern Canada is facing a most serious situation in the danger to the white pine forests from the white pine blister rust. This fungus, which is much similar to the rust on wheat, has made the growing of American white pine an impossibility in Europe, and it was introduced into both the Untied States and Canada by shipments of white pine stock received from forest nurseries in Germany. The disease was probably introduced into the United States in 1900 on such stock, but shipments received in 1909 were in the worst condition and have been responsible for the wide spread of the disease which is now in all the states bordering on Canada as far west as Minnesota. It was in the latter year that the disease was introduced into Canada from Germany, but it was not discovered until 1914, when its presence was noted, and on investigation it was found to be widely distributed in the Niagara peninsula.

The study of the life history of the fungus and the necessary inspections to ascertain the places of infection were undertaken by the Dominion and provincial governments, and the present situation is that the disease has been found spread so generally in Ontario and Quebec that only the most active and heroic measures will stop its spread and even now it may be too late. As the rust spends one period of its development on currant bushes, it is apparently being distributed by shipments of such stock from nurseries. The only remedy is the destruction of both the currant bushes (wild and cultivated), and the white pine trees affected. If this is not done thoroughly over considerable areas the inevitable result will be that Canada will have to go out of the growing of white pine and after the present mature crop is harvested will have no more white pine to export and will have to substitute red pine, spruce or possibly Scotch pine. That is, Ontario and Quebec will have to go into the lumber export market with products of a lesser quality and will have to wait until the young white pine now growing is replaced by means of a costly system of planting of species that are immune to the disease.

These are some of the facts of the case and they indicate that there are serious difficulties to be overcome in placing forest production on a permanent basis so that the material required for home consumption and export may be provided. The forest is a peculiar crop. Compared with agricultural crops it requires a long time to reach maturity, and is, therefore, subject to many dangers before it can be reaped. On the other hand, it is a living thing and can be reproduced over and over again for all time and developed and improved by proper management.

The subject is not entirely one of Canadian concern. It is one of imperial importance. When the war broke out one of the first necessities that made itself felt in the British Isles was a supply of pit props for carrying on coal mining operations. The greater part of the wood used for this purpose had been imported from Russia, Sweden, Norway, Germany, France, Portugal and Spain. Steps were immediately taken to meet the situation, and by severer cutting in the British Isles and readjustment of imports the situation was met. A forestry committee was, however, appointed by the Imperial government to go into the whole question of timber supplies as it affects the British Isles, and although the report is not yet submitted it is understood that it will not only urge forest development in the homeland but point to the necessity of the protection and development of the forests of Canada, the main timber producing country in the Empire, thus accomplishing a patriotic work of imperial concern as well as one vital to the development and prosperity of the Dominion.

Future of our Forests.

Canada has of late years given some attention to the question of the future of the forests. The federal government and the provinces have forest fire acts and fire patrol systems in varying degrees of development and efficiency, but none of them adequate to the task in hand. The lumbermen, especially in the province of Quebec, have organized protective associations for the prevention of fire. But the fires still continue and in dry years the losses are heavy.

Forest management as it is practised in Europe, that is, so as to have the cutting operations result in improving the quantity and quality of the production, is practically unknown in Canada. A few tentative efforts are being made in that direction, but as yet with little effect on the general tendency.

Whether the white pine blister rust or the white pine will survive in the struggle is for the future to tell. If the former it will certainly not be the survival of the fittest, and the providing of a less valuable substitute for the white pine will be a long drawn out and costly procedure.

Conservation and Development.

Some of the main things that are required for the proper conservation and development of the Canadian forests are:—

1. A recognition by the public that the forest is an important resource of the country, that sixty per cent. of the area of the country will grow nothing but trees, and that the forest must be given a permanent place in our national economy.

2. Nation-wide co-operation for the prevention of fires.

3. Government forest services that shall be adequately manned and efficiently administered and freed from the evil of political patronage.

4. Forest surveys on recognized methods which will require a considerable expenditure over a term of years, to get definite knowledge of the forest resources of the country, developing gradually from the general survey to the more intensive one.

5. Proper provision for scientific investigation in connection with the forest. The federal government provides a whole department for such work in connection with agriculture and mines and although the forest is specially responsive to scientific treatment and is susceptible to many dangers, such scientific investigation as far as the forest is concerned is made a mere side issue in a branch of a department already overloaded with administrative work. France, Russia, Norway, Sweden, Denmark, Belgium, every country doing anything in forestry work has its regularly organized division of forest investigations and a series of forest experiment stations for carrying out special studies.

6. Proper forest management accompanied by replanting where necessary.

7. Co-operation in every way possible between the federal and provincial authorities in the interests of forest development.

DIVIDENDS AND NOTICES

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31ST DECEMBER, 1917, payable JANUARY 15TH, 1918, to shareholders of record December 31st.

By order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 20th December, 1917.

PENMANS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and one-half per cent. has been declared on the Preferred Shares of the Capital Stock of this Company, for the quarter ending January 31st, 1918, payable February 1st, 1918, to Shareholders of record of January 21st, 1918; also a Dividend of one per cent. and bonus of one per cent. on the Common Shares for the quarter ending January 31st, 1918, payable February 15th, 1918, to Shareholders of record of February 5th, 1918.

By order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, December 19th, 1917.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A dividend of two and one-half per cent. of the Ordinary Shares of the Company has been declared payable on January 15th, 1918, to Shareholders of record of December 31st, 1917.

By order of the Directors,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, December 24th, 1917.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A dividend of two per cent. of the Preferred Shares of the Company for the quarter ending December 31st, 1917, has been declared payable on January 15th, 1918, to Shareholders of record of December 31st, 1917.

By order of the Directors,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, December 24th, 1917.

CANADA CEMENT COMPANY, LIMITED

ORDINARY SHAREHOLDERS

DIVIDEND NO. 7.

NOTICE IS HEREBY GIVEN that a dividend of 1½ per cent. for the three months ending December 31st, 1917, being at the rate of 6 per cent. per annum on the paid-up Ordinary Stock of this Company has been declared, and that the same will be paid on the 16th day of January, 1918, to Ordinary Shareholders of record at the close of business December 31st, and that the Transfer books of the Company will be closed from January 1st to 10th inclusive.

H. L. DOBLE,
Secretary.

Montreal, December 15th, 1917.

Fidelity and Surety Bonds

The Guarantee Company of North America

(Founded by Edward Rawlings in 1872)

MONTREAL

THE BOARD OF DIRECTORS

President and Managing Director: HENRY E. RAWLINGS, Esq.
Vice-President: WM. MCMASTER, Esq., President Canadian Explosives, Limited.
SIR VINCENT MEREDITH, Bart., President Bank of Montreal.
E. F. HEBDEN, Esq., Man. Director, Merchants Bank of Canada.
JAMES B. FORGAN, Esq., Chairman, First National Bank, Chicago.
HON. E. C. SMITH, President, Cent. Vermont Ry. Co., St. Albans.
PHILIP STOCKTON, Esq., President, Old Colony Trust Co., Boston.
JOHN MACDONALD, Esq., John Macdonald & Co., Ltd., Toronto.
THOMAS DE WITT CUYLER, Esq., Commercial Trust Co., Philadelphia.
SIR AUGUSTUS NANTON, Financier, Winnipeg, Man.
FRANK SCOTT, Esq., Vice-President, Grand Trunk Railway System, Montreal.

This Company operates under a Dominion Charter.
It transacts its business in Canada and the United States.
Its investments in Canada are over $1,250,000.
Its assets and resources are over $2,500,000.

Toronto Agency: MEDLAND & SON, Mail Building
Winnipeg Agency: OSLER, HAMMOND & NANTON

SMART-WOODS, LIMITED

DIVIDEND NOTICE

A Dividend of One and three-quarters per cent. (1¾%) on the PREFERRED STOCK of SMART-WOODS, LIMITED, has been declared for the Quarter ending December 31st, 1917, payable December 31st, 1917, to Shareholders of record December 27th, 1917.

By order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, December 19th, 1917.

THE BANK OF TORONTO

ANNUAL MEETING

The Annual General Meeting of Shareholders of this Bank will be held at the Banking House of the Institution, corner of King and Bay Streets, Toronto, on Wednesday, the ninth day of January next, the chair to be taken at noon.

THOS. F. HOW,
General Manager.

The Bank of Toronto,
Toronto, December 1st, 1917.

Credits by the United States to the allies passed the four billion-dollar mark on December 29th, when Treasury Secretary McAdoo authorized additional loans of $185,000,000 to Great Britain for January purchases in the United States; $155,000,000 to France; $7,500,000 to Belgium, and $1,000,000 to Serbia. Last Saturday's total was $358,500,000, and the total credits to the allies to that date were $4,236,400,000.

Canada's Wheat Grain, Root, and Fodder Crops

Government's Preliminary Estimate Shows That Last Year's Field Crops Are Worth $1,089,687,000—The Crop Record of The Monetary Times

Field crops of Canada.	1915. Per bushel.	1915. Total.	1916. Per bushel.	1916. Total.	1917. Per bushel.	1917. Total.
Wheat	$0.91	$356,816,900	$1.31	$344,096,400	$1.95	$ 451,874,000
Oats	0.36	171,009,100	0.51	210,957,500	0.60	236,142,000
Barley	0.52	27,985,800	0.82	35,024,000	1.00	51,684,000
Rye	0.77	1,921,900	1.11	3,196,000	1.50	6,359,700
Peas	1.65	5,724,100	2.22	4,919,000	3.00	10,117,800
Beans	3.05	2,206,800	5.40	2,228,000	7.00	9,727,900
Buckwheat	0.75	5,913,000	1.07	6,375,000	1.20	9,860,400
Flax	1.51	9,210,400	2.04	16,889,900	3.00	20,618,100
Mixed grains	0.57	10,062,300	0.88	9,300,900	1.00	15,461,400
Corn for husking	0.71	10,243,000	1.07	6,747,000	1.00	9,177,400
Potatoes	0.60	36,459,800	0.81	50,982,300	1.00	81,355,000
Turnips, etc.	0.24	14,588,700	0.39	14,329,000	0.46	29,253,000
	Per ton		Per ton.		Per ton.	
Hay and clover	14.37	152,531,600	11.60	168,547,900	10.40	142,320,300
Fodder corn	4.91	16,612,600	4.92	9,396,000	5.18	10,900,900
Sugar beets	5.50	775,500	6.20	440,000	6.75	793,800
Alfalfa	12.68	3,309,100	10.69	3,066,000	11.59	3,041,300
Totals	.....	$825,370,600	.....	$886,494,900	.....	$1,089,687,000

The above is the preliminary estimate of the census and statistics office, Ottawa, issued on November 30th, of the value of the field crops last year, compared with the finally revised estimates for 1915 and 1916. The total for 1917 is $1,089,687,000, which is 22 per cent. greater than the total for the previous year. This is the first time that the estimated value of the field crops of Canada has reached $1,000,000,000, that large figure being due to the high prices now ruling. The estimated value for 1917 represents the prices received by farmers, being calculated from market quotations in October. They are subject to revision after the compilation of returns from correspondents in December. The final estimates of value for 1917 will be issued by the census and statistics office this month.

Probable Demand for Wheat and other Cereals upon Canada and the United States

The following table, compiled in October last, shows the normal peace sources of the annual supplies of wheat of France, Italy, the United Kingdom and Belgium, being an average of the three-year prewar period:—

Commodiay.	Production. Bushels.	Imports from United States. Bushels.	Imports from Canada. Bushels.	Net imports, other sources. Bushels.	Consumption. Bushels.
Wheat	590,675,000	79,426,000	112,900,000	188,478,000	974,485,000
Corn	121,109,000	10,811,000	.....	135,675,000	266,596,000
Oats	570,890,000	6,783,000	16,580,000	88,612,000	682,865,000
Barley	125,201,000	4,946,000	6,660,000	63,030,000	199,793,000
Rye	78,573,000	567,000	60,000	11,309,000	90,537,000
Total	1,486,448,000	102,533,000	136,200,000	487,134,000	2,214,276,000

It will be seen from the above that the normal imports of wheat are 381,000,000 bushels, and of other cereals 345,000,000 bushels. The estimate of the 1917 harvest in the allied countries, based upon crop reports from these countries, is as follows:—

Commodity.	Probable 1917 porduction. Bushels.	Average normal production. Bushels.	Deficiency in production due to war. Bushels.
Wheat	393,770,000	590,675,000	196,905,000
Corn	94,464,000	421,109,000	26,645,000
Oats	337,235,000	570,890,000	233,655,000
Barley	93,585,000	125,201,000	31,616,000
Rye	41,732,000	78,573,000	36,841,000
Total	960,786,000	1,486,448,000	525,662,000

In order to provide normal consumption it would therefore be necessary to import in the next 12 months a total of 577,000,000 bushels of wheat and 674,000,000 bushels of other cereals. North America will have an apparent surplus of wheat of 208,000,000 bushels and of other cereals of about 950,000,000 bushels.

The prospective position of the United States and the Canadian harvest was estimated in October as follows:—

Commodity.	Probable United States, 1917. Bushels.	Average normal United States consumption. Bushels.	Probable United States surplus. Bushels.	Add possible Canadian surplus. Bushels.
Wheat	678,000,000	509,304,000	88,000,000	120,000,000
Corn	3,124,000,000	2,653,698,000	470,000,000	62,000,000
Oats	1,453,000,000	1,148,713,000	304,000,000	30,000,000
Barley	214,000,000	178,829,000	35,000,000	9,000,000
Rye	56,100,000	35,866,000	20,200,000	18,000,000
Total	5,525,100,000	4,607,410,000	917,200,000	239,000,000

The allies are isolated from those markets other than Canada and the United States, on which they were accustomed to rely before the war. The Russian supply cannot be got out. Bulgarian and Roumanian supplies are in the hands of the central empires. The voyage from Australia and India is three times as long, and therefore requires three times as many tons of shipping as is required from North Atlantic ports. It is also twice as dangerous, because of the longer exposure to submarine attack. There has been a large failure in the South American countries, and the new harvest from that quarter will not be available in Europe until next spring. All the allied countries are, and have been for some time, rigorously administering and economizing their food. In

Belgium the relief commission has been compelled to reduce the consumption of cereals by nearly 50 per cent.; this brings the food supply so low that the population are incapable of labor.

From the above tables it will be seen that on normal bases of consumption the total allied wheat import requirements are 577,000,000 bushels against a North American surplus of 208.000,000 bushels. From the United States supplies must be reserved a certain amount for neutrals from which the United States receive vital supplies and also an amount to protect the United States stocks better this year than last. There is therefore on normal consumption a deficit of over 400,000,000 bushels.

In the other cereals used in Europe mostly for animal feed, the import necessities of the allies on normal consumption basis are about 674,000,000, against a North American surplus of 950,000,000, but again a reserve for neutrals and increased "carry over" will absorb all the margin. In any event it means the United States must multiply its exports of these cereals 20 times. However, upon the present season's crops, it should be possible to supply the requirements of the allies in cereals other than wheat.

ESTIMATED EXPORTABLE SURPLUS OF WHEAT, 1917-18.

Items.	Bushels.	Bushels.
Carry-over from 1916-17	.....	7,464,400
Allowance for imports, say	.....	300,000
Crop of 1917 (Preliminary estimate).	.....	249,147,500
		256,911,900
Loss in cleaning and for grain not of merchantable quality (10%)....	24,915,000	.....
Seed for crop of 1918, say 16 million acres at 1.75 bushel per acre....	28,000,000	.....
Food: Population of 8 millions at 6.25 bushels per capita	50,000,000	102,915,000
Balance available for export.	.....	153,996,900

CANADA'S GRAIN ELEVATORS

Canada has 3,200 grain elevators at 1,340 stations, including terminals, with combined capacity of nearly 185,000,000 bushels. The three prairie provinces have more than 3,000 grain elevators at 1,320 stations with combined capacity of 106,000,000 bushels, or much more than one-half of the total.

Fort William and Port Arthur, at the head of the lakes in Ontario, have the big terminal elevators, the former having 19 with 27,770,000 bushels capacity, and the latter six with 15,315,000 bushels capacity, a combined total of 25 elevators and 43,085,000 bushels. The Canadian Pacific's terminal is Fort William, and the Canadian Northern's is Port Arthur.

Total Ontario private elevator capacity, including that at the head of the lakes, is less than 45,000,000 bushels, while that of British Columbia is only 1,725,000 bushels, represented by eight elevators and one warehouse. Ontario has also 14 public elevators, with 18,350,000 bushels capacity. Quebec has five with 8,400,000; New Brunswick, two with 2,000,000; Nova Scotia, one with 500,000. Total public elevators 22, with 29,250,000.

FACTORY EMPLOYEES WELL PROTECTED

Outline of the New Legislation in Alberta—No Children Under Fifteen Years Employed

By E. B. WILLIAMS.

The western provinces have been credited with advanced legislation. There is a great looking to the future here, consequently our legislation is often in advance of the fact. We have not many manufactories, but we have always had the raw material, and now we have the transportation and are getting the population. Last session the Alberta legislature passed "An act for the protection of persons employed in factories, shops and office buildings." Most of the older provinces have had a factories act for years, and in drafting ours we had the benefit of the statutes and experience of the older members of the Confederation family.

In our act those protected are brought under two heads—children and women. Any one who is under 15 years of age, the termination of compulsory school age, is known in the act as a "child," and any female over 15 is a "woman."

We have regulated minimum age and wage and maximum hours of labor. The hours of labor are regulated by "shifts." The "day shift" maximum is from 7 a.m. to 6 p.m., with one hour between 11 and 2 for meals, and the night shift must not exceed 8 hours with a similar hour for meals. If any part of a shift is before 7 a.m. or after 6 p.m., it is deemed a night shift and therefore becomes an 8-hour shift. No person may be employed for more than one shift in one day.

No "child" may be employed in any factory, shop, office or office building. No person shall receive less than $1.50 per shift, except an apprentice whose minimum wage is $1. Wages are payable semi-monthly.

In most other respects the acts of the older provinces were used as guides, but in the above respects the employees' interests as such touch them most keenly and intimately are protected for the first time in Canada by legislation embodied in the factories act.

The city of Saskatoon is served by three railways, the Canadian Pacific, the Canadian Northern, and the Grand Trunk. Its central location makes it one of the best distributing centres in Saskatchewan. Cheap power is supplied by the city.

CANADIAN RAILROAD EARNINGS

The following are the approximate gross earnings of Canada's transcontinental railroads month by month.

	Canadian Pacific Railway			Grand Trunk Railway			Canadian Northern System		
Month	1916	1917	Increase + Decrease −	1916	1917	Increase + Decrease −	1916	1917	Increase + Decrease −
	$	$	$	$	$	$	$	$	$
January	8,380,000	9,941,000	+1,561,000	4,257,416	4,677,388	+ 419,972	2,086,800	2,832,600	+ 745,800
February	8,546,000	8,832,000	+ 286,000	4,018,721	3,843,006	− 175,715	2,089,200	2,358,600	+ 269,400
March	10,228,000	11,692,000	+1,464,000	4,509,243	5,002,337	+ 492,994	2,606,000	3,272,400	+ 666,200
April	10,568,000	12,036,000	+1,468,000	4,685,505	4,885,211	+ 190,946	2,824,300	3,314,900	+ 491,500
May	12,187,000	14,068,000	+1,881,000	4,677,936	5,857,403	+1,179,467	3,088,900	3,784 700	+ 695,800
June	11,343,000	13,005,000	+1,662,000	5,109,036	6,227,119	+1,118,083	3,377,200	4,048,600	+ 671,400
July	12,247,440	13,377,860	+1,130,420	5,331,363	6,101,780	+ 784,419	3,834,200	3,844,900	+ 10,700
August	12,880,000	12,023,000	− 857,000	5,750,376	6,020,820	+ 270,444	3,684,900	3,405,200	− 279,700
September	11,846,000	11,952,000	+ 106,000	5,626,826	5,883,792	+ 256,966	3,187,900	3,341,700	+ 153,800
October	13,102,000	14,593,000	+1,491,000	5,660,321	5,844,525	+ 184,204	3,716,800	3,941,600	+ 224,800
November	13,157,000	14,942,000	+1,785,000	5,343,653	5,549,336	+ 205,683	3,722,300	4,050,200	+ 327,900
*December	12,289,000	12,651,000	+ 362,000	5,280,245	5,315,592	+ 35,347	3,485,400	3,602,480	+ 117,080

*Figures for December 1917, estimated

Index to Statistics, The Monetary Times, January 4th, 1918

	PAGE
Army and Navy Pensions, Canada's	220
Automobiles in Canada	124
Banks Commenced Business, When Our	136
Bank Clearings by Provinces	99
Bank Clearings	95
Bank Notes in Circulation	37
Bank Figures (Compared)	64
Bank of England Rate	62
Bank Loans to Municipalities	68
Barn Fires, Over Five Thousand	190
Billion Dollars of Bullion	130
Bond Sales in Canada	90B
Bond Sales in United States	90A
Bond Prices and the Outlook	176
Bourne's Insurance and Brokers' Days' Chart	216
Building Permits	139
Business Profits and Income Taxes in Operation	116
Canada's Army and Navy Pensions	220
Canada's Bank, Net Profits and Dividends of	52
Canada's Bond Sales	132
Canada's Commercial Balance Sheet	234, 236
Canada's Municipal Bond Sales	132
Canada's Need of Potash	246
Canada's Trade With Italy	91
Canada's Trade With France	90F
Canada's Victory Loan	134
Canadian, British and Other War Loans	28
Canadian Bond Sales in all Markets, Summary	90C
Canadian Flotations in London	162
Canadian Municipal Flotations in London	87
Canadian Ports for Canadian Business	252
Canadian Stock Issues Made During 1917, Principal	166
Canadian Trade With Britain	90D
Capital Subscriptions in the United Kingdom, 1909-1917	170
Casualty and Miscellaneous Insurance	222
Cash Wheat Fluctuations	98
Coal Problem of Canada Demands National Action	25
Cobalt Ore Shipments	100
Commercial Failures in Canada	90
Composit of Canadian Conditions	13
Death, Causes of by Occupation	192
Diagnosis of Fire Waste	206
Dividends and Bonuses Paid by Ontario's Silver and Gold Mining Companies	245
Dominion Government Loans Last Year	126
Dominion Loan in United States Last Year	81
Dominion Notes in Circulation	58
Exchange Rates, Fluctuations of	104
Financial Values Last Fall, During War and After	70
Fire Insurance Transacted in Canada	200
Fire Underwriting Results	185
German War Loans	66
Gold Reserve, Central	66
Grain Shipments	244
Homestead Entries in Canada, 1897-1917	244
Investment and Exchange	101
Immigration to Canada, Statement of	244
Large Advances Made by Canada to Great Britain	46
Life Companies and War Mortality	185
Life Insurance Transacted in Canada	198
Life Underwriting Results	185
Loaning Operations, Cost of	174
Loans Abroad, Call	68
Metallic Reserve, Ratio of	50
Moneys Coined at Canada's Mint	70
Municipal Finance in Saskatchewan	119
National Debt Nearly Billion Dollars	66
Notable Prospectuses of 1917	107-115
Prices During and After the War	23
Primary Production in Canada	29
Retail Prices Compared	103
Seed Grain Liens are Being Repaid, How the	164
Seventy Leading Stock Issues, Analysis of	80
Silver at Dollar an Ounce	120
Stock Exchange Record	139-154
Summary of Clearing House Returns	99
Unlicensed Fire Insurance	212
United States' Ban on Gold Exports	136
War Cost, Three Years'	34
War Financing, Three Years'	42
War Loans, How Four Compare	128
War Loans, German	66
War Savings Certificates	79
Wheat, Fluctuations of Cash Wheat	97
Where Our Bank Branches are Situated	33
Wholesale Prices, Changes in	238, 239

HOW OUR FOUR WAR LOANS WERE ALLOTTED

Subscriptions of	First Loan, November, 1915 ($100,000,000)	Second Loan, September, 1916 ($100,000,000)	Third Loan, March, 1917 ($150,000,000)	Fourth Loan, November, 1917 ($400,000,000)
(1) $25,000		In full	In full	In full
(2) From $25,000 to $100,000	All subscriptions of $50,000 and under in full. Subscriptions, except banks, for amounts over $50,000, in full, with privilege of withdrawing subscriptions	First $25,000 in full; remainder 30 per cent.	First $25,000 in full; remainder 80 per cent.	In full
From $100,000 to $1,000,000		Of first $100,000, $25,000 in full, remainder 30 per cent; above $100,000, 40 per cent.	Of first $100,000, $25,000 in full, remainder 80 per cent.; above $100,000, 70 per cent.	Over $500,000 and up to and including $1,000,000, $500,000 in full and 75 per cent. of the balance
In excess of $1,000,000		Of the first $1,000,000, $25,000 in full, and remainder 40 per cent; above first $1,000,000, 26 per cent.	Of the first $1,000,000, $25,000 in full, and the remainder 70 per cent; above first $1,000,000, 45 per cent.	Over $1,000,000, $500,000 in full and 75 per cent. of the balance for first million, and 50 per cent. of amount in excess of first $1,000,000.

NOTE.—First loan—Subscribers, other than the chartered banks, for amounts exceeding $50,000 were allotted their subscriptions in full, but were allowed to withdraw or reduce the amount of their subscriptions by written notification lodged with the finance department on or before December 18th, 1915. The chartered banks, which subscribed an aggregate of $25,000,000, were allowed to take such portion of their subscription as they desired, but so that the total issue did not exceed $100,000,000. Of the total loan so increased to $100,000,000, the Government employed $50,000,000 to establish a credit with the finance department for the Imperial treasury. Second loan—No allotments of the $50,000,000 subscribed by the banks were made, but a credit of $50,000,000 was established here for the Imperial treasury.

Transacts

Personal Accident	Fidelity Guarantee
Sickness	Burglary
Liability (all kinds)	Loss of Merchandise and
Automobile	Packages through the Mail

Applications for Direct Agencies Invited

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F. J. J. STARK, General Manager

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