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BRITISH COLUMBIA

# FINANCIAL TIMES

A Journal of Finance, Commerce, Insurance, Real Estate, Timber and Mining

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## Necessity for National Organization for War

Dependence of War on Economic Resources Renders Necessary Adjustment of Industries to War Purposes and Urgent Practice of Economy and Saving.

Stephen Leacock, the eminent Canadian economist, has contributed an especially valuable article, which has been issued in pamphlet form and distributed by the National Service Board. It meets so completely our ideas and aims that we take the liberty of using excerpts from it, especially since it has had very little circulation in British Columbia, in the hope that it might contribute toward bringing about a condition of thrift and saving which will subserve the interests of the State in this crisis of war, and give to each individual a sense of helping win the war in this hour of trial.

Professor Leacock points out the critical position of the British Empire and the state of the contestants as at present. The Canadian soldier is doing "all that heroism can inspire and all that endurance can fulfill; are we doing our share at home?"

"This is a war economy." Professor Leacock shows that much of our energy and industry has not only no bearing on the war but that it amounts to an actual drain on our resources for waging war. He points out the fact of war stimulating prosperity and enforces the attention with its uneconomic foundation.

But here let him speak for himself:

"What then are we to do? By what means can we change from an economy of peace and industrial selfishness to an economy of effort and national sacrifice?"

"There are two ways in which this can be done; one that is heroic and impossible, another that lies easy to our hand.

"The first is the method that nations adopt only in their despair, only in the last agonies of foreign conquest, as when Richmond fell, or when the Boers fought on in grim desperation across the naked veldt. Here national production ends, save only for necessary food and war supplies. Private industry is gone. Luxury is dead. All of the nation's men are gathered in a single band. They do as they are told. They fight, they work, they die. Its women are in the fields; or they are making bandages; they tend the sick; they pray beside the dying.

"Thus can a nation stand, grim and terrible, its back

against the wall, till it goes down, all in one heap, glorious. In the wild onslaughts of the great conquests of the past, nations have died like this.

"But for us, here and now, and in the short time that we have, this is not possible. Outside invasion could force us to it, in a jumbled wreck, with no choice of our own. But to accomplish this at a word of command inside our present complex industrial system is not possible. It is too intricate, too complicated, to be done by command

from above. To enlist every man and woman in an industrial army, to direct their work and assign their rations—in other words, to create an ideal national war machine—is a task beyond the power of government. Years of preparation would be needed.

"What we do must be done from below, using, as best we can, the only driving force that we know—the will of the individual. We must find a means that will begin to twist and distort our national industry out of its present shape till it begins to take on the form of national organization for war.

"To do this we must exchange war prosperity for war adversity, self-imposed and in deadly earnest.

"The key to the situation, as far as we can unlock it, lies in individual thrift and individual sacrifice. Let there be no more luxuries, no wasted work, no drones to keep, out of the national production.

"Every man, today, who consumes any article or employs any service not absolutely necessary, aims a blow at his country.

"Save every cent. Live plainly. Do without everything. Rise early, work hard, and content yourself with a bare living. The man who does this—if he uses the saved money properly—is doing war work for his country. He may wrap his last year's coat about him and eat his bread and cheese and feel that he, too, is doing something to show the world the kind of stuff that is yet left in it.

"But he must use his savings properly. That is the whole essence of the matter.

"Let us see what this implies. If the idea of National Thrift were really to spread among us, there would be no more purchases of mere luxuries, or things that could be done without; no more motors, no theatres (save where the work is voluntary and the money for the war), no new

"To the People of Canada:

"The prospectus of the third Canadian domestic war loan appears today in the press throughout the Dominion. From the purely investment standpoint no more attractive issue has ever been placed before the Canadian public. In this connection it is also to be observed that the securities offered, being of the long date class, are certain to appreciate by many points when interest rates become more normal in the period succeeding the termination of the war. Financial institutions and skilled investors require no special advice, but it is particularly to be desired that citizens of moderate means should not miss the opportunity of participating in this notably advantageous offering. As the issue is to be listed, ready facilities will be available to those desiring at any time of converting their holdings into cash. Aside from these practical considerations, it is to be expected that Canada will, at this critical time, demonstrate to the world, even more signally than in the past, the financial strength, unity of purpose, and indelible determination of her people. There were 35,000 subscribers to the last war loan. Let us make it double that number this time. The securities are being issued in denominations to suit the purses of all investors. Subscriptions large or small are welcome. The Government confidently appeals to the patriotism of the Canadian people to make this issue an overwhelming success. Every man and woman can aid in winning the war by becoming a subscriber to the third and greatest Canadian war loan.

"W. T. WHITE,  
"Minister of Finance."

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clothes—they would become a badge of shame—no books, no pictures, no new furniture, no new carpets, no victrolas, and for our children no new toys save such as can be made by the affectionate industry of a father working overtime with bits of stick and cardboard.

"Such a programme would threaten to wipe out manufacturers and knock down dividends like ninepins. At first sight, a manufacturer, reading such an article as this, turns pale with indignation and contempt. Let him wait. Let us follow the money that is saved a little further and see what happens to it.

"Every cent of the money that can be gathered up by national thrift should be absorbed by national taxes and national loans. Our present taxes are, for war-time, ridiculously low as far as all people of comfortable, or even of decent, means are concerned. And they are made with one eye on the supposed benefit to industry. We need a blast of taxation—real taxation, income tax and all, that should strike us like a wave of German gas. As things are, we should go down before it. Armed with the new gas helmet of national thrift we could breathe it easily enough and laugh behind our goggles.

"Over above the taxes we need a succession of Government patriotic loans, not money-lenders' loans at market and super-market rates, but patriotic loans in the real sense, at a low rate of interest, let us say four per cent., and issued in bonds of twenty-five dollars, with a dollar a year as interest.

"The people, one says, will not subscribe. Then, if not, let us perish; we do not deserve to win the war.

"But they will subscribe.

"If, under the auspices of our Government, a national campaign for thrift and investment is set on foot; if we give to the ideas all the publicity that our business brains can devise, if we advertise it as commerce advertises its healing oils and fit-right boots and its Aphrodite corsets, then people will subscribe, tumultuously, roaringly, over-whelmingly.

"If not—if that is the kind of nation that we are—let us call our soldiers home from the western front. They are fighting under a misunderstanding. The homes that they are saving are not worth the sacrifice.

"But first let the Government—of the dominions, the provinces, the cities and the towns—itsself begin the campaign of thrift. At present vast sums of money are being wasted in so-called public works, railways in the wilderness, cement sidewalks in the streets, post offices in the towns—millions and millions that drain away our economic strength. In time of peace these are excellent. For war, unless they have a war purpose the things are worse than useless. The work of the men who labour at them is of no value, and the food and clothes that they consume must be made by other men.

"Let us be done with new streets and new sidewalks, new town halls and new railways, till the war is done. Let us walk in our old boots on the old boards, patriots all, with dollar pieces jingling in our pockets adding up to twenty-five for the latest patriotic loan.

"Let us do this, and there will pour into the hands of the Government such a cascade of money that the sound of it shall be heard all the way to Potsdam.

"And here enters the last step to be taken under National Thrift to convert ourselves into a war economy. The Government goes with its money to the manufacturers and interrogates them. What can you make, and you, and you? You have a plant that has made buggies and fancy carriages. These our people will not buy because now they walk. But what is it that you can make?—can you turn yourself to making trucks, wagons? You, that made boots and have lost half your trade, what about a hundred thousand boots for the army? You, that made clothes, what about doing the whole thing over in khaki?

"The needs of a War Government are boundless, endless. The list of its wants is as wide as the whole range of our manufactures. The adjustment is difficult. Not a doubt of it. It cannot be done in a day. But with each

(Continued on page 10)

# History and Development of Marine Insurance

By MR. B. G. D. PHILLIPS

Third Instalment—Continued from Issues of February 17th and March 3rd—Forms of Policies—Implied and Expressed Warranties.

There are several forms of policies which may be briefly noted.

An Interest Policy is one which shows clearly that the assured has a specific real and substantial interest at risk, as, for example, on one hundred bales of wool.

A Voyage Policy, as distinguished from a Time Policy, is one in which the limits are defined by termini or places, the interest at risk being insured for a particular voyage as for example, Vancouver to Liverpool.

A Time Policy, usually confined to the insurance of hulls, is one which expresses the insurance for a specified period of time. In England such policies, if made for more than twelve months, are, by the Stamp Acts, illegal.

A Valued Policy is one where an agreed value (not necessarily the actual value) of the thing insured is inserted in the policy.

An Open, or Floating, Policy is one in which no name of any special vessel is inserted, the policy so framed as to apply to any ship or ships, steamer or steamers, etc., by which the assured may have an insurable interest, the various shipments being declared from time to time as they occur. It is a fundamental principle of such policies that all shipments which the assured may have are to be declared thereunder. He must not run his own risk upon or insure others elsewhere, anymore than he can wait with a view to declaring only those shipment that are lost, or which arrive damaged. The "Open" policy is in very general use and it has the advantage from the merchant's point of view that his goods are always covered even though, as often happens, a loss occurs before he has made his declaration.

Lastly, there is a Wager Policy, which shows on the face of it by such words as "Policy Proof of Interest," or "Interest or No Interest," that the assured has no substantial interest at stake or else that the underwriter is willing to dispense with any proof of interest. They are usually known as P. P. I. (Policy Proof of Interest) Policies, and according to Statute are void. They nevertheless, continue to be executed, and inasmuch as there is no legal obligation on the underwriter to be bound by the policy they are regarded as a record of obligation not of law but of honour between the parties, and are often known as Honour Policies. As an example of a P. P. I. Policy one may instance an insurance against the risk of an increased Government duty, or of the taxation of articles previously duty free.

The above are definitions of the various forms of policies, which may be used, but it need not be assumed that they are all in general use. It may be taken for granted that for all practical purposes the forms in general use are Time Policies which are used chiefly in connection with hulls, and Voyage Policies, which are used in connection with sailing ships, and for the insurance of cargo. Open Policies are merely what one might call an enlargement of a Voyage Policy. Furthermore, practically all marine policies are what are known as Valued Policies; in other words, the valuation of the interest insured is nearly always stated.

In this respect it may be interesting to note the difference between a fire policy and a marine policy. A fire policy does not insure a specific house, factory or cannery, but it insures damage up to a certain amount, which may occur to the interest. A marine policy, on the other hand, insures the interest itself, and it may be taken as an axiom that in a marine policy the assured is always a coinsurer to the extent by which the amount of his insurance falls short of the value expressed in the policy.

It is a well known fact that the essence of every contract is good faith, and this is equally true of the contract of Marine Insurance. The assured is bound to communicate all circumstances of which he has knowledge, which may effect the risk, or influence the underwriter in accepting it or in fixing the rate at which he is willing to write it. The non-communication of such a fact is termed "concealment" and renders the policy void. For example, if the assured has received a doubtful report of the capture of a ship similar to his own, and neglects to communicate the intelligence to his underwriter on effecting the insurance the policy will be void. And similarly if a misrepresentation be made with the object of deceiving the underwriter, as for example, the positive statement that a ship sailed on a certain day and so is not a missing ship, or that she was safe in port at a particular time and so escaped a storm, or that her cargo was of a certain kind or weight so that she was not overladen.

An implied warranty is a condition of the policy which is not expressed, but understood, and the breach of which avoids the contract. The term warranty is applied to these conditions because

they are as binding as though written upon the face of the policy.

They are three in number—

1. In every voyage policy that the vessel shall be seaworthy when the risk commences.

2. That the voyage shall be prosecuted in the usual way without undue delay, deviation or departure from any of the established usages of trade or navigation.

3. That the adventure shall be in all respects a legal one and the ship properly documented.

Seaworthiness has been concisely defined in the following terms: "The assured undertakes in a voyage policy that his vessel shall start upon the voyage in all respects fit to encounter the ordinary perils incident to such a voyage. In other words, before the assured can recover in case of loss he is bound to prove not only that the ship was tight, staunch and strong, but that she was properly equipped with sails and stores and that she was manned with a sufficient crew to navigate her on the voyage insured. In addition the ship must have a pilot when required by law or usage, proper ground tackle, and in short, all things necessary for the voyage. The cargo must be properly stowed, and the vessel not overladen.

Neither ignorance nor innocence will avail to relieve the assured from the consequences of a breach of the warranty, although the ship-owner may have done everything in his power to ensure the seaworthiness of the vessel before sailing, and her unseaworthiness be the result of a latent defect.

Upon the same principle an insurance on cargo is avoided if the vessel sail unseaworthy though the assured be ignorant of her state or powerless to alter it. This fundamental condition can only be dispensed with by an express agreement between the parties to this effect, and any words inserted in the policy to exclude the warranty must clearly specify the intention to exclude it.

There is, however, no implied warranty of seaworthiness in a time policy.

The consequences entailed by a deviation are set forth in the Marine Insurance Act, as follows, viz.:

"Where a ship without lawful excuse deviates from the voyage contemplated by the policy the insurer is discharged from liability as from the time of deviation and it is immaterial that the ship may have regained her route before the loss occurred."

In practically all policies, however, the following clause is usually inserted which practically nullifies the effect of a deviation:

"In the event of deviation and/or change of voyage the assured to be held covered at a premium to be arranged provided due notice be given on receipt of advices."

An express warranty is a condition appearing upon the face of the policy the literal fulfilment of which is essential to the contract. "It is of no avail to plead inability, accident, or even the operation of a peril insured as an excuse for non-compliance with an express warranty." For instance, a vessel was warranted to sail on a certain day and was in readiness to depart when she was detained by an embargo until after the specified date. It was held that even though the detention was effected by superior force, and that "restraint of princes" was a peril insured against, the underwriter was discharged by the breach of the warranty.

Express warranties may refer to the date of a vessel's sailings, to her classification, equipment or nationality; to the weight or description of cargo; to her trading limits, the course to be pursued during the voyage or other circumstances connected with the risk.

The extract from the "Saturday Evening Post," that I have already read, gives the wording of an ordinary Lloyd's policy.

Whilst it is not within the scope of this paper to discuss the various risks enumerated at any length, it may be of interest to run over them briefly.

First, then, there are "Perils of the Seas." This term does not cover every accident or casualty which may happen on the sea. It must be a peril of the sea. It is also a fact of law that it does not cover every damage of which the sea is the immediate cause. It does not, for instance, cover wear and tear; there must be some extraordinary peril, such as stranding, sinking, heavy weather, to account for the damage before the liability can be fixed on underwriters to make it good.

The risk of fire does not need to be explained, as the gentlemen assembled here are fully aware of what it covers.

"Men of War Enemies." This term is self-explanatory, and it is needless to add that an English policy covering the risk of capture of enemies' property by British War vessels is illegal.

"Pirates and Rovers." Those knights of the skull and cross-bones, who were the delight of our youthful days.

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Head Office—Toronto, Canada

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"Thieves," which covers only robbery with violence, and not pilferage.

"Jettisons," which covers the throwing overboard of the cargo or part of the ship's furnishings in order to lighten her in case of emergency.

"Letters of Mart": Commissions granted by a sovereign or government empowering the holders to make reprisals on an enemy's shipping in respect of losses which the enemy had inflicted on them.

"Letters of Countermart," which authorized resistance to holders of letters of mart.

"Surprisals and takings at sea," as instanced in the recent activities of the German raider.

"Arrests, Restraints and Detainments of all Kings, Princes and Peoples." The text books distinguish the above from "capture," in that "capture" is taking possession with the intent to change the property, whereas "arrest" is taking with the intent to ultimately restore it, and "restraint" is prevention of the goods going.

"Barratry of the Master and Mariners," barratry being an act with criminal intent committed by the master or crew of the vessel in violation of their duty to the shipowner and without his cognizance; for example, scuttling her, or disposing of her for their own benefit.

Having thus, as one would think, given a fairly comprehensive enumeration of the accidents that can happen to property at sea, the policy proceeds with the words "and of all other perils, losses, or misfortunes that have or shall come to the hurt, detriment, or damage of the said goods and merchandise and ship." Now, any man of ordinary common sense would naturally think that this embraces every kind of mishap not already mentioned, to which property at sea can be subjected—as a matter of fact, it means nothing of the kind. To use the words of the Marine Insurance Act, it includes only perils similar in kind to the perils specifically mentioned in the policy, and the decision as to what perils are similar in kind often provides food for heated discussion between the assured and his underwriter, to the great joy and pecuniary advantage of their respective lawyers.

To give two examples of decided cases:

1. A ship placed in a graving dock for repair was by the violence of the wind thrown over on her side whereby she struck the ground with great violence and was hogged. It was held that the loss came within the words "all other perils, losses and misfortunes."

2. The "Inchmaree" was insured under a time policy in the usual form on the Hull and Machinery, including a donkey engine. This engine was employed in the ordinary course of navigation to pump water into the main boilers, but owing either to accident or negligence a valve which should have been open was closed and the water was consequently forced into the airchamber of the donkey engine, which split, and the engine was consequently damaged. The Court of Appeal, confirming the judgment of the Divisional Court, held that the injury was due to a peril insured against and covered under the words "all other perils, etc." but this decision was reversed by the House of Lords on the ground that the bursting of the airchamber was not akin to the perils specially enumerated, and was an incident which had no special or peculiar relation to a Marine Adventure.

Following this decision Underwriters proceeded to draw up a clause which should cover such damage in future. It is known as the Inchmaree clause, and has, itself, proved a source of litigation in an endeavour to find out what is the actual nature of the damage intended to be covered. It reads as follows:

"This insurance also specially to cover (subject to the free of average warranty) loss of, or damage to, Hull and Machinery through the negligence of Master, Mariners, Engineers, or Pilots or through explosions, bursting of boilers, breakage of shafts, or through any latent defect in the Machinery or Hull, provided such loss or damage has not resulted from want of due diligence by the owners of the ship or any of them or by the manager."

The points which the Courts have been asked to decide are:

First, as to what actually constitutes a latent defect, and secondly, the precise meaning of the word "through" as used in the clause. With regard to the former, I can only suggest that those of you, who are sufficiently interested, study the cases themselves, and I wish them joy in their labours. As regards the latter, however, the net result appears to be that if, for example, the shaft of a vessel breaks owing to the existence of a latent defect and the breaking of the shaft causes damage to the machinery or hull, underwriters are liable for this damage, but are not liable for the damage to the shaft itself. As a result in some policies the clause is further amplified by the addition of the words: "The Underwriters to pay for the repair or renewal of the parts burst, broken, bent, damaged, or defective as well as the resultant damage."

The only other terms included in the body of an ordinary Lloyd's policy are those referred to by Mr. Payne in his article, which I have read, as being the composition of Class B in a lunatic asylum. They are, however, known by underwriters under the name of the Memorandum, and it is to be noted that they are divided into three classes, the first being, articles which are peculiarly susceptible to damage and which are, therefore, not insured

(Continued on page 11)

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No. 6

Reports coming to the Editor indicate that the municipal, institutional and larger business house subscription to the Third War Loan of the Dominion are larger than for the first two, but also that the amount of smaller and individual subscriptions show a marked falling off. This is inexplicable, in view of the greater business activity and increased prosperity since the date of the second loan in September last.

If this condition of affairs lasts while the lists remain open, and if it is also true throughout Canada, serious consequences may result. We cannot too seriously urge the financial and business interests of the Province to take this matter in hand and make a personal issue of it. There is hardly an employee in the Province who cannot, by making a sacrifice, take a one hundred dollar bond on the easy payment terms the Government offers. It is the first interest of the business man to see that he takes as large a subscription as he can afford, and then to see that each of his employees, and those with whom he has any degree of influence, does his part. It is true and can be urged with emphasis that each subscriber has a direct and personal interest in winning the War; and as each contributes, so will he help to win. No one is exempt; no one can on patriotic grounds stay out. If the business interests would take a sincere personal interest in urging subscriptions to the Loan there will be no danger that it will not be overwhelming subscribed. If it fails, and fail it cannot, it will be because of a supreme and unconscionable indifference and not for lack of financial ability.

The time, in our opinion, seems opportune for the enactment of "Blue Sky" legislation. While there is practically no "wild catting" going on in the Province, the signs

The services of this journal are offered through an inquiry column, which is open to subscribers and the public generally without charge, for detailed information or opinion as to financial or industrial affairs or institutions throughout the Province of British Columbia. Wherever possible the replies to these inquiries will be made through this column. Where inquiries are not of general interest, they will be handled by letter. We think that we can assure our readers that the opinions expressed will be sane and conservative, and that all statements will be as accurate as possible.

of a mining revival are present and one can little tell when there may be an outburst of enthusiasm which will quickly bring in its train all that is objectionable in mining development such as the illegitimate in company promotion and in selling of shares. To be prepared is to be forearmed.

The problem of such class of legislation is perhaps more difficult in British Columbia than say in Manitoba where an admirable act is in operation or in an agricultural community such as the State of Kansas, the father of the "Blue Sky Act." In British Columbia we furnish the basis for selling shares, the hole in the ground. The prairies in general cannot in general offer such an excuse. Therefore here greater care must be exercised in protecting the genuine promoter who seeks to interest enough capital to develop a legitimate prospect as opposed to the "wild-catter" who seeks the prospect only as an opportunity to sell shares.

An act that would suit the conditions in the Province should be drawn on wide general principles leaving to its administration its effectual operation. Next to the Act itself its success will depend on an able and common sense administrator to secure whom the Government should spare no pains.

The position of British Columbia is peculiarly favorable for the enactment of good legislation of this character. No boom exists, the imagination has not been inflamed and consequently an act can be considered dispassionately without adversely affecting a single legitimate interest. Its operation would serve notice on the wrong kind of people to keep out and would tend to maintain a steady progress of development with all that has been reprehensible in booms and speculations notable for its absence. We would also serve to bring our developments and possibilities more to the attention of investment capital throughout the world than would accrue through the old time experience of booms, which when they burst, and they inevitably do, bring such disaster and ill-odor in their train. Rossland was kept back for over a decade by an orgy of "wild-catting." Let not another Rossland that will most assuredly arise, be so interfered with.

But not all that is reprehensible in company promotion or sales of shares occurs in mining or oil developments. Real estate, insurance stock, and industrial undertakings should be subject to the same supervision.

# WAR LOAN

## DOMINION OF CANADA

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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          | “ 16th April, 1917; |
| 30          | “ 15th May, 1917;   |
| 26          | “ 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 OF MARCH, 1917.**

THE FOURTEENTH ANNUAL REPORT OF THE DIRECTORS OF  
**The Great West Permanent Loan Company**

HEAD OFFICE :: WINNIPEG, MAN.

**TO THE SHAREHOLDERS:**

It is with pleasure that your Directors beg to submit for your consideration their fourteenth annual report of the affairs of the Company, accompanied by the financial statement, for the year ending December 31st, 1916, including the usual statement of assets and liabilities and profit and loss account, as certified by the Company's auditors.

Referring to the various items of assets, it may be noted that the first mortgage loans show a small decrease from that of the previous year, while stocks owned by the Company and loans on stocks and other securities show an increase over the same items in 1915. As regards head office premises, the Company's one-half interest is shown, also the amount still owing this Company in this connection by The Imperial Canadian Trust Company. While the amount of real estate owned by the Company increased considerably during the past year, the aggregate total is not excessive, considering the amount of money loaned by the Company on first mortgages and after making due allowance for the prolonged period of business depression due to the war and other causes. Your Directors do not anticipate, however, that the Company will sustain any loss on the properties which it has taken over, and it is quite probable that, with the return of prosperous times, the Company will not only realize the amounts represented by these properties, but a fair margin of profit also.

The usual precaution was exercised throughout the year in keeping large cash reserves, the amount of cash on hand and in the banks at the close of the year being practically \$300,000.00

The subscribed capital remains the same, and the paid-up capital shows a small decrease. While the deposits show a decrease for the year, yet the debentures show an increase of \$158,510.00. The Province of Ontario has been our chief source of debenture money since war broke out. As regards our sterling debentures, the renewals have been satisfactory. Considering the many Government issues, both domestic and foreign, which were offered to the public during 1916, it is particularly gratifying to be able to refer to the substantial amount of debentures sold. As was mentioned in the last Directors' report, our supply of Old Country capital is, for the time being, cut off—in other words, mortgage corporations have not been permitted for the last two years to increase their aggregate borrowings in the British Isles.

The profits for the year, after deducting all expenses of management, interest and all other charges, amounted to \$208,253.92. After

providing for two half-yearly dividends at the rate of eight per cent. per annum, amounting to \$192,509.91, there remained surplus profits of \$15,744.01, which was carried forward to the profit and loss account. This fund, combined with the Reserve, amounts to over \$700,000.00, or over 29 per cent. of the paid-up capital.

Taking the business situation as a whole for the past year, it may be said that it was fairly satisfactory. While the aggregate crop production in Western Canada in 1916 was considerably less than in the record year of 1915, unusually high prices to a large extent offset this.

Notwithstanding the fact that we are in the midst of a world war and that our general business conditions prior to the war were none too promising, it may safely be said that the Dominion has not only been practically free from poverty, labor unrest and unemployment, but a certain air and degree of prosperity has been in evidence on all sides.

By those who have studied the situation it is felt reasonably certain that after the conclusion of this war, which now would appear to be before the close of the present year, this country will attract enormous amounts of capital and great numbers of immigrants and, without being unduly optimistic, it is believed that our country will experience a great period of development and prosperity in the period following the war. If such be the case, it is only natural that this Company, situated at the gateway of the West, should share in a large measure in the returning prosperity. It possesses, through its excellent system of branches and agencies, splendid facilities for carrying on its work effectively and to the best possible advantage.

Your Directors wish to thank the shareholders for their co-operation during the past year and for the many evidences of confidence shown by them towards the management of the Company.

It is also with a feeling of appreciation that the Directors refer to the faithful services of the officers, staff and agents of the Company during the past year, and they are confident that every possible effort will be put forth in the present year to maintain the splendid record of the Company.

W. T. ALEXANDER, President.

The election of Directors for the current year resulted as follows:  
 W. T. Alexander, D. E. Sprague, E. L. Taylor, J. H. G. Russell, J. G. Hargrave, Hon. A. C. Rutherford, Edmonton, Alta.; R. G. Affleck, Dr. A. D. Carscallen, S. D. Lazier, F. H. Alexander.

**STATEMENT OF ASSETS AND LIABILITIES**

At December 31st, 1916

**ASSETS**

|   |                       |
|---|-----------------------|
| Real estate loans .....   | \$5,725,936.36        |
| Stocks at cost, with interest accrued.....  | 163,759.34            |
| Loans on stocks and other securities.....   | 177,800.14            |
| Head office building and site.....  | 327,053.62            |
| Owing by Imperial Canadian Trust Company on quarter interest in head office building and site | 133,352.35            |
| Real estate owned by Company.....   | 439,062.42            |
| Sundry accounts due Company.....  | 8,713.55              |
| Charter and licence account.....  | 6,452.92              |
| Commission and expense suspense account.....  | 47,374.81             |
| Furniture and fixtures, head office and branches.....   | 39,641.58             |
| Cash on hand and on deposit.....  | 299,769.01            |
|   | <u>\$7,368,916.10</u> |

**LIABILITIES**

|   |                       |
|---|-----------------------|
| Capital stock subscribed .....                  | \$2,426,750.00        |
| Capital stock paid up.....                      | \$2,411,862.81        |
| Interest accrued on capital stock "B".....      | 728.61                |
| Unclaimed dividends .....                       | 1,679.41              |
| Dividend on capital stock, January 2, 1917..... | 96,280.00             |
| Deposits and accrued interest.....              | 805,549.85            |
| Debentures and accrued interest.....            | 1,512,721.07          |
| Loan repayments .....                           | 1,836,915.73          |
| Amounts unadvanced on mortgage loans.....       | 931.97                |
| Sundry accounts payable .....                   | 600.62                |
| Reserve fund .....                              | 685,902.02            |
| Profit and loss account.....                    | 15,744.01             |
|   | <u>\$7,368,916.10</u> |

W. T. ALEXANDER, President.

**PROFIT AND LOSS ACCOUNT**

For Year Ending December 31st, 1916

|  |               |
|--|---------------|
| Net profits for the year from first mortgages and other sources, after deducting interest on debentures and deposits, management expenses and all other charges..... | \$ 208,253.92 |
|--|---------------|

Less: Dividend July 2nd, 1916..... \$96,229.91  
 Dividend January 2nd, 1917 96,280.00

192,509.91

Balance ..... \$ 15,744.01

**AUDITORS' REPORT**

We beg to report that we have audited the books and accounts of The Great West Permanent Loan Company for the year ending December 31st, 1916, and have found them properly stated and sufficiently vouched, and we have also verified the mortgages and other securities, which appear to be in order.

In our opinion, the above balance-sheet presents a correct view of the state of the Company's affairs as at December 31st, 1916, according to the best of our information and the explanation given us, and as shown by the books of the Company.

We would recommend that a contingent reserve be created for any possible losses on real estate acquired by foreclosure and uncollected interest accrued and due.

D. A. PENDER, COOPER, SLASOR & CO., C. A.,  
 RIDDELL, STEAD, GRAHAM & HUTCHISON, C. A.,  
 Auditors.

Winnipeg, Man., February 14th, 1917.  
 Vancouver Office: 655 Pender Street West.

The services of Pemberton & Son are completely at the disposal of the public in assisting them to subscribe to the Third War Loan.

The term of this Loan—20 years—is most attractive. In addition to yielding the generous rate of 5.40 per cent., there will be an almost certain appreciation in value when financial conditions return to normal.

Every one that subscribes helps Canada to win the war.

Official prospectus may be had on application

### PEMBERTON & SON

Bond Dealers

Pacific Building Vancouver, B. C.

Representatives of Wood, Gundy & Co., Toronto

### Phoenix Assurance Company Limited FIRE AND LIFE

General Agents:

CEPERLEY, ROUNSEFELL & CO., LTD.

Winch Building, Vancouver, B. C.

Losses Adjusted and Paid in Vancouver

### The General Administration Society

Head Office: Montreal British Columbia Office: Vancouver

|                    |              |
|--------------------|--------------|
| Capital Subscribed | \$500,000.00 |
| Paid Up            | \$125,000.00 |
| Reserve            | \$100,000.00 |

Trustees, Executors, Administrators and General Financial Agents

Credit Foncier Building, Vancouver, B. C.

MONTREAL HALIFAX TORONTO WINNIPEG VANCOUVER

### DALE & CO. LIMITED

Marine and Fire Underwriters

107-110 Pacific Building, 744 Hastings St. W.  
VANCOUVER, B. C.  
Telephone Seymour 3252

### The Toronto General Trusts Corporation

Assets under administration: \$71,869,470

TRUSTEES EXECUTORS FINANCIAL AGENTS

British Columbia Advisory Board: A. H. Macneill, K.C. (chairman) and Eric W. Hamber of Vancouver, and R. P. Butchart and F. B. Pemberton of Victoria.

BRITISH COLUMBIA OFFICE:

407 SEYMOUR STREET VANCOUVER, B. C.  
FRANK M. PRATT, MANAGER

### EXTRA-PROVINCIAL COMPANIES REGISTERED

"Air Cooled Burner Co."; head office, Chehalis, Washington, U. S. A.; provincial head office, 522-525 Rogers Building, Vancouver; Robert R. Maitland, barrister, Vancouver, is attorney for company .....\$100,000

"Silver Gable Mining and Milling Company, Limited"; head office, 512-513 Peyton Building, Spokane, Washington, U.S.A.; provincial head office, Kaslo; A. F. Adams, miner, Kaslo, is attorney for the Company ..... 200,000

### EXTRA-PROVINCIAL COMPANY LICENSED

"Canadian Western Syndicate, Limited"; head office, 71 George Street, Edinburgh, Scotland; provincial head office, Nelson; C. R. Hamilton, K. C., barrister, is attorney for the Company..... £7,000

### PROVINCIAL COMPANIES INCORPORATED

|   |           |
|---|-----------|
| Walsh-Day Lumber Company, Limited, Vancouver .....                    | \$ 25,000 |
| Vantoria Canning Co., Limited, Vancouver.....                         | 20,000    |
| Malahat Motorship Company, Limited, Vancouver .....                   | 100,000   |
| John K. O'Brien, Limited, Vancouver.....                              | 25,000    |
| The Salmon River Sawmill Company, Limited, Prince George .....        | 50,000    |
| Comstock Copper Company, Limited (N.P.L.) Vancouver .....             | 100,000   |
| Pacific Province, Limited, Victoria .....                             | 10,000    |
| Wright Estates, Limited, Vancouver .....                              | 200,000   |
| Ferrera Cheese Manufacturing Company, Limited, Chilliwack .....       | 10,000    |
| Montrose Shingle Company, Limited, Vancouver .....                    | 25,000    |
| The Sunset Club, Limited, Vancouver.....                              | 10,000    |
| W. H. Edgett, Limited, Vancouver .....                                | 10,000    |
| Vancouver Engineering Works, Limited, Vancouver .....                 | 1,000,000 |
| Empire Oil and Natural Gas Company, Limited, (N.P.L.) Vancouver ..... | 250,000   |
| Nelson & Shakespeare, Limited, Vancouver .....                        | 25,000    |
| Acme Holding and Trading Company, Limited, Vancouver .....            | 10,000    |
| The North Shore Iron Works, Limited, North Vancouver .....            | 100,000   |

## H. BELL-IRVING & CO. LTD.

(Insurance Department)

### INSURANCE

AND

### Financial Agents

Represent The Caledonia and British Columbia Mortgage Co., Ltd., of Glasgow, Scotland

322 RICHARDS STREET

VANCOUVER, B. C.



## STOCKS, GRAIN COTTON PRODUCE

bought and sold on commission on New York, Chicago, Toronto, Montreal and London Exchanges.

Latest market quotations.

Direct private wire to Chicago and New York.

CORRESPONDENTS:

Logan & Bryan, Chicago and New York; Osler & Hammond, Toronto.

WAGHORN, GWYNN & CO. Ltd.

300 Pender Street

STOCK AND BOND BROKERS

Vancouver, B. C.



|   |           |
|---|-----------|
| McLeod & Hodgson, Limited, Grand Forks.....                   | \$ 40,000 |
| Akerberg Thomson and Company, Limited,<br>Prince Rupert ..... | 45,000    |
| The Puntledge Cannery Company, Limited, Cum-<br>berland ..... | 40,000    |
| Western Canada Sheep Company, Limited, Van-<br>couver .....   | 25,000    |

**COMPANY CEASING BUSINESS**

Notice is given that the "Vancouver Engineering Works, Limited," has ceased to carry on business in British Columbia, except for the purpose of transferring its assets within the province to a new company of the same name, notice of incorporation of which is printed under heading "Provincial Companies Incorporated."

**COMPANIES CHANGE OF NAMES**

The Food Products Company, Vancouver, has applied for change of name to "Pacific Milk Company, Limited."  
Widdess McDonald Company, Ltd., has applied for change of name to "Mill and Mine Supplies, Limited."  
Rowland & Campbell, Limited, has applied for change of name to "Rowland & Parker, Limited."

**WINDING UP PROCEEDINGS**

At an extraordinary general meeting of the Hematite Mining Company, Limited, special resolutions were passed calling for the voluntary winding up of the Company, and the appointment of Arthur P. Judge, 744 Hastings Street West, Vancouver, as liquidator.

At an extraordinary general meeting of the North Shore Iron Works, Limited, special resolutions were passed calling for the voluntary winding up of the Company and the appointment of Edouard Lacaille as liquidator. The business and assets of the Company will be taken over by "The North Shore Iron Works, Limited," notice of incorporation of which is printed under heading "Provincial Companies Incorporated."

J. Gardner Thompson, Canadian manager of the Liverpool, London & Globe Insurance Company, is a visitor to Vancouver, on a trip of inspection and pleasure. While here he is hoping to get in some good golf, if the weather permits, with his city agent, Mr. Frank W. Rounsefell, of Ceperley, Rounsefell & Company.

**Recent Annual Reports**

**Annual Statements Filed with Registrar of Companies, Victoria**

**THE BRITISH COLUMBIA SULPHITE FIBRE COMPANY, LIMITED.**

Registered Office, Merchant's Bank Building, Vancouver.

Balance Sheet as at February 28, 1916.

|   |                       |
|---|-----------------------|
| <b>LIABILITIES—</b>   |                       |
| Common Shares Issued .....                                      | \$1,000,000.00        |
| Preference Shares Authorized .....                              | \$1,000,000           |
| Preference Shares Issued .....                                  | 635,100.00            |
| Advances by Stockholders .....                                  | 47,412.50             |
| 6 Per Cent. Serial Gold Bonds Outstanding and<br>Acc. Int. .... | 241,390.00            |
| Accounts and Bills Payable .....                                | 368,097.59            |
| Surplus Account .....   | 39,801.37             |
| <b>Total .....</b>  | <b>\$2,331,801.46</b> |
| <b>ASSETS—</b>  |                       |
| Properties Acquired for Common Stock .....                      | \$1,000,000.00        |
| Development Expenditures .....                                  | 215,455.25            |
| Plant, Buildings, Machinery and Equipment.....                  | 972,911.94            |
| Accounts Receivable and Cash on hand.....                       | 123,678.10            |
| Deferred Charges .....  | 19,756.17             |
| <b>Total .....</b>  | <b>\$2,331,801.46</b> |

W. H. WHALEN,  
President.

**UNION TRUST COMPANY  
Extra Provincial**

Head Office, 7 South Dearborn Street, Chicago, Illinois, U. S. A.

Provincial Head Office, 918 Government Street, Victoria.

Balance Sheet as at February 17, 1917.

|   |                        |
|---|------------------------|
| <b>LIABILITIES—</b>                             |                        |
| Capital Stock Paid In .....                     | \$ 1,500,000.00        |
| Surplus .....                                   | 1,500,000.00           |
| Undivided Profits .....                         | 205,698.39             |
| Deposits .....                                  | 25,436,263.63          |
| Due to Banks .....                              | 8,768,959.16           |
| Miscellaneous Liabilities .....                 | 173,820.97             |
| <b>Total .....</b>                              | <b>\$37,584,742.15</b> |
| <b>ASSETS—</b>                                  |                        |
| Loans .....                                     | \$23,250,904.30        |
| Customers' Liability and Letters of Credit..... | 7,440.11               |
| Overdrafts .....                                | 551.37                 |
| Investments .....                               | 3,021,391.57           |
| Miscellaneous Resources .....                   | 75,107.05              |
| Due from Banks .....                            | 7,101,276.27           |
| Cash on Hand .....                              | 2,348,076.88           |
| Other Cash Resources .....                      | 1,779,394.60           |
| <b>Total .....</b>                              | <b>\$37,584,742.15</b> |

RUFUS P. CHAHN, Secretary.

**WOODWARD DEPARTMENT STORES, LIMITED.**

Registered Office, 101 Hastings Street, Vancouver.

Balance Sheet as at January 31, 1917.

|   |                     |
|---|---------------------|
| <b>LIABILITIES—</b>                       |                     |
| Capital Paid Up .....                     | \$284,763.00        |
| Bonds, Notes and Accounts Payable .....   | 163,420.67          |
| Balance on Agreement of Sale .....        | 70,000.00           |
| Marine Insurance .....                    | 1,000.00            |
| Reserve and Profits Carried Forward ..... | 131,139.77          |
| <b>Total .....</b>                        | <b>\$650,323.44</b> |

|  |                     |
|--|---------------------|
| <b>ASSETS—</b>   |                     |
| Stock on hand for inventory .....  | \$291,717.49        |
| Cash on hand and in Bank .....   | 9,291.13            |
| Store Premises and Real Estate, Agreement of Sale<br>Less Depreciation ..... | 325,000.00          |
| Fixtures, Horses and Delivery Rigs .....                                     | 14,589.00           |
| Unexpired Insurance .....  | 1,780.00            |
| Accounts Receivable .....  | 7,975.82            |
| <b>Total .....</b>   | <b>\$650,323.44</b> |

S. J. FALKINS, Secretary.

**BRITISH COLUMBIA ELECTRIC RAILWAY COMPANY, LIMITED.**

Financial Statement of the British Columbia Electric Railway and Allied Companies for January, 1917.

|  |                   |                   |                  |
|--|-------------------|-------------------|------------------|
| Approximate Income and Expenditure—                            | 1917              | 1916              | Increase         |
| Gross Earnings .....   | \$ 627,130        | \$ 591,949        | \$ 35,181        |
| Operating Expenses, Maintenance, etc. ....                     | 496,651           | 477,927           | 18,724           |
| <b>Net Earnings .....</b>                                      | <b>\$ 130,479</b> | <b>\$ 114,022</b> | <b>\$ 16,457</b> |
| For the seven months of the fiscal year, July 1 to January 31— |                   |                   |                  |
| Gross Earnings .....   | \$4,165,921       | \$3,832,095       | \$333,826        |
| Operating Expenses, Maintenance, etc. ....                     | 3,493,737         | 3,363,228         | 130,509          |
| <b>Net Earnings .....</b>                                      | <b>\$ 672,184</b> | <b>\$ 468,867</b> | <b>\$203,317</b> |

# The Royal Trust Company

HEAD OFFICE: MONTREAL

Capital Fully Paid - - - - - \$1,000,000  
Reserve Fund - - - - - \$1,000,000

**BOARD OF DIRECTORS:**

|  |                                      |
|--|--------------------------------------|
| Sir Vincent Meredith, Bart., President       | E. B. Greenshields                   |
| Sir H. Montagu Allan, C.V.O., Vice-President | C. R. Hosmer                         |
| R. B. Angus                                  | Sir William Macdonald                |
| A. Baumgarten                                | Captain Herbert Molson               |
| A. D. Braithwaite                            | Lord Shaughnessy, K.C.V.O.           |
| E. J. Chamberlin                             | Sir Frederick Williams-Taylor, LL.D. |
| H. R. Drummond                               |                                      |
| C. B. Gordon                                 |                                      |
| Hon. Sir Lomer Gouin, K.C.M.G.               |                                      |

A. E. Holt, Manager

**BRANCHES IN BRITISH COLUMBIA:**

Vancouver—732 Dunsmuir Street. A. M. J. English, Local Manager.

Victoria—Rooms 206-7, Union Bank Building. F. E. Winslow, Acting Local Manager.

## Necessity for National Organization for War

(Continued from Page 2)

successive month the process would go on and on till we would find ourselves, while working apparently each for himself, altered into a nation of war-workers, every man, in his humble sense, at the front and taking his part.

"Meantime we at home are doing nothing, or next to it, for the war. While we go about our business as usual, men are breathing out their lives for us, somewhere in France.

"What shall we do?"

Mr. Campbell Sweeney, formerly superintendent of British Columbia branches of the Bank of Montreal, and one of the oldest officials of the Bank, returned to Vancouver last week after an absence of two years spent in England. Mr. Sweeney has been busy greeting old friends, and the financial and business interests have extended a cordial welcome to him on his return.

The California mine, three miles from Nelson, which is credited with a yield of \$47,000 in gold to William Moore, its discoverer, and lessee, has been acquired on a bond by the Record Mining Company, of which John R. Cassin is president, W. H. Turner, vice-president, W. R. Orndorff secretary-treasurer and R. E. Shepard a stockholder, and is undergoing development with a view of making it responsive on a scale of greater importance, says a Spokane paper. The erection of a concentrating mill has been considered.

## THE GREAT-WEST LIFE ASSURANCE CO.

### RESULT OF A MATURED 15 YEAR ENDOWMENT POLICY

On May 3rd, 1900, Policy No. P10907 was issued by this Company on the life of Lewis Brodeur, Vancouver. The policy matured on May 3rd, 1915. He paid a premium of \$64.55. The result is as follows:—

|                                |            |
|--------------------------------|------------|
| Face of Policy Guaranteed..... | \$1,000.00 |
| Profits .....                  | 307.00     |

|                       |            |
|-----------------------|------------|
| Total Cash Value..... | \$1,307.00 |
| Premiums Paid .....   | 968.25     |

He had his life insured for fifteen years, which was worth something; and besides receiving all his money back, he drew in cash \$338.75.

For further information respecting the Company's plans, apply to Vancouver Branch Office, 640 Hastings Street West; or to Victoria Branch Office, 109 Union Bank Building.

G. J. HAMMOND  
W. C. FINDLAY

PHONE SEYMOUR 3525

## HAMMOND & FINDLAY, LIMITED

FINANCIAL. REAL ESTATE AND MINING  
BROKERS

525 SEYMOUR STREET

VANCOUVER, B. C.

## Colonial Trust Company

INCORPORATED 1909

Registered under British Columbia Trust Companies Act.

AUTHORIZED TO ACT AS

ADMINISTRATORS      RECEIVERS      EXECUTORS  
LIQUIDATORS      ASSIGNEES AND TRUSTEES

An estimate of the Company's charges for acting in any of the above capacities will be gladly given.

Head Office: 1221 Douglas St., Victoria, B.C.

Cable Address: "Conail"

"A Canadian Company for Canadians"

## The British Colonial Fire Insurance Co.

Head Office, Montreal

AGENTS FOR B. C.

## Royal Financial Corporation, Limited

Sey. 4630

Vancouver, B.C.

## Canada Permanent Mortgage Corporation

Head Office - - - Toronto

ESTABLISHED 1855

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

|                           |                |
|---------------------------|----------------|
| Paid-Up Capital - - -     | \$6,000,000.00 |
| Reserve Fund (earned) - - | 5,000,000.00   |
| Investments - - -         | 32,264,782.81  |

### BRITISH COLUMBIA BRANCH

432 Richards Street, Vancouver.  
MANAGER: GEORGE L. SMELLIE

### DEPOSITS

The Corporation receives Savings Deposits of One Dollar and upwards. Interest at

### FOUR PER CENT

per annum is credited and compounded half-yearly. The financial strength and recognized position of the Corporation makes it an exceptionally safe depository for savings. Depositors find our office conveniently situated for the transaction of their business. We welcome small deposits and give them the same attention as the largest.

### ERLING H. GISKE

AUDITOR AND  
ACCOUNTANT

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## OFFICIAL ORGAN OF THE INSURANCE FEDERATION OF BRITISH COLUMBIA

## History and Development of Marine Insurance

(Continued from page 4)

against damage at all unless the ship is stranded. The second class comprises articles which are not liable to damage to the same extent, and underwriters agree to pay for damage if it amounts to 5 per cent. The third class, which includes the ship and freight, the damage must amount to 3 per cent. or the ship be stranded.

Now it must be clearly understood that the various terms and conditions, which we have just noted, are those contained in an ordinary Lloyd's form of policy. The policies, however, in general use today have many additions and clauses which override the conditions printed in the body of the policy in cases where they are at variance with them.

First, we have what is known as the F. C. & S. clause, or in other words, Free of Capture and Seizure. This clause extinguishes the liability of underwriters which exists in the general words, "to be liable for loss or damage owing to the consequences of war-like operations." Practically all policies today contain this clause, and in order to make underwriters liable for the consequences of hostilities an extra premium has to be paid and a special clause is attached to the policy, of which each Company appears to have a different form; the general object, however, being to protect the assured against loss or damage which he may incur as the result of hostilities.

It may be noted, however, that practically all clauses agree on one point, namely, that the consequences of hostilities do not embrace damage due to delay, even though the delay is the direct result of war.

In the second place, practically all policies in use at the present time, contain what is known as the running-down clause, which was inserted as the result of a decision in which it was held that underwriters were not liable under the ordinary form of policy to make good claims which the assured might be called upon to pay to third parties as a result of a collision.

The terms of the running-down clause, or collision clause, as it is often called, provide that if the assured, as the result of a collision, has to pay damages to a third party, underwriters will reimburse him in proportion to the amount of insurance carried by them to the extent of three-fourths of the damage. Some policies, however, go further and cover the whole claim, but as a general rule, the remaining one-fourth is covered under policies effected with Mutual or Protection Clubs, in which most vessels at the present day are entered.

Finally, there is the Sue and Labour clause, which gives the assured, his factors, servants and assigns, the authority to sue, labour, and travel for, in and about the defence, safeguard, and recovery of the said goods, merchandise, ship, etc., underwriters undertaking to pay the expense occasioned thereby. The object of this clause is to encourage the assured in case of accident to take action for the preservation of the property insured, but it must be borne in mind that in order to make underwriters liable for the expenses so incurred they must be undertaken with the object of averting a loss which if it did occur would be payable by underwriters. For example, supposing that a ship is insured under terms by which underwriters are not liable for loss by capture, if under the sue and labour clause the assured incurred expenses to avoid capture underwriters would not be liable for these expenses because they would not have been liable to pay the loss had the vessel been captured.

Before closing this paper, it may be of interest to note briefly some of the losses which are not covered under a marine policy.

Loss by deterioration incidental to the ordinary course of navigation. For example, the natural wear and tear of a ship.

The ordinary leakage and breakage of cargo, and all ordinary charges incurred during the voyage, although such charges may be increased owing to the prolongation of the voyage, sea perils, or by detention in a port of refuge.

Loss due to inherent defect, such as meat going bad, rice or flour becoming heated, fruit rotting, unless, of course, such deterioration is a direct consequence of the perils insured against.

Loss remotely caused by perils insured against; for example, loss of market on cargo owing to the protraction of the voyage.

Loss derived from compulsory abandonment of the voyage consequent to blockade or other similar causes.

Loss due to the fault of the assured or his agent. For example loss by unseaworthiness.

Damage caused by bad stowage, by rats or other vermin.

Loss due to British capture.

## GREAT WEST PERMANENT LOAN GROUP ANNUAL REPORTS.

The year 1916 in Western Canada was a year of recuperation from the ill-effects of a punctured speculation and from the ill-effects produced by the outbreak of war. The bounteous harvests of 1915 favorably affected trade throughout the year, while the rise in the price of metals and the greater demand for lumber also had a beneficial effect on those and allied industries. Many discouraged merchants were placed on a sound footing again and a huge quantity of overdue debts were liquidated. This better condition of affairs was reflected in all the annual reports of companies made public as of condition December 31st, 1916.

Despite the counteracting influences of Moratoria and Soldier Relief Acts, moderate progress was made by all the large loaning institutions in Western Canada. This is illustrated by the exhibit of annual reports of the Great West Permanent Loan Company group of institutions which is made public in this issue. These companies, namely, Great West Permanent Loan Company, Canada National Fire Insurance Company, and the Imperial Canadian Trust Company, are managed and controlled by the same group of directors.

The main features in the Loan Company report are a decrease of about \$224,000 in real estate loans; an increase in real estate owned by about \$316,000, due perhaps to necessary foreclosures. A decrease in cash in hand and on deposit of \$145,000 is shown, but this item still shows a comfortable amount of nearly \$300,000. The noteworthy features of the liabilities are a decrease in deposits of about \$298,000 and increase in debentures outstanding of \$158,000. Capital and reserve are unchanged, but profit and loss has been credited with \$15,744 from the year's operations. The net earnings of the company were \$208,254, from which dividends were declared amounting to \$192,510, the balance being credited as above mentioned.

The Canada National Fire also had a moderately successful year. Earnings from investments and premiums, less re-insurances, were \$319,319; expenses and losses paid amounted to \$206,291; from the balance dividends were declared of \$99,236. During the year the paid-up capital was increased by \$250,333, bringing capital account to \$1,708,161. The net surplus for the year was increased by about \$5,000 now totalling \$267,995 and making a total surplus to policyholders of \$1,976,156. Balance due on head office property is apparently wiped out with increase in paid-up capital. On the assets side loans decreased \$86,000; securities increased about \$350,000; real estate other than head office property increased \$58,574, and cash in banks and on hand decreased \$190,000 to \$126,114.

The operations of the Trust Company are more restricted than in the cases of the Loan or the Fire Insurance Company. With a paid-up capital of \$856,658, \$37,308 was earned after deducting all expenses. Reserve fund now stands at \$155,108, while at credit of profit and loss there is \$55,447. Estate, trust and agency account now stands at \$5,729,907.91.

## RECENT FIRE LOSSES.

Recent fire losses reported to Superintendent of Insurance, Victoria:

Princeton, Feb. 10—Owner, Princeton Coal & Land Co.; occupant, John Martin Donovan; wood dwelling; value of building \$650, insurance on same \$450; value of contents \$400, insurance on same, nil. Total loss, \$1,050. Cause, arson, occupant convicted of arson. Phoenix Assurance.

Victoria, February 20—Steamer "S. H. Grainer"; owner and occupant, Butler Freighting and Towing Co.; wood hull freight steamer; value of boat \$25,000, insurance on same \$15,000. Total loss, \$950. Cause, spontaneous combustion (oily waste). Pacific Marine, Western, Aetna.

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BRITISH COLUMBIA LOSSES SETTLED IN VANCOUVER

B. C. Rep.—J. H. WATSON, Ins. Agencies, Vancouver

402 PENDER STREET WEST, VANCOUVER, B.C.



### SYNOPSIS OF COAL MINING REGULATIONS.

Coal mining rights of the Dominion, in Manitoba, Saskatchewan and Alberta, the Yukon Territory, the North-West Territories and in a portion of the Province of British Columbia, may be leased for a term of twenty-one years renewal for a further term of twenty-one years at an annual rental of \$1 an acre. Not more than 2,560 acres will be leased to one applicant.

Application for a lease must be made by the applicant in person to the Agent or Sub-Agent of the district in which the rights applied for are situated.

In surveyed territory the land must be described by sections, or legal sub-divisions of sections, and in unsurveyed territory the tract applied for shall be staked out by applicant himself.

Each application must be accompanied by a fee of \$5, which will be refunded if the rights applied for are not available, but not otherwise. A royalty shall be paid on the merchantable output of the mine at the rate of five cents per ton.

The person operating the mine shall furnish the Agent with sworn returns accounting for the full quantity of merchantable coal mined and pay the royalty thereon. If the coal mining rights are not being operated, such returns should be furnished at least once a year.

The lease will include the coal mining rights only, rescinded by Chap. 27 of 4-5 George V. assented to 12th June, 1914.

For full information, application should be made to the Secretary of the Department of the Interior, Ottawa, or to any Agent or Sub-Agent of Dominion Lands.

W. W. CORY,  
Deputy Minister of the Interior.

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ROY & DINNING, Managers

### REPORTING DEPARTMENT

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SIXTH ANNUAL REPORT OF THE DIRECTORS OF THE  
**Canada National Fire Insurance Company**  
 HEAD OFFICE :: WINNIPEG, MAN.

**TO THE SHAREHOLDERS:**

It is with pleasure that your Directors beg to present for your consideration their sixth annual report, as well as the statement of assets and liabilities and revenue account for the year ended December 31st, 1916, as certified by the Company's auditors.

At the beginning of the year it was not anticipated that the Company would make any large gains over the previous year; in fact, it was thought that, owing to the continuance of the war and the general depression in business and financial matters, the Company would do very well indeed if it could even hold its own, without making the usual annual progress.

However, your Directors have every reason to believe that the results for the year, as indicated by the financial statement, will meet with the approval of and be appreciated by the shareholders.

Considering the decrease in the volume of general business and the inactivity in building operations throughout the country in 1916, the gross amount of insurance, \$21,892,153, written by the Company during the year was most encouraging. The premiums thereon amounted to \$268,736.82. These amounts are slightly less than those of the previous year; but they are, nevertheless, considered satisfactory.

Re-insurance premiums in 1916 were \$93,600.28. The gross amount of insurance in force at December 31st, 1916, was \$31,304,548, and the premiums on the same were \$445,925.72. Re-insurance in force at the close of the year was \$8,606,337, the premiums amounting to \$112,355.12. Therefore, the net amount of insurance in force at December 31st, 1916, was \$22,698,211.00, and the premiums thereon were \$333,570.60.

Taking the year as a whole, and covering the entire Dominion, our fire companies experienced a greater loss ratio than usual. This, it may be said, is the usual experience with fire companies in times of depression and disturbed business conditions. This Company's loss ratio for the year was 67.18 per cent., an increase of 19.59 per cent. over that of 1915.

With respect to the Company's investments, it will be observed that they are comprised largely of mortgages on real estate, the amount at December 31st being \$1,444,364.17. It is gratifying to be able to report that while it was necessary to foreclose on certain properties during the year, which was common to all companies last year, the payment of interest and principal on our mortgage loans was very satisfactory. Your Directors do not anticipate any losses on the properties taken over during the year. It will be noted that the quarter interest held over by this Company in the head office premises has been fully paid up. The stocks and debentures held and owned by the Company yield a satisfactory rate of interest.

Substantial cash reserves were maintained, as has been the usual policy of the Company.

The reserve for unearned premiums amounted to \$138,267.22, being slightly less than at the end of the previous year and was due to the

decrease in the volume of business written in 1916. Re-insurance premiums held as reserve on deposit stood at practically the same amount as in 1915.

Profits from mortgages, stocks and other sources amounted to \$144,183.06, or about \$10,000.00 increase for the year. Net premiums, after deducting cancellations, rebates and re-insurance, amounted to \$175,136.54, showing a small decrease from 1915 figures.

A matter of importance, and one deserving of special mention, is the reduction of about \$19,000.00 in the aggregate expenses for the year, the expense ratio having reached the low figure of 32.80 per cent. The net losses for the year were \$117,571.07, or an increase of about \$24,000.00. Considering the experience of other fire companies last year, this is anything but an unfavorable showing.

Dividends on capital stock for the year amounted to \$99,235.90, being computed at the usual rate of 6 per cent. per annum.

It is interesting to note that the aggregate annual dividends of the Company exceed by a large margin those of any other Canadian fire insurance company.

The paid-up capital at December 31st, 1916, was \$1,708,160.72, an increase of \$150,332.64. Surplus to policyholders was \$1,976,156.08, the largest of all our Canadian fire companies. From the standpoint of the insurer, this is an exceedingly important feature, and places the Company in the front rank of fire insurance companies generally.

The usual precaution in the selection of risks has been exercised, and the satisfactory record to date speaks well for the underwriting department of the Company.

While it is early in the year to predict results for the current year, returns thus far have been quite satisfactory. It is not expected there will be large increases in business in 1917 or, in fact, until the war is over and we again experience more prosperous times and a return of building activity and general expansion.

Your Directors wish to thank all the shareholders who have contributed to the success of the Company, as in a fire insurance company it is possible for the shareholders to be of material assistance to their Company by turning their own business to the Company, as well as influencing other insurance to the Company.

It is with a feeling of appreciation that the Directors refer to the efficient services of the officers and staff, as well as the many agents of the Company.

February 21st, 1917.

J. H. G. RUSSELL, President.

The election of Directors for the current year resulted as follows: J. H. G. Russell, W. T. Alexander, D. E. Sprague, J. G. Hargrave, F. H. Alexander, Dr. A. D. Carscallen, E. L. Taylor, S. D. Lazier, R. G. Affleck, Hon. A. C. Rutherford, Edmonton, Alta.; F. N. Drake, Regina, Sask.; Thos. S. McPherson, Victoria, B. C.; Andrew Gray, Victoria, B. C.

**FINANCIAL STATEMENT, 31st DECEMBER, 1916**

| ASSETS   | REVENUE   |
|--|---|
| First mortgage loans on real estate and accrued interest .....         | Balance brought forward from 1915.....                |
| \$1,444,364.17   | 405,780.00  |
| Stocks and debentures (at cost) and accrued interest .....             | Profits from mortgages, stocks and other sources..... |
| 433,412.52   | 144,183.06  |
| Real Estate—   | Fire insurance premiums for 1916.....                 |
| Head office property .....   | \$268,736.82  |
| Other than head office property.....                                   | Less re-insurance thereon .....                       |
| \$163,526.80   | 93,600.28   |
| 58,574.46  | 175,136.54  |
| 222,101.26   | \$ 725,099.60   |
| Office furniture and fixtures, maps and plans, less depreciation ..... |   |
| 20,113.85  |   |
| Accounts receivable .....  |   |
| 12,868.63  |   |
| Agents' balances .....   |   |
| 31,100.27  |   |
| Cash in banks and on hand.....   |   |
| 126,113.97   |   |
| \$2,290,074.67   |   |
| LIABILITIES  | EXPENDITURE   |
| Government reserve for unearned premiums.....                          | General expenses, salaries, commissions, etc.:        |
| \$ 138,267.22  | Loan and investment department.....                   |
| Losses unpaid (in course of adjustment) .....                          | Fire Department .....                                 |
| 13,300.00  | \$ 44,584.40  |
| Accounts payable .....   | 55,135.58   |
| 3,235.26   | \$ 99,719.98  |
| Re-insurance premiums (held as reserve on deposit) .....               | Losses and loss adjustment expenses.....              |
| 59,880.21  | \$193,926.36  |
| Dividend for year ended 31st December, 1916.....                       | Less re-insurance recoveries .....                    |
| 99,235.90  | 76,355.29   |
| Capital stock subscribed.....  | 117,571.07  |
| \$2,050,400.00   | Bad debts written off .....                           |
| Paid up .....  | 75.20   |
| \$1,708,160.72   | Depreciation written off furniture and maps.....      |
| Net surplus .....  | 2,234.87  |
| 267,995.36   | Dividend for year ended 31st December, 1916.....      |
| Surplus to policy holders.....   | 99,235.90   |
| 1,976,156.08   | Reserve for unearned premiums .....                   |
| \$2,290,074.67   | \$138,267.22  |
|  | Net surplus .....                                     |
|  | 267,995.36  |
|  | Balance .....   |
|  | 406,262.58  |
|  | \$ 725,099.60   |

**AUDITORS' REPORT**

We beg to report that we have audited the books and accounts of The Canada National Fire Insurance Company for the year ending 30th December, 1916, and have found them properly stated and sufficiently vouched, and we have also verified the mortgages and other securities. In our opinion, the above balance-sheet presents a correct view of the state of the Company's affairs as at 30th December, 1916, according to the best of our information and the explanations given us, and as shown by the books of the Company.

Winnipeg, 16th February, 1917.  
 Vancouver Agency: Ground Floor Office, Rogers Building.  
 A. W. WOODARD, Agent.

(Signed) D. A. PENDER, COOPER, SLASOR & CO., C. A.

FIFTH ANNUAL REPORT OF THE DIRECTORS OF  
**The Imperial Canadian Trust Company**  
 HEAD OFFICE :: WINNIPEG, MAN.

## TO THE SHAREHOLDERS:

It is with pleasure that your Directors present for your consideration their annual report of the affairs of the Company, accompanied by the statement of assets and liabilities and profit and loss, for the year ended December 31st, 1916, and duly certified by the Company's auditor.

In reviewing the year's business, it may be said that practically the same general conditions prevailed in 1916 as in the previous year. In other words, desirable and profitable trust business was rather difficult to obtain, and, in fact, during these times of unrest and doubtful business conditions, your Directors have deemed it in the best interests of the Company not to undertake or assume new large obligations, but rather to conserve the resources of the Company, awaiting for more propitious and favorable times.

The idea has been and is primarily to maintain as strong a financial position as possible, having due regard for the interests of the shareholders; and while it would have been gratifying on the part of the Directors to be able to report a large volume of new and profitable business for the year, they feel that their attitude and policy on conserving the financial strength of the Company in these strenuous times will be duly appreciated by the shareholders.

As regards the Company's investments, a substantial portion consists of first mortgages on improved city and farm properties, and, notwithstanding the various Moratoria and War Relief Acts in the Western provinces, the payment of principal and interest was generally satisfactory. This was particularly true of the farm loans, where the borrowers in many instances were not only prompt in their payments, but made substantial cash payments in advance of the amounts then owing. This was due largely to the splendid crops harvested in the West during the last two years.

In the administration of new estates during 1916 a considerable sum was advanced to clients, as shown by the increase in this item in the financial statement. As was general with financial corporations, this Company was obliged to take over certain properties last year;

but it is not expected, owing to our margin of security, that any loss will result therefrom. Substantial cash reserves were maintained throughout the entire year. While no special effort was made to increase the paid-up capital, yet some \$52,000.00 was paid in during 1916, the amount paid up at December 31st, 1916, being \$856,658.13.

The net profits for the year, after providing for all expenses, interest and other charges, amounted to \$37,307.97. This sum, combined with that brought forward from profit and loss from the previous year, now amounts to \$55,447.23. Your Directors have duly considered the matter of a dividend for the year, but decided to leave this question to be dealt with by the shareholders at the annual meeting.

While it has not been possible for this young Company to make, during the period of the war, when the volume of desirable trust business has been materially reduced owing to unfavorable business conditions, the progress which we had anticipated, yet everything has been done to keep the Company in a strong financial position, and on the resumption of more normal times, and with an improvement in business generally, it is confidently expected that this Company will, with its valuable business connections, make substantial progress.

Your Directors wish to thank the shareholders for their continued patronage, good-will and co-operation, and would again remind them that these features are very essential for the success of the Company.

They also wish to express their appreciation of the services rendered by the officers and staff during the past year.

D. E. SPRAGUE, President.

Winnipeg, February 20th, 1917.

The election of Directors for the current year resulted as follows: J. H. G. Russell, W. T. Alexander, D. E. Sprague, J. G. Hargrave, F. H. Alexander, Dr. A. D. Carscallen, E. L. Taylor, S. D. Lazier, R. G. Affleck, Hon. A. C. Rutherford, Edmonton, Alta.; James Short, K.C., Calgary, Alta.; R. T. Elliott, K.C., Victoria, B. C.; Thos. S. McPherson, Victoria, B. C.

**BALANCE SHEET**  
 As at December 31st, 1916

## LIABILITIES

## Capital Account:

|  |                |                |
|--|----------------|----------------|
| Capital stock subscribed .....                                     | \$1,171,700.00 |                |
| Capital stock paid up .....  | \$856,658.13   |                |
| Deposits .....   | 48,243.47      |                |
| Sundry creditors .....   | 1,647.26       |                |
| Guaranteed investments .....                                       | 260,000.00     |                |
| (Secured by allocation of mortgages.)                              |                |                |
| Reserve fund .....   | 155,108.20     |                |
| Balance carried forward at credit of profit and loss account ..... | 55,447.23      |                |
|  |                | \$1,377,104.29 |

## Estate Trust and Agency Account:

|   |              |                |
|---|--------------|----------------|
| Clients' and beneficiaries' capital ..... | 5,729,907.91 |                |
|   |              | \$7,107,012.20 |

## ASSETS

## Capital Account:

|  |              |                |
|--|--------------|----------------|
| Mortgages on real estate .....                           | \$368,996.72 |                |
| Head office premises .....                               | \$163,526.80 |                |
| Less balance owing on purchase 133,352.35                |              | 30,174.45      |
| Advances to clients secured by estates' assets .....     | 425,715.83   |                |
| Stocks at cost .....                                     | 413,938.91   |                |
| Real estate acquired by foreclosure .....                | 66,499.70    |                |
| Furniture and fittings, head office and branches .....   | 18,146.65    |                |
| Charter and licence .....                                | 2,326.80     |                |
| Rents prepaid .....                                      | 6,979.86     |                |
| Sundry accounts due Company .....                        | 1,431.80     |                |
| Cash on hand and in bank, head office and branches ..... | 42,893.57    |                |
|  |              | \$1,377,104.29 |

## Estate Trust and Agency Account:

|                                   |                |                |
|-----------------------------------|----------------|----------------|
| Assets under administration ..... | \$5,729,907.91 |                |
|                                   |                | \$7,107,012.20 |

D. E. SPRAGUE,  
 Vice-President.

W. T. ALEXANDER,  
 General Manager.

## PROFIT AND LOSS ACCOUNT

As at December 31st, 1916

|   |              |
|---|--------------|
| Net profits for the year, after deducting all organization and management expenses, interest on deposits, auditors' fees, etc. .... | \$ 37,307.97 |
| At credit of account, January 1st, 1916 .....   | 18,139.26    |
| Carried forward at credit of profit and loss account .....  | \$ 55,447.23 |

## RESERVE FUND

|                                      |              |
|--------------------------------------|--------------|
| Balance at December 31st, 1916 ..... | \$155,108.20 |
|--------------------------------------|--------------|

## AUDITORS' REPORT

We beg to report that we have audited the books and accounts of The Imperial Canadian Trust Company for the year ending December 31st, 1916, and have found them properly stated and sufficiently vouched. In our opinion, the above balance sheet presents a correct view of the state of the Company's affairs as at December 31st, 1916, according to the best of our information and the explanations given us, and as shown by the books of the Company.

We have verified the securities for loans in the hands of the Company, and have compared them with the mortgage ledgers, and found them in agreement therewith. We have also inspected the certificates for stock held by the Company and found same in order.

We would recommend that a contingent reserve be created for any possible losses on real estate acquired by foreclosure and uncollected interest accrued and due.

Winnipeg, February 16th, 1917.

RIDDELL, STEAD, GRAHAM & HUTCHISON, C. A., Auditors.

VANCOUVER BRANCH OFFICE: 655 PENDER ST. WEST.

# Mining Throughout British Columbia

## Receipts at Trail Smelter—Recent Sales—Approaching Opening of Ladysmith Smelter.

The following are the ore receipts in gross tons at the Consolidated Company's Trail smelter and refineries from March 1 to 7, 1917, inclusive:—

|                                | Week  | Year   |
|--------------------------------|-------|--------|
| Aberdeen (Merritt)             | 44    | 256    |
| Admiral (Valley, Wn.)          |       | 39     |
| Alaska (Campbell River)        |       | 25     |
| Beatrice (Camborne)            |       | 65     |
| Bell (Slocan)                  | 118   | 273    |
| Bluebell (Ainsworth)           | 114   | 408    |
| Black Grouse (Slocan)          |       | 11     |
| Blue Grouse (Cowichan)         |       | 37     |
| Burton (Elko)                  | 30    | 60     |
| California (Nelson)            |       | 27     |
| Centre Star (Rossland)         | 534   | 9,516  |
| Comfort (Ainsworth)            |       | 51     |
| Day (Republic, Wn.)            | 152   | 1,081  |
| Donohoe (Nicola)               |       | 27     |
| Eldon (Eldon, Alta.)           |       | 40     |
| Electric Point (Boundary)      | 580   | 5,672  |
| Emerald (Salmo)                | 119   | 1,401  |
| Emma (Eholt)                   | 831   | 7,635  |
| Empress (Agassiz)              | 38    | 38     |
| Eureka (Nelson)                | 85    | 749    |
| Galena Farm (Slocan)           |       | 113    |
| Hercules (Wallace, Id.)        | 610   | 2,068  |
| Hewitt (Slocan)                | 31    | 31     |
| High Grade (Springdale)        | 32    | 284    |
| Highland (Ainsworth)           |       | 519    |
| Hope (Republic, Wn.)           | 111   | 411    |
| Iron Mask (Kamloops)           |       | 1,126  |
| Isaac (East Kootenay)          |       | 88     |
| Josie, Le Roi No. 2 (Rossland) | 125   | 1,554  |
| Knob Hill (Republic, Wn.)      | 182   | 2,113  |
| Kokomo (Beaverdell)            | 18    | 18     |
| Kuhnert (Boundary, Wn.)        |       | 12     |
| Lanark (Revelstoke)            |       | 40     |
| Lamphere (Gerard)              |       | 19     |
| Lead Queen (East Kootenay)     |       | 86     |
| Le Roi (Rossland)              | 1,594 | 17,611 |
| Loon Lake (Loon Lake, Wn.)     | 37    | 421    |
| Lucky Jim (Slocan)             | 120   | 546    |
| Lucky Thought (Slocan)         | 48    | 154    |
| Lucky Mike (Nicola)            |       | 22     |
| Molly Gibson (Ainsworth)       |       | 42     |
| Mountain Chief (Renata)        | 61    | 119    |
| Multiplex (Revelstoke)         |       | 6      |
| No. 1 (Slocan)                 |       | 33     |
| Ottawa (Slocan)                |       | 88     |
| Paradise (East Kootenay)       | 82    | 1,073  |
| Pioneer (Salmo)                |       | 24     |
| Quantrell (East Kootenay)      |       | 61     |
| Queen Bess (Kamloops)          |       | 26     |
| Queen Bess (Slocan)            | 87    | 334    |
| Rambler-Cariboo (Slocan)       |       | 77     |
| Rio Tinto (Nelson)             |       | 57     |
| Ruth (Slocan)                  |       | 37     |
| Silver Hill (Ainsworth)        |       | 9      |
| Sovereign (Slocan)             | 31    | 75     |
| Sil. Standard (Omenica)        | 68    | 234    |

|                            |       |        |
|----------------------------|-------|--------|
| Southern Bell (Salmo)      |       | 3      |
| Spok-Trinket (Ainsworth)   |       | 16     |
| Standard (Slocan)          | 176   | 1,458  |
| St. Eugene (East Kootenay) | 42    | 1,359  |
| Sullivan (East Kootenay)   | 2,811 | 24,821 |
| Tip Top (Kashabawa, Ont.)  | 104   | 718    |
| Tom Thumb (Republic)       | 199   | 199    |
| United Copper (Chewelah)   | 171   | 1,552  |
| Utica (Slocan)             | 87    | 274    |
| Wakefield (Copeland, Id.)  |       | 41     |
| Wind Pass (Chu Chua)       | 31    | 31     |
| Wonderful (Slocan)         |       | 87     |
| Totals                     | 9,500 | 87,037 |

Trail News.

A deal is said to have been completed for the purchase of a property in the Bayonne camp known as the Gold Fields group from the owners, William Maher and Alexander Stewart, Nelson.

A company will be organized under the laws of the State of Washington to be known as the Gold Fields Consolidated. The principals representing the purchasers are J. J. Hennessy, a well known mining man as well as an old-timer in the Kootenays; and M. J. Luby, a prominent Spokane lawyer. The British Columbia headquarters of the company will be located at F. A. Starkey's office, Nelson.

It is the intention of the company to commence operations as soon as it is possible to transport the necessary supplies and machinery.

Sale of the Nabob mine to the Stewart interests is announced in Spokane. A new company with a capital of \$3,500,000 will be organized. This company will buy the Nabob for \$65,000 in cash and 750,000 shares of stock. The property is to be equipped with a 300-ton mill. Shareholders in the Nabob will receive one share in the new company for each Nabob share they hold.

The Consolidated Mining and Smelting Company of Canada, Limited, has declared its usual dividend of 2½ per cent., payable April 2 to shareholders of record March 10. The amount is \$260,445.

### VISIT OF UNION BANK OFFICIALS

Two prominent officials of the Union Bank are in the city in the interests of the bank's affairs in British Columbia.

Judge Robson, chief solicitor of the Bank, is one of them. Before his appointment he administered the "Sales of Share Act," of Manitoba, better known as the "Blue Sky Act," as public utilities commissioner for that province. He is a great believer in the beneficial activity of such legislation when properly administered. The Manitoba Act has saved the people of that province large sums of money in the aggregate, which would have gone into the pockets of illegitimate promoters and "wild catters."

Mr. Geo. Wilson, the other Union Bank official visitor, will shortly open up the New York agency, and he is gathering information of British Columbia resources and industry, which will be useful to himself and the Bank in New York. Mr. Wilson hopes to make his agency the channel for American investment funds seeking Canadian resource and industry, and to assist in the flow of American capital across the border.

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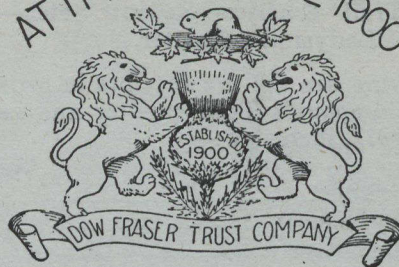
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